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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 20-F

(Mark One)

☐ **REGISTRATION STATEMENT PURSUANT TO SECTION 12(B) OR 12(G) OF THE SECURITIES EXCHANGE ACT OF 1934**

OR

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended December 31, 2020.

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934**

OR

☐ **SHELL COMPANY REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934**

Date of event requiring this shell company report _____

For the transition period from _____to _____

Commission file number: 001-35729

JOYY INC.

(Exact name of Registrant as specified in its charter)

N/A

(Translation of Registrant's name into English)

Cayman Islands

(Jurisdiction of incorporation or organization)

30 Pasir Panjang Road #15-31A Mapletree Business City,
Singapore 117440
(Address of principal executive offices)

David Xueling Li,
Chief Executive Officer,
Tel: +65 63519330, E-mail: lxl@joyy.sg,
30 Pasir Panjang Road #15-31A Mapletree Business City,
Singapore 117440
(Name, Telephone, E-mail and/or Facsimile number and Address of Company Contact Person)

Securities registered or to be registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading symbol(s)	Name of Exchange on Which Registered
American depositary shares (each representing 20 Class A common shares, par value US$0.00001 per share)	YY	The Nasdaq Stock Market LLC
Class A common shares, par value US$0.00001 per share*		The Nasdaq Stock Market LLC

* Not for trading, but only in connection with the listing on The Nasdaq Stock Market LLC of the American depositary shares ("ADSs").

Securities registered or to be registered pursuant to Section 12(g) of the Act:

None
(Title of Class)

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act:

None
(Title of Class)

Indicate the number of outstanding shares of each of the Issuer's classes of capital or common stock as of the close of the period covered by the annual report. 1,272,346,218 Class A common shares, par value US$0.00001 per share, and 326,509,555 Class B common shares, par value US$0.00001 per share, were outstanding as of December 31, 2020.

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

Yes ☒ No ☐

If this report is an annual or transition report, indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934.

Yes ☐ No ☒

Note – Checking the box above will not relieve any registrant required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 from their obligations under those Sections.

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).

Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or an emerging growth company. See definition of "large accelerated filer," "accelerated filer," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☒ Accelerated filer ☐
Non-accelerated filer ☐ Emerging growth company ☐

If an emerging growth company that prepares its financial statements in accordance with U.S. GAAP, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards† provided pursuant to Section 13(a) of the Exchange Act. ☐

† The term "new or revised financial accounting standard" refers to any update issued by the Financial Accounting Standards Board to its Accounting Standards Codification after April 5, 2012.

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☒

Indicate by check mark which basis of accounting the registrant has used to prepare the financial statements included in this filing:

U.S. GAAP ☒ International Financial Reporting Standards as issued by the International Accounting Standards Board ☐ Other ☐

If "Other" has been checked in response to the previous question, indicate by check mark which financial statement item the registrant has elected to follow.

Item 17 ☐ Item 18 ☐

If this is an annual report, indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes ☐ No ☒

(APPLICABLE ONLY TO ISSUERS INVOLVED IN BANKRUPTCY PROCEEDINGS DURING THE PAST FIVE YEARS)

Indicate by check mark whether the registrant has filed all documents and reports required to be filed by Sections 12, 13 or 15(d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court.

Yes ☐ No ☐

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INTRODUCTION

Unless otherwise indicated and except where the context otherwise requires, references in this annual report on Form 20-F to:

- “active user” for any period means a registered user account that has logged onto our platforms at least once during such relevant period;
- “concurrent users” for any point in time means the total number of users that are simultaneously logged onto at least one of our platforms at such point in time;
- “paying user” for any period means a registered user account that has purchased virtual items or other products and services on our platforms at least once during the relevant period. A paying user is not necessarily a unique user, however, as a unique user may set up multiple paying user accounts on our platforms; thus, the number of paying users referred to in this annual report may be higher than the number of unique users who are purchasing virtual items or other products and services;
- “registered user account” means a user account that has downloaded, registered and logged onto our platforms at least once since registration. We calculate registered user accounts as the cumulative number of user accounts at the end of the relevant period that have logged onto our platforms at least once after registration. Each individual user may have more than one registered user account, and consequently, the number of registered user accounts we present in this annual report may overstate the number of unique individuals who are our registered users; and
- "we," "us," "our company," “the Company,” and "our" refer to JOYY Inc., a Cayman Islands company, its subsidiaries and consolidated affiliated entities (also referred to as variable interest entities) and the subsidiaries of its consolidated affiliated entities, as the context may require.

We present our financial results in RMB. We make no representation that any RMB or U.S. dollar amounts could have been, or could be, converted into U.S. dollars or RMB, as the case may be, at any particular rate, or at all. The PRC government imposes control over its foreign currency reserves in part through direct regulation of the conversion of RMB into foreign exchange and through restrictions on foreign trade. This annual report contains translations of certain foreign currency amounts into U.S. dollars for the convenience of the reader. Unless otherwise stated, all translations of Renminbi into U.S. dollars were made at the rate at RMB6.5250 to US$1.00, the exchange rate as set forth in the H.10 statistical release of the Board of Governors of the Federal Reserve System in effect as of December 31, 2020.

FORWARD-LOOKING STATEMENTS

This annual report contains forward-looking statements that involve risks and uncertainties. All statements other than statements of historical facts are forward-looking statements. These forward-looking statements are made under the “safe harbor” provisions of the U.S. Private Securities Litigation Reform Act of 1995. These statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from those expressed or implied by the forward-looking statements.

You can identify these forward-looking statements by words or phrases such as “may,” “will,” “expect,” “is expected to,” “anticipate,” “aim,” “estimate,” “intend,” “plan,” “believe,” “is/are likely to” or other similar expressions. We have based these forward-looking statements largely on our current expectations and projections about future events and financial trends that we believe may affect our financial condition, results of operations, business strategy and financial needs. These forward-looking statements include, but are not limited to, statements about:

- our growth strategies;
- our ability to retain and increase our user base and expand our product and service offerings;
- our ability to monetize our platforms;

- our future business development, results of operations and financial condition;
- competition from companies in a number of industries, including internet companies that provide online voice and video communications services, social networking services and online games;
- expected changes in our revenues and certain cost or expense items;
- global economic and business condition; and
- assumptions underlying or related to any of the foregoing.

You should thoroughly read this annual report and the documents that we refer to herein with the understanding that our actual future results may be materially different from and/or worse than what we expect. Other sections of this annual report, including the Risk Factors and Operating and Financial Review and Prospects sections, discuss factors which could adversely impact our business and financial performance. Moreover, we operate in an evolving environment. New risk factors emerge from time to time and it is not possible for our management to predict all risk factors, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements. We qualify all of our forward-looking statements by these cautionary statements.

You should not rely upon forward-looking statements we make as predictions of future events. The forward-looking statements made in this annual report relate only to events or information as of the date on which the statements are made in this annual report. We undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable law.

PART I

ITEM 1. IDENTITY OF DIRECTORS, SENIOR MANAGEMENT AND ADVISORS

Not applicable.

ITEM 2. OFFER STATISTICS AND EXPECTED TIMETABLE

Not applicable.

ITEM 3. KEY INFORMATION

A. Selected Financial Data

Not applicable.

B. Capitalization and Indebtedness

Not applicable.

C. Reasons for the Offer and Use of Proceeds

Not applicable.

D. Risk Factors

An investment in our capital stock involves a high degree of risk. You should carefully consider the risks described below, together with all of the other information included in this annual report, before making an investment decision. If any of the following risks actually occurs, our business, financial condition or results of operations could suffer. In that case, the trading price of our capital stock could decline, and you may lose all or part of your investment.

Summary of Risk Factors

An investment in our ADSs is subject to a number of risks, including risks related to our business and industry, risks related to doing business in jurisdictions we operate, risks related to our corporate structure and risks related to our ADSs. The following summarizes some, but not all, of these risks. Please carefully consider all of the information discussed in "Item 3. Key Information—D. Risk Factors" in this annual report for a more thorough description of these and other risks.

Risks Related to Our Business and Industry

- Our business is based on a relatively new business model in a relatively new market in which user demand may change or decrease substantially.
- If we fail to effectively manage our growth or implement our business strategies, our business and results of operations may be materially and adversely affected.
- We face risks associated with the sale of YY Live to Baidu.
- We are a relatively young company, and you should consider our prospects in light of the risks and uncertainties which early-stage companies in evolving industries globally and with limited operating histories may be exposed to or encounter, including possible volatility in the trading prices of our ADSs.
- Our business and results of operations have been and may continue to be materially adversely affected by the outbreak of COVID-19.
- The number of mobile active users we have may fluctuate and we may fail to attract more paying users, which may materially and adversely affect our revenues growth, results of operations and financial condition.
- We face competition in several major aspects of our business. If we fail to compete effectively, we may lose users and advertisers which could materially and adversely affect our business, financial condition and results of operations.
- System failure, interruptions and downtime can result in adverse publicity for our products and result in net revenue losses, a slowdown in the growth of our registered user accounts and a decrease in the number of our active users. If any of these system disruptions occurs, our business, financial condition and results of operations may be materially and adversely affected.

Risks Related to Doing Business in Jurisdictions We Operate

- We are subject to the risks of doing business globally.
- We face risks and uncertainties to comply with the laws, regulations and rules in various aspects in multiple jurisdictions across the globe including North America, Europe, the Middle East, Southeast Asia, and Eastern Pacific regions, etc. Failure to comply with such applicable laws, regulations and rules may subject our global operations to strict scrutiny by local authorities, which in turn may materially and adversely affect our globalized operations.
- Content posted and displayed on our platforms operated in China may be found objectionable by PRC regulatory authorities and may subject us to penalties and other severe consequences.
- It is not certain if we will be classified as a Singapore tax resident.
- Under the PRC enterprise income tax law, we may be classified as a PRC "resident enterprise"

- Our ADSs may be delisted under the Holding Foreign Companies Accountable Act if the Public Company Accounting Oversight Board, or the PCAOB, is unable to inspect auditors who are located in China. The delisting of our ADSs, or the threat of their being delisted, may materially and adversely affect the value of your investment. Additionally, the inability of the PCAOB to conduct inspections deprives our investors with the benefits of such inspections.

- Uncertainties exist with respect to the newly enacted Anti-Monopoly Guidelines for Internet Platforms and how it may adversely impact our business operations and financial position in China.

Risks Related to Our Corporate Structure

- If the PRC government finds that the structure we have adopted for our business operations does not comply with PRC laws and regulations, or if these laws or regulations or interpretations of existing laws or regulations change in the future, we could be subject to severe penalties, including the shutting down of our platforms and our business operations.

- We rely on contractual arrangements with our PRC consolidated affiliated entities and their shareholders for the operation of our business, which may not be as effective as direct ownership. If our PRC consolidated affiliated entities and their shareholders fail to perform their obligations under these contractual arrangements, we may have to resort to litigation to enforce our rights, which may be time-consuming, unpredictable, expensive and damaging to our operations and reputation.

- Our existing shareholders have substantial influence over our company and their interests may not be aligned with the interests of our other shareholders, which may discourage, delay or prevent a change in control of our company, which could deprive our shareholders of an opportunity to receive a premium for their securities.

- If our PRC consolidated affiliated entities fail to obtain and maintain the requisite licenses and approvals required under the complex regulatory environment for internet-based businesses in China, our business, financial condition and results of operations in China may be adversely affected.

- The shareholders of our PRC variable interest entities may have potential conflicts of interest with us, and if any such conflicts of interest are not resolved in our favor, our business may be materially and adversely affected.

- We are in the process of enhancing the structure of some of our variable interest entities, and its completion is subject to uncertainties.

Risks Related to Our ADSs

- The trading prices of our ADSs are likely to be volatile, which could result in substantial losses to investors.

- If securities or industry analysts do not publish research or reports about our business, or if they adversely change their recommendations regarding our ADSs, the market price for our ADSs and trading volume could decline.

- Techniques employed by short sellers may drive down the market price of our listed securities.

- Our reputation and the trading price of our ADSs may be negatively affected by adverse publicity or detrimental conduct against us.

- We may be named as a defendant in putative shareholder class action lawsuits and may be subject to the SEC or third-party investigations which could have a material adverse impact on our business, financial condition, results of operation, cash flows and reputation.

- We believe that we were a passive foreign investment company, or PFIC, for United States federal income tax purposes for the taxable year ended December 31, 2020, which could subject United States holders of our ADSs or Class A common shares to significant adverse United States income tax consequences.

- Our dual class common share structure with different voting rights will limit your ability to influence corporate matters and could discourage others from pursuing any change of control transactions that holders of our Class A common shares and ADSs may view as beneficial.

- You may not receive dividends or other distributions on our common shares and you may not receive any value for them, if it is illegal or impractical to make them available to you.

Risks Related to Our Business and Industry

Our business is based on a relatively new business model in a relatively new market in which user demand may change or decrease substantially.

Many of the elements of our business are unique, evolving and relatively unproven. The markets for our technology, especially our video content technology, and products and services are relatively new and rapidly developing and are subject to significant challenges. Our business plan relies heavily upon increased revenues from our live streaming services and our ability to successfully monetize our user base and products and services, and we may not succeed in any of these respects.

As the online live streaming industry is relatively young and untested, there are few proven methods of projecting user demand or available industry standards on which we can rely. Furthermore, some of our current monetization methods are in a relatively preliminary stage. For example, if we fail to properly manage the supply and timing of our in-game virtual items and the appropriate price points for these products and services, our users may be less likely to purchase in-game virtual items from us. For non-game virtual items, we consider industry standards and expected user demand in determining how to most effectively optimize virtual item merchandizing. We cannot assure you that our attempts to monetize our user base and products and services will continue to be successful, profitable or widely accepted, and therefore the future revenue and income potential of our business are difficult to evaluate.

If we fail to effectively manage our growth or implement our business strategies, our business and results of operations may be materially and adversely affected.

We have experienced a period of significant rapid growth and expansion that has placed, and continues to place, significant strain on our management and resources. We cannot assure you that this level of significant growth will be sustainable or achieved at all in the future. We believe that our continued growth will depend on our ability to develop new sources of revenue, increase monetization, attract new users, retain and expand paying users, encourage additional purchases by our paying users, continue developing innovative products, services and technologies in response to user demand, increase brand awareness through marketing and promotional activities, react to changes in user access to and use of the internet, expand into new market segments, integrate new devices, platforms and operating systems, develop new advertising and promotion methods, attract new advertisers and retain existing advertisers and take advantage of any growth in the relevant markets. We cannot assure you that we will achieve any of the above or achieve any of the above in a cost-effective manner.

To manage our growth and maintain profitability, we anticipate that we will need to continue to implement, from time to time, a variety of new and upgraded operational and financial systems, procedures and controls on an as-needed basis. We will also need to further expand, train, manage and motivate our workforce and manage our relationships with users, performers, third party game developers, advertisers media platforms and other business partners. All of these endeavors involve risks and will require substantial management efforts and skills and significant additional expenditures. We cannot assure you that we will be able to effectively manage our growth or implement our future business strategies, and failure to do so may materially and adversely affect our business and results of operations.

We face risks associated with the sale of YY Live to Baidu.

On November 16, 2020, we entered into definitive agreements with Baidu, Inc., or Baidu, and made certain amendments to the share purchase agreement on February 7, 2021, pursuant to which Baidu agreed to acquire our PRC video-based entertainment live streaming business, or YY Live, including the YY mobile app, YY.com website, and PC YY, among others, for an aggregate purchase price of approximately US$3.6 billion in cash, subject to certain adjustments. The acquisition has been substantially completed, with certain customary matters remaining to be completed in the near future.

On November 18, 2020, Muddy Waters Capital LLC, an entity unrelated to us, issued the Muddy Water short seller report (the "Report") containing certain allegations against us, including YY Live business. Our audit committee has conducted an independent review of the allegations raised in the Report related to our YY Live business, with the assistance of independent counsel, working with a team of experienced forensic auditors and data analytics experts. Our announcement dated February 8, 2021 disclosed the conclusion of the independent review, which concluded that the allegations raised and conclusions reached in the Report about our YY Live business were not substantiated. But even if the allegations against us may ultimately be proven to be groundless, we have incurred and may continue to incur resources to address fallout from the Report. On November 20, 2020, we and certain of our directors and officers were named in a federal putative securities class action alleging that we have made material misstatements and omissions in documents filed with the SEC regarding certain of the allegations contained in the Report. There might be other class actions or regulatory enforcement actions in connection with such allegations. We are not able to predict the possible consequence that may arise from or relate in any way to the allegations contained in the Report. Any adverse outcome as a result of the Report, or any class action or regulatory enforcement action in connection thereof, could have a material adverse effect on our and YY Live's business, financial condition, results of operation, cash flows, and reputation.

The sale of YY Live to Baidu, which was substantially completed though certain customary matters remaining to be completed in the near future, may adversely affect our business, financial condition or results of operations, our relationships with our current and potential platform users and employees of YY Live, and could result in the loss of our online users and key employees. The deconsolidation of YY Live after the closing of the transaction may adversely affect our results of operations and future development strategy. Together with the transaction, we have entered into a non-compete undertaking with Baidu and its affiliates, which may pose potential restrictions to our video-based entertainment livestreaming business in China and may adversely affect our relationship with existing partners and may have an adverse effect on our future growth prospects in the China market. After the closing and certain customary matters to be completed, there can be no assurance that we may achieve anticipated strategic benefits and we may still experience negative reactions as a result of the sale of the business of YY Live.

We are a relatively young company, and you should consider our prospects in light of the risks and uncertainties which early-stage companies in evolving industries globally and with limited operating histories may be exposed to or encounter, including possible volatility in the trading prices of our ADSs.

We expect that we will continue to incur significant costs and expenses in many aspects of our business, such as sales and marketing expenses to acquire users and raise our brand awareness, as well as research and development costs to update existing services and launch new services and rising bandwidth costs to support our video function, grow our user base and generally expand our business operations. In addition, our subsidiary Bigo Inc, or Bigo, historically incurred net losses or have relatively lower profit margins, and our consolidation Bigo's results of operations had adversely impacted our results of operations previously and may continue to incur such impact in the future due to relatively lower margins or loss making. On April 3, 2020, we transferred 16,523,819 Class B ordinary shares of HUYA Inc., or Huya, to Linen Investment Limited, a wholly-owned subsidiary of Tencent Holdings Limited, or Tencent, for an aggregate purchase price of approximately US$262.6 million in cash, pursuant to Tencent's exercise of its option to purchase additional shares of Huya. As a result of such transfer to Tencent, Tencent became the controlling shareholder of Huya and will consolidate financial statements of Huya. On August 10, 2020, we entered into a definitive share transfer agreement with Linen Investment Limited, pursuant to which we would transfer 30,000,000 Class B ordinary shares of Huya to Tencent for an aggregate purchase price of US$810.0 million in cash. After the closing of such share transfer, we hold 38,374,463 Class B ordinary shares of Huya, representing 17.5% in Huya's total shares. As Huya has been deconsolidated from our results of operations since the second quarter of 2020, our results of operations have been, and may continue to be, adversely affected. On November 16, 2020, we entered into definitive agreements with Baidu, and made certain amendments to the share purchase agreement on February 7, 2021, pursuant to which Baidu agreed to acquire our PRC video-based entertainment live streaming business, or YY Live, including the YY mobile app, YY.com website, and PC YY, among others, for an aggregate purchase price of approximately US$3.6 billion in cash, subject to certain adjustments. The acquisition has been substantially completed, with certain customary matters remaining to be completed in the near future. As a result, the historical financial results of YY Live are reflected in the Company's consolidated financial statements as discontinued operations accordingly. As we have discontinued Huya and YY Live from our results of operations, our results of operations may continue to be, adversely affected. We recorded net losses of RMB105.1 million (US$16.1 million) from continuing operations attributable to controlling interest of JOYY in 2020 as a result of the discontinuation of Huya and YY Live. Therefore, we were not profitable on a continuing operation basis in 2020. Moreover, we expect to continue to invest heavily in our operations to maintain our current market position, support our anticipated future growth and meet our expanded reporting and compliance obligations as a public company.

Our profitability is also affected by other factors beyond our control, such as the continual development of the industries in which we operate in multiple countries, changes in the macroeconomic and regulatory environment or competitive dynamics and our inability to respond to these changes in a timely and effective manner. The continued success of our business depends on our ability to identify which services will appeal to our user base and to offer such services on commercially acceptable terms. Our ability to finance our planned expansion also depends in part on our ability to convert active users into paying users and increase the average revenue per paying user, or ARPU, and successfully compete in a very competitive market. We may continue to incur net losses in the future.

We have a limited operating history. We introduced Bigo in 2019 and has been evolving constantly with the introduction of new businesses globally. As a result of our relatively short history and introduction of new businesses, our historical results of operations may not provide a meaningful basis for evaluating our business, financial performance and future prospects. We may not be able to achieve similar growth rates in future periods as we had witnessed historically. Accordingly, you should not rely on our results of operations for any prior periods as an indication of our future performance. We may again incur net losses and experience adverse impact on our results of operations brought on by our new businesses in the future and you should consider our prospects in light of the risks and uncertainties which early-stage companies in evolving industries globally with limited operating histories such as ours may be exposed to or encounter, including risks associated with being a public company with global business operations. See "—Risks Related to Our ADSs—The trading prices of our ADSs are likely to be volatile, which could result in substantial losses to investors."

Our business is heavily dependent on revenues from live streaming services. If our live streaming revenue declines in the future, our results of operations may be materially and adversely affected.

Historically, a substantial majority of our revenues are from live streaming service, membership subscription fees and online games. In the year ended December 31, 2020, revenues from live streaming constituted 94.7% of our total net revenue. We expect that the majority of our revenue will continue to be contributed from live streaming services in the near future. Any decline in live streaming revenues may materially and adversely affect our results of operations. See "—The revenue model for each of our live streaming and our membership program may not remain effective, which may affect our ability to retain existing users and attract new users and materially and adversely affect our business, financial condition and results of operations."

We may face significant risks related to the content and communications on our platforms.

Our live streaming, short-form video and video communication platforms enable users to exchange information, generate and distribute content, advertise products and services, conduct business and engage in various other online activities. However, because a majority of the communications on our platforms are conducted in real time, we are unable to verify the sources of all information posted thereon or examine the content generated by users before it is posted. Therefore, it is possible that users may engage in illegal, obscene or incendiary conversations or activities, including the publishing of inappropriate, infringing or illegal content on our platforms that may be deemed unlawful. If any content on our platforms is considered or deemed illegal, obscene, infringing or incendiary, or if appropriate licenses and third party consents have not been obtained, allegations or claims may be brought against us for defamation, libel, negligence, copyright, patent or trademark infringement, other unlawful activities or based on other theories. For example, we have occasionally received fines for certain inappropriate materials placed by third parties on our platforms, and may be subject to similar fines and penalties in the future. In April 2019, Bilin, a mobile instant communication application of ours that contributed an insignificant portion of our total revenues, in accordance with the requirements of the Office of the Cyberspace Affairs Commission, temporarily ceased its services and is rectifying proactively. We also may face liability for copyright or trademark infringement, fraud, and other claims based on the nature and content of the materials that are delivered, shared or otherwise accessed through or published on our platforms. Defending any such actions could be costly and involve significant time and attention of our management and other resources. If they find that we have not adequately managed the content on our platforms, or if any of our platforms fails to comply with any of such provisions, jurisdictional authorities in various regions may impose legal sanctions on us, including, interviews held by relevant cyberspace authorities, warnings, information update suspension, and in serious cases, suspending or revoking the licenses necessary to operate our platforms, restriction from engaging in internet information services, online behavior restrictions or industry bans.

In addition, our content monitoring system may not be effective in preventing misconduct by our platform users and misuse of our platform and such misconduct or misuse may materially and adversely impact our brand image, business, financial condition and results of operations. Because we do not have full control over how and what users will use our platform to communicate, our platform may be misused by individuals or groups of individuals to engage in immoral, disrespectful, fraudulent or illegal activities. For example, we detect spam accounts through which illegal or inappropriate content is streamed or posted and illegal or fraudulent activities are conducted on a timely basis. Media reports and internet forums have covered some of these incidents, which have in some cases generated negative publicity about our platform and brand. We have implemented control procedures to detect and block illegal or inappropriate content and illegal or fraudulent activities conducted through the misuse of our platform, but such procedures may not prevent all such content from being broadcasted or posted or activities from being carried out. Moreover, as we have limited control over real-time and offline behavior of our users, to the extent such behavior is associated with our platform, our ability to protect our brand image and reputation may be limited. Our business and the public perception of our brand may be materially and adversely affected by misuse of our platform. In addition, if any of our users suffers or alleges to have suffered physical, financial or emotional harm following contact initiated on our platform or after watching unsettling or inappropriate content that our content monitoring system failed to filter out, we may face civil lawsuits or other liabilities initiated by the affected viewer, or governmental or regulatory actions against us. In response to allegations of illegal or inappropriate activities conducted through our platform or any negative media coverage about us, government authorities may intervene and hold us liable for non-compliance with relevant laws and regulations concerning the dissemination of information on the internet and subject us to administrative penalties or other sanctions, such as requiring us to restrict or discontinue some of the features and services provided on our website and mobile application, or even revoke our licenses or permits to provide internet content service. We endeavor to ensure all users are in compliance with relevant regulations, but we cannot guarantee that all users will comply with all the relevant laws and regulations. Therefore, we may be subject to investigations or subsequent penalties if content displayed on our platform is deemed to be illegal or inappropriate under relevant laws and regulations. As a result, our business may suffer and our user base, revenues and profitability may be materially and adversely affected.

As our international operations continue to expand, we face significant challenges to ensure the content and communications on our platform are in compliance with local jurisdiction's regulatory framework and social environment, many of which could be substantially different from each other due to the differences in, among others, the legal system, political environment, culture and religion. Such differences may impose more stringent requirements and restrictions to the content we presented. In addition, the regulatory framework for live streaming, short-form video or video communication is still developing and remains uncertain in several countries where we have significant operations, including but not limited to countries such as Saudi Arabia, Indonesia and India. New laws and regulations may also be adopted from time to time to address new issues that come to the government authorities' attention. Considerable uncertainties still exist with respect to the interpretation and implementation of existing and future laws and regulations governing our business activities in these areas. In addition, we may be required to impose more stringent content monitoring measures, be in compliance with relevant content regulatory regime, obtain relevant licenses or permits or renew or expand the coverage of our existing licenses, and we cannot assure you that we will be able to timely obtain or maintain all the required licenses or permits or make any necessary filings applicable in the future, or comply with other relevant regulatory requirements. If we fail to obtain, hold or maintain any of the required licenses or permits or make the necessary filings on time or at all, or fail to comply with other regulatory requirements, we may be subject to various penalties, including fines, discontinuation restriction of our operations as well as reputation damage. Cultural differences may also impose additional challenges to our efforts in content control. Therefore, such different and possibly more stringent regulatory and cultural environments may increase the risk exposure to our daily operations in multiple jurisdictions across the globe including North America, Europe, the Middle East, Southeast Asia, and Eastern Pacific regions, etc.. We have experienced incidents in the past where our application was temporarily suspended in certain markets due to inappropriate content being displayed on our platform. We have also received claims in connection with intellectual property infringement and entered into settlement or license agreements with third parties or are in the process of negotiating such agreements with third parties to resolve such claims. Such incidents or similar incidents related to our failure to comply with laws, regulations and rules in multiple jurisdictions across the globe including North America, Europe, the Middle East, Southeast Asia, and Eastern Pacific regions, etc. could materially and adversely affect our business, results of operations, global reputation and global growth efforts. Requirements of entering into license or settlement agreements may also significantly increase our costs of operations and adversely affect our business results. In addition, each jurisdiction may have a different regulatory framework, implementation and enforcement for live streaming or short-form video or video communication business, which may substantially increase our compliance costs to obtain, maintain or renew requisite licenses and permits or fulfill any required administrative procedures.

The revenue model for each of our live streaming and our membership program may not remain effective, which may affect our ability to retain existing users and attract new users and materially and adversely affect our business, financial condition and results of operations.

We operate our live streaming platforms using a virtual items-based revenue model whereby users can make real-time broadcast to share life moments, show their talents, interact and send virtual gifts, and enjoy fun live sessions with people worldwide. We have generated, and expect to continue to generate, a substantial majority of our live streaming revenues using this revenue model. In 2020, revenues from live streaming contributed 94.7% of our total net revenues. Our live streaming business has experienced significant growth in recent years, but we cannot assure you that we will continue to achieve a similar growth rate in the future, as the user demand for this service may change, decrease substantially or dissipate, or we may fail to anticipate and serve user demands effectively.

We may not be able to continue to successfully implement the virtual items-based revenue model for live streaming, as users may not be able to develop new relationships in the community, or popular performers, channel owners, and famous professional game teams may leave our platforms and we may be unable to attract new talent that can attract users or cause such users to increase the amount of time spent engaging and money spent on purchasing in-channel virtual items on our platforms. In addition, certain content on our live streaming platforms, such as certain online games owned by or licensed to certain gaming companies or publishers, may not continue to be available to our users for live streaming purposes. Failure to keep our users engaged in the live streaming service may result in reducing average revenue per user and the number of paying users, which may adversely affect our financial condition and results of operations.

Furthermore, under our current arrangements with certain talent performers, channel owners and famous professional game teams, we share with them a portion of the revenues we derive from the sales of in-channel virtual items on our live streaming platform. In turn, this may affect the user and revenue growth in this business, which may materially and adversely affect our financial condition and results of operations.

In addition, we have been a pioneer in offering an online concert platform to music performers and platform users. We also continue to focus on the development of professionally-curated user generated content, or PUGC, and professionally generated content, or PGC, as well as introducing more e-sports content on our platforms. However, if our users decide to access live streaming content provided by our current or future competitors, our business, financial condition and results of operations could be materially and adversely affected.

Users may also purchase time-based virtual items from us, such as the membership subscription service with the designation of Noble Members for themselves. We offers a range of privileges and benefits, such as virtual items exclusively available to members, dedicated customer services specialist and priority entrance to certain live performances. However, we may not be able to further build or maintain our membership base in the future for various reasons—for example, if we fail to continue to provide innovative products and services that are attractive to members, we may not be able to retain them and our business, financial condition and results of operations could be adversely affected.

We generate a portion of our revenues from online advertising. If we fail to attract more advertisers to our platforms or if advertisers are less willing to advertise with us, our revenues may be adversely affected.

We generate a portion of our revenues from online advertising. Although we have become less dependent upon online advertising revenues due to a shift in the majority of our revenues from online advertising to live streaming service, our revenues still partly depend on the continual development of the online advertising industry and advertisers' allocation of budgets to internet advertising. In addition, companies that decide to advertise or promote online may utilize more established methods or channels for online advertising, such as more established internet portals or search engines, over advertising on our platforms. If the online advertising market size does not increase from current levels, or if we are unable to capture and retain a sufficient share of that market, our ability to maintain or increase our current level of online advertising revenues and our profitability and prospects could be adversely affected.

We offer advertising services substantially through contracts entered into with third party advertising agencies and by way of displaying advertisement on our websites and platforms or providing promotion integrated into the programs, shows or other content offered on our platforms. We cannot assure you that we will be able to retain existing direct advertisers or advertising agencies or attract new direct advertisers and advertising agencies. Since our arrangements with third party advertising agencies typically involve one-year framework agreements, these advertising arrangements may be easily amended or terminated without incurring liabilities. If we fail to retain existing advertisers and advertising agencies or attract new direct advertisers and direct advertising agencies or any of our current advertising methods or promotion activities become less effective, our business, financial condition and results of operations may be adversely affected.

Our business is subject to a variety of laws, regulations, rules, policies and other obligations regarding data privacy and protection. Any losses or unauthorized access to or releases of confidential information or personal data could subject us to significant reputational, financial, legal and operational consequences.

Our business requires us to collect, use, store and otherwise process confidential information, including, among other things, personally identifiable information, or PII, with respect to our users and employees. We are subject to laws, and regulations, and additional laws and regulations as our global expansion evolves, relating to the collection, use, retention, security, transfer or otherwise processing of PII. In many cases, these laws and regulations not only apply to third-party transactions, but also may restrict transfers of PII among us and our international subsidiaries. Several jurisdictions have passed laws in this area, and other jurisdictions are considering imposing additional and possibly more stringent restrictions. These laws continue to develop and may vary from jurisdiction to jurisdiction. Complying with emerging and changing international requirements may cause us to incur substantial costs or require us to change our business practices. Non-compliance could result in significant penalties or legal liability as well as reputational harm. Data protection, privacy, and other laws and regulations, including those in Europe and the U.S., may impose varying obligations. Regulatory authorities around the world are considering a number of legislative and regulatory proposals concerning data protection. In addition, the interpretation and application of consumer and data protection laws in the U.S., Europe and elsewhere are often uncertain. It is possible that these laws may be interpreted and applied in a manner that is inconsistent with our data practices. These legislative and regulatory proposals, if adopted, and such interpretations could, in addition to the possibility of fines and reputational harm, result in an order requiring that we change our data practices, which could have an adverse effect on our business and results of operations. Complying with these various laws could cause us to incur substantial costs or require us to change our business practices in a manner adverse to our business.

Recent legal developments in Europe have created compliance uncertainty regarding the processing of personal data. For example, the General Data Protection Regulation, or GDPR, which came into application in the European Union, or EU, on May 25, 2018, applies to all of our activities conducted from an establishment in the EU or related to products and services that we offer to EU users. The GDPR creates significant new requirements regarding the protection of personal data and significantly increases the financial penalties for noncompliance. We may be considered in violation of the GDPR and thus be required to adopt additional measures in the future. If we fail to comply with the requirements stipulated by the GDPR in a timely manner, or at all, we may be subject to significant penalties and fines, which may in turn adversely affect our business, reputation, financial condition and operating results.

In addition to the new requirements imposed by the GDPR, the privacy requirements and expectations created in the EU by the GDPR are stricter than certain other regions. These requirements include rules restricting the flow of data across borders. These restrictions may cause companies to localize data, and may otherwise impact the use of our services.

Additionally, California recently enacted legislation that has been dubbed the first “GDPR-like” law in the U.S. Known as the California Consumer Privacy Act, or CCPA, it creates new individual privacy rights for consumers (as that word is broadly defined in the law) and places increased privacy and security obligations on entities handling personal data of consumers or households. The CCPA, which went into effect on January 1, 2020, requires covered companies to provide new disclosures to California consumers, and provides such consumers new ways to opt-out of certain sales of personal information. The CCPA provides for civil penalties for violations, as well as a private right of action for data breaches that is expected to increase data breach litigation. The CCPA may increase our compliance costs and potential liability. Some observers have noted that the CCPA could mark the beginning of a trend toward more stringent privacy legislation in the U.S., which could increase our potential liability and adversely affect our business.

Furthermore, we may also be subject to the Information Technology Act 2000 of India, which primarily provides for (i) civil liability to compensate for wrongful loss or gain to any person arising from negligence in implementing and maintaining reasonable security practices and procedures with respect to sensitive personal data or information that we possess, deal with or handle in our computer systems, networks, databases and software, and (ii) criminal punishment if, in the course of performing a contract, a service provider discloses personal information without the consent of the person concerned or is in breach of a lawful contract and does so with the intention to cause, or knowing it is likely to cause, wrongful loss or wrongful gain. As our global expansion evolves, we may, from time to time, be subject to data protection regulations from other jurisdictions, which may impose additional and more stringent requirements. See "Item 4. Information on the Company—B. Business Overview—Government Regulations—Regulations on Data Privacy and Protection."

We make statements about our use and disclosure of PII through our privacy policy, information provided on our internet platform and press statements. Any failure by us to comply with these public statements or with international privacy-related or data protection laws and regulations could result in proceedings against us by governmental entities or others. In addition to reputational impacts, penalties could include ongoing audit requirements and significant legal liability. None of the data security measures can provide absolute security, and losses or unauthorized access to or releases of confidential information, in particular PII, may still occur, which could materially and adversely affect our reputation, financial condition and operating results.

From time to time, concerns may be expressed about whether our products, services, or processes compromise the privacy of users, customers, and others. Concerns about our practices with regard to the collection, use, disclosure, or security of PII or other privacy related matters, even if unfounded, could damage our reputation and adversely affect our operating results.

Our business and results of operations have been and may continue to be materially adversely affected by the outbreak of COVID-19.

The COVID-19 pandemic has resulted in authorities implementing numerous preventative measures to contain or mitigate the outbreak of the virus, such as travel bans and restrictions, limitations on business activities, quarantines, and shelter-in-place orders. These measures have caused, and are continuing to cause, business slowdowns or shutdowns in affected areas, both regionally and worldwide, which have significantly impacted our business and results of operations.

We believe that the global epidemic contributed to the increase in demand for premium online entertainment content and authentic social engagement, as the Company's global business continues to grow and has achieved solid operational performance even encountered with the ongoing uncertainties. Our global average mobile MAUs increased by 27.2% and 21.0% in the first and second quarter of 2020, and decreased by 4.0% and 7.1% in the third and fourth quarter of 2020, respectively, as compared to the corresponding periods of 2019, among which the average mobile MAUs of YY Live increased by 21.7%, 6.0%, 3.4% and 1.9% in the first, second, third and fourth quarter of 2020, respectively, as compared to the corresponding periods of 2019. The increases in the global average mobile MAUs in the first and second quarters of 2020, and the increases in the average mobile MAUs of YY Live in each quarter of 2020 were primarily due to (i) the increase in online leisure time for online entertainment, attributable to the restrictive measures imposed on travelling and offline entertainment activities, and (ii) the enriched and diversified content offerings and effective operating strategies of our platforms to attract active users. The decreases in the global average mobile MAUs in the third and fourth quarters of 2020 were primarily due to the impact of Indian government's measures to block Chinese-owned apps in its local market including Bigo Live, Likee and Hago, which were also partially offset by the increase of MAUs outside India.

The outbreak has also affected the activity level of certain users and broadcasters on our social media platforms, particularly those who are interested in, or rely on, offline activities and offline venues. In addition, a number of entertainment events in various countries and regions have been cancelled, delayed or otherwise disrupted, and we devoted substantial resources to make necessary adjustment to the related plans.

The pandemic may also negatively affect various other aspects of our business operations, especially YY Live (our discontinued PRC business). As an effort to contain the spread of COVID-19, China took precautionary measures that reduced economic activities, including temporary closure of corporate offices, retail outlets and other business facilities, as well as strict implementation of quarantine measures. These measures adversely impacted the macroeconomic environment of China as well as the income and personal financial condition of many individuals. Such impact in turn adversely affected the willingness of some YY Live users to purchase virtual items or other products or services on the live streaming platforms of YY Live. As a result of the impact of the COVID-19, the total number of paying users of YY Live decreased by 3.6%, 2.2%, 4.7% and 1.1% in the first, second, third and fourth quarters of 2020, respectively, as compared with the corresponding periods in 2019, primarily due to the negative impacts of COVID-19 on the income and personal financial conditions of some of its existing and prospective paying users, which decreased their discretionary spending on online entertainment.

As many countries have implemented strict indoor and insulation policy, we witnessed greater user traffic of user time spent on as well as the user retention rate of our live streaming and short-form video platforms. Nevertheless, great uncertainties are continued to be caused by the resurgence of COVID-19 and our operations have and may continue to experience disruptions, such as temporary closure of our offices and/or those of our partners or suppliers, suspension or delay of services, and travel restrictions and limits on access to public venues. We have corporate offices in different parts of the world that have been significantly affected by the outbreak. Our offline operations in those regions have also been affected to varying degrees. Our business partners have also been affected by the outbreak of COVID-19, and performance of their obligations under our arrangements with them may be delayed or otherwise disrupted. As a result of any of the above developments, our business, financial condition and results of operations may be adversely affected by the pandemic outbreak to the extent that COVID-19 continues to affect the global economy in general.

We will closely monitor the further developments of the COVID-19 outbreak. The full extent to which the COVID-19 outbreak impacts our businesses and results will depend on future developments, which are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity of the pandemic, and the actions to contain the pandemic and the impact on the global financial market and economy, among others. For more information, please see “Item 5. Operating and Financial Review and Prospects—A. Operating Results—Impact of COVID-19 On Our Operations.”

We have granted employee stock options and other share-based awards in the past and are very likely to continue to do so in the future. We recognize share-based compensation expenses in our consolidated statements of operations in accordance with the relevant rules under U.S. GAAP, which have had and may continue to have a material and adverse effect on our results of operations.

We have granted share-based compensation awards, including share options, restricted shares and restricted share units, to various employees, key personnel and other non-employees to incentivize performance and align their interests with ours. Under our 2009 employee equity incentive scheme, or the 2009 Scheme, we are authorized to grant options or restricted shares to purchase a maximum of 120,020,001 common shares. Under our 2011 Share Incentive Plan, or the 2011 Plan, we are authorized to grant options, restricted shares or restricted share units to purchase a maximum of 43,000,000 common shares, plus an annual increase of 20,000,000 common shares on the first day of each fiscal year, beginning from 2013, or such smaller number of Class A common shares as determined by our board of directors. In March 2019, we adopted our 2019 Share Incentive Awards Arrangement, or the 2019 Arrangement, which reserved 65,922,045 Class A common shares of ours for incentive awards for Bigo’s employees. As of March 31, 2021, options to purchase 9,680,600 Class A common shares, 24,650,511 restricted shares and 74,229,440 restricted share units were outstanding under the 2009 Scheme, the 2011 Plan and the 2019 Arrangement. As a result of these grants and potential future grants, we had incurred in the past and expect to continue to incur significant share-based compensation expenses in the future. The amount of these expenses is based on the fair value of the share-based awards. We account for compensation costs for certain share-based compensation awards granted in the past using a graded-vesting method and recognize expenses in our consolidated statements of operations in accordance with the relevant rules under U.S. GAAP. The expenses associated with share-based compensation materially increased our net losses or reduced our net income in the past, and may reduce our net income in the future. In addition, any additional securities issued under share-based compensation schemes will dilute the ownership interests of our shareholders, including holders of our ADSs. However, if we limit the scope of the share-based compensation schemes, we may not be able to attract or retain key personnel who expect to be compensated by options, restricted shares or restricted share units.

The number of mobile active users we have may fluctuate and we may fail to attract more paying users, which may materially and adversely affect our revenues growth, results of operations and financial condition.

Excluding the impact of Indian government's measures to block Chinese-owned apps in its local market, the total number of our mobile average monthly active users across our various platforms has increased significantly in recent years. However, the number of our mobile monthly active users may substantially fluctuate from time to time. If we are unable to attract new users and retain them as active users and convert non-paying active users into paying users, our revenues may fail to grow and our results of operations and financial condition may suffer.

We may not be able to keep our users highly engaged, which may reduce our monetization opportunities and materially and adversely affect our revenues, profitability and prospects.

Our success depends on our ability to maintain and grow our user base and keep our users highly engaged. In order to attract and retain users and remain competitive, we must continue to innovate our products and services, implement new technologies and functionalities and improve the features of our platforms in order to entice users to use our products and services more frequently and for longer durations.

The internet industry is characterized by constant changes, including rapid technological evolution, continual shifts in customer demands, frequent introductions of new products and services and constant emergence of new industry standards and practices. Thus our success will depend, in part, on our ability to respond to these changes on a cost-effective and timely basis; failure to do so may cause our user base to shrink and user engagement level to decline and our results of operations would be materially and adversely affected. For example, our plan to more broadly support mobile-live broadcasting across our live streaming platform and retain the ability to offer high quality delivery of voice and video data may cause us to incur significant additional costs and may not succeed.

Due to the intensified competitions among audio and video-based social entertainment platforms, users may leave us for competitors' platforms more quickly than in other online sectors. A decrease in the number of our active users may reduce the diversity and vibrancy of our platforms' online ecosystem and affect our user-generated channels, which may in turn reduce our monetization opportunities and have a material and adverse effect on our business, financial condition and results of operations.

We cannot assure you that our platforms will continue to be sufficiently popular with our users to offset the costs incurred to operate and expand it. Our sales and marketing expenses may significantly increase in the future, which could have an adverse effect on our results of operations. Failure to maintain or grow our user base in a cost-effective manner, or at all, and keep our users highly engaged would materially and negatively affect our results of operations.

We face competition in several major aspects of our business. If we fail to compete effectively, we may lose users and advertisers which could materially and adversely affect our business, financial condition and results of operations.

We face competition in several major aspects of our business, particularly from companies that provide social media services. Some of our competitors may have longer operating histories and significantly greater financial, technical and marketing resources than we do, and in turn may have an advantage in attracting and retaining users and advertisers. In addition, competitors in some areas of our business may have significantly larger user bases and more established brand names than we do and may be able to more effectively leverage their user bases and brand names to provide live streaming, social media, internet communication, and other products and services, and thereby increase their respective market shares.

In relation to our global business, our competitors primarily include global short-form video platforms such as TikTok, and livestreaming platforms such as Twitch in certain regions. In relation to YY Live (our discontinued PRC business), our competitors primarily include Kuaishou, Douyin, Tencent Music Entertainment, Momo, Douyu and other live streaming platforms in China. We also compete for online advertising revenues with other internet companies that sell online advertising services globally. With the sale of YY Live being substantially completed with certain customary matters remaining to be completed in the near future, we primarily face competition in our global business.

If we are not able to effectively compete in any of our lines of business, our overall user base and level of user engagement may decrease, which could reduce our paying users or make us less attractive to advertisers. We may be required to spend additional resources to further increase our brand recognition and promote our products and services, and such additional spending could adversely affect our profitability. Furthermore, if we are involved in disputes with any of our competitors that result in negative publicity to us, such disputes, regardless of their veracity or outcome, may harm our reputation or brand image and in turn lead to reduced number of users and advertisers. Any legal proceedings or measures we take in response to such disputes may be expensive, time-consuming and disruptive to our operations and divert our management's attention.

Our competitors may unilaterally decide to adopt a wide range of measures targeted at us, including possibly designing their products to negatively impact our operations, such as sending virus-like programs to attack elements of our platforms. Some competitors may also make their applications incompatible with ours, effectively requiring users to either stop using our competitors' products or uninstall our products, leading to a reduction in our number of users.

Spammers and malicious applications may affect user experience, which could reduce our ability to attract users and advertisers and materially and adversely affect our business, financial condition and results of operations.

Spammers may use our platforms to send targeted and untargeted spam messages to users, which may affect user experience. As a result, our users may use our products and services less or stop using them altogether. In spamming activities, spammers typically create multiple user accounts for the purpose of sending spam messages. Although we attempt to identify and delete accounts created for spamming purposes, we may not be able to effectively eliminate all spam messages from our platforms in a timely fashion. Any spamming activities could have a material and adverse effect on our business, financial condition and results of operations.

We use third party services and technologies in connection with our business, and any disruption to the provision of these services and technologies to us could result in adverse publicity and a slowdown in the growth of our users, which could materially and adversely affect our business, financial condition and results of operations.

Our business depends upon services provided by, and relationships with, third parties. If we are unable to retain or attract popular talents such as performers, channel managers, professional game players, commentators and hosts for our live streaming platform or if these talents cannot draw fans or participants, our results of operations may be adversely affected. Also, if channel owners are unable to reach or maintain mutually satisfactory cooperation arrangements with the performers on their channels on our live streaming platform, we may lose popular performers and our business and operations may be adversely affected. Furthermore, if we are unable to obtain or retain rights to host popular online games or popular in-game virtual items, or if we are required to share a bigger portion of our revenues with third party game developers, we could be required to devote greater resources and time to obtain hosting rights for new games and applications from other parties, and our results of operations may be impacted. In addition, some third party software we use in our operations are currently publicly available without charge. If the owner of any such software decides to charge users or no longer makes the software publicly available, we may need to incur significant cost to license the software, find replacement software or develop alternative software. If we are unable to find or develop replacement software at a reasonable cost, or at all, our business and operations may be adversely affected.

Some of the services offered by us run on a complex network of servers located in and maintained by third party data centers and our overall network relies on broadband connections provided by third party operators. We expect this dependence on third parties to continue. The networks maintained and services provided by such third parties are vulnerable to damage or interruption, which could impact our results of operations. See "—System failure, interruptions and downtime can result in adverse publicity for our products and result in net revenue losses, a slowdown in the growth of our registered user accounts and a decrease in the number of our active users. If any of these system disruptions occurs, our business, financial condition and results of operations may be materially and adversely affected."

Furthermore, we generate substantially all of our online advertising revenues through agreements entered into with various third party advertising agencies that represent advertisers. We do not have long-term cooperation agreements or exclusive arrangements with these agencies and they may elect to direct business opportunities to other advertising service providers. If we fail to retain and enhance our business relationships with these third party advertising agencies, we may suffer from a loss of advertisers and our business and results of operations may be materially and adversely affected.

In addition, we sell a significant portion of our products and services through third party online payment systems. If any of these third party online payment systems suffer from security breaches, users may lose confidence in such payment systems and refrain from purchasing our virtual items online, in which case our results of operations would be negatively impacted. See "—The security of operations of, and fees charged by, third party online payment platforms may have a material adverse effect on our business and results of operations."

We exercise no control over the third parties with whom we have business arrangements. If such third parties increase their prices, fail to provide their services effectively, terminate their service or agreements or discontinue their relationships with us, we could suffer service interruptions, reduced revenues or increased costs, any of which may have a material adverse effect on our business, financial condition and results of operations.

System failure, interruptions and downtime can result in adverse publicity for our products and result in net revenue losses, a slowdown in the growth of our registered user accounts and a decrease in the number of our active users. If any of these system disruptions occurs, our business, financial condition and results of operations may be materially and adversely affected.

Although we seek to reduce the possibility of disruptions or other outages, our services may be disrupted by problems with our own technology and system, such as malfunctions in our software or other facilities and network overload. Our systems may be vulnerable to damage or interruption from telecommunication failures, power loss, computer attacks or viruses, earthquakes, floods, fires, terrorist attacks and similar events. We have experienced system failures. Those responsible were subsequently found guilty and penalized by the PRC courts and we have subsequently updated our system to make it more difficult for similar attacks to succeed in the future, but we cannot assure you that there will be no similar technical failures in other jurisdictions in the future. Parts of our system are not fully redundant, and our disaster recovery planning is not sufficient for all eventualities. Despite any precaution we may take, the occurrence of a natural disaster or other unanticipated problems at our hosting facilities could result in lengthy interruptions in the availability of our products and services. Any interruption in the ability of our users to use our products and services could reduce our future revenues, harm our future profits, subject us to regulatory scrutiny and lead users to seek alternative forms of online social interactions.

Our servers that process user payments experience some downtime on a regular basis, which may negatively affect our brand and user perception of the reliability of our systems. Any scheduled or unscheduled interruption in the ability of users to use our payment systems could result in an immediate, and possibly substantial, loss of revenues.

Our users may use our products or services for critical transactions and communications, especially business communications. As a result, any system failures could result in damage to such users' businesses. These users could seek significant compensation from us for their losses. Even if unsuccessful, this type of claim would likely be time consuming and costly for us to address.

We have limited control over the prices of the services provided by telecommunication service providers and may have limited access to alternative networks or services. If the prices we pay for telecommunications and internet services rise significantly, our results of operations may be materially and adversely affected. Furthermore, if internet access fees or other charges to internet users increase, our user traffic may decline and our business may be harmed.

The respective number of our registered user accounts, active users and paying users may overstate the number of unique individuals who register to use our products and services, log on to our platforms, purchase virtual items or other products and services on our platforms or access Bigo.tv, respectively, and may therefore lead to an inaccurate interpretation of our average revenue per paying user metric and of our business operations by our management and by investors, and may affect advertisers' decisions on the amount spent on advertising with us.

Users of Bigo who raised withdrawal transactions are required to provide full name, date of birth and identity information, otherwise users are not required or obligated to undergo real-name verification under the current valid regulation. Therefore we cannot and do not track all the number of unique paying users. Instead, we track the number of registered user accounts, active users and paying users. We calculate certain operating metrics in the following ways: (a) the number of registered user accounts is the cumulative number of user accounts at the end of the relevant period that have logged onto our platforms at least once after registration, (b) the number of active users is the cumulative number of user accounts at the end of the relevant period that have signed onto our platforms at least once during the relevant period, and (c) the number of paying users is the cumulative number of registered user accounts that have purchased virtual items or other products and services on our platforms at least once during the relevant period. The actual number of unique individual users, however, is likely to be lower than that of registered user accounts, active users and paying users, potentially significantly, for three primary reasons. First, each individual user may register more than once and therefore have more than one account, and sign onto each of these accounts during a given period. For example, a user may (a) create separate accounts for community and personal use and log onto each account at different times for different activities or (b) if he or she lost his or her original username or password, he or she can simply register again and create an additional account. Second, we experience irregular registration activities such as the creation of a significant number of improper user accounts by a limited number of individuals, which may be in violation of our policies, including for the purpose of clogging our network or posting spam to our channels. We believe that some of these accounts may also be created for specific purposes such as to increase the number of votes for certain performers in various contests, but the number of registered user accounts, paying users and active users do not exclude user accounts created for such purposes. We have limited ability to validate or confirm the accuracy of information provided during the user registration process to ascertain whether a new user account created was actually created by an existing user who is registering duplicative accounts. Thus, the respective number of our registered user accounts, active users and paying users may overstate the number of unique individuals who register on our platforms, sign onto our platforms, purchase virtual items or other products and services on our platforms and access Bigo.tv, respectively which may lead to an inaccurate interpretation of our average revenue per paying user metric.

In addition, we may be unable to track whether we are successfully converting registered users or active users into paying users since we do not track the number of unique individuals or operate our platforms on a real-name basis. If the growth in the number of our registered user accounts, active users or paying users is lower than the actual growth in the number of unique individual registered, active or paying users, our user engagement level, sales and our business may not grow as quickly as we expect, and advertisers may reduce the amount spent on advertising with us, which may harm our business, financial condition and results of operations. In addition, such overstatement may cause inaccurate evaluation of our business operations by our management and by investors, which may also materially and adversely affect our business and results of operations.

Concerns about collection and use of personal data could damage our reputation and deter current and potential users from using our products and services, which could lead to lower revenues.

Concerns about our practices with regard to the collection, use or disclosure of personal information or other privacy-related matters, even if unfounded, could damage our reputation and operating results. We apply strict management and protection for any information provided by users and, under our privacy policy, without our users' prior consent, we will not provide any of our users' personal information to any unrelated third party. While we strive to comply with our privacy guidelines as well as all applicable data protection laws and regulations, any failure or perceived failure to comply may result in proceedings or actions against us by government entities or others, and could damage our reputation. User and regulatory attitudes towards privacy are evolving, and future regulatory or user concerns about the extent to which personal information is used or shared with advertisers or others may adversely affect our ability to share certain data with advertisers, which may limit certain methods of targeted advertising. Concerns about the security of personal data could also lead to a decline in general internet usage, which could lead to lower registered, active or paying user numbers on our platforms. A significant reduction in registered, active or paying user numbers could lead to lower revenues, which could have a material and adverse effect on our business, financial condition and results of operations.

The security of operations of, and fees charged by, third party online payment platforms may have a material adverse effect on our business and results of operations.

Currently, we sell almost all of our products and services to our users through third party online payment systems. We expect that an increasing amount of our sales will be conducted over the internet as a result of the growing use of online payment systems. In all these online payment transactions, secured transmission of confidential information such as customers' credit card numbers and personal information over public networks is essential to maintain consumer confidence.

We do not have control over the security measures of our third party online payment vendors, and security breaches of the online payment systems that we use could expose us to litigation and possible liability for failing to secure confidential customer information and could, among other things, damage our reputation and the perceived security of all of the online payment systems that we use. If a well-publicized internet or mobile network security breach were to occur, users concerned about the security of their online financial transactions may become reluctant to purchase our virtual items even if the publicized breach did not involve payment systems or methods used by us. In addition, there may be billing software errors that would damage customer confidence in these online payment systems. If any of the above were to occur and damage our reputation or the perceived security of the online payment systems we use, we may lose paying users and users may be discouraged from purchasing our services, which may have a material adverse effect on our business.

In addition, there are currently only a limited number of third party online payment systems. If any of these major payment systems decides to cease to provide services to us, or significantly increase the percentage they charge us for using their payment systems for our virtual items and other services, our results of operations may be materially and adversely affected.

Our core values of focusing on user experience and satisfaction first and acting for the long-term may conflict with the short-term operating results of our business, and also negatively impact our relationships with advertisers or other third parties.

One of our core values is to focus on user experience and satisfaction, which we believe is essential to our success and serves the best, long-term interests of our company and our shareholders. Therefore, we have made, and may make in the future, significant investments or changes in strategy that we think will benefit our users, even if our decision negatively impacts our operating results in the short term. In addition, this philosophy of putting our users first may also negatively impact our relationships with advertisers or other third parties, and may not result in the long-term benefits that we expect, in which case the success of our business and operating results could be harmed.

We have limited experience in international markets. If we fail to meet the challenges presented by our increasingly globalized operations, our business, financial condition and results of operations may be materially and adversely affected.

We have limited experience in international markets and we expect to enter into and expand our operations in international markets, primarily leveraging Bigo's existing products and operations. Bigo's businesses have footprint around the world, primarily including North America, Europe, the Middle East, Southeast Asia and Eastern Pacific regions, etc. Global expansion is a key growth strategy for us, which exposes us to a number of risks, including:

- compliance with applicable laws and regulations in multiple jurisdictions, including but not limited to internet content provider licenses and other applicable licenses or governmental authorizations;
- policies that increase restrictions on our ability to invest in certain jurisdictions, especially in the telecommunication and internet sectors;
- challenges in identifying appropriate local business partners and establishing and maintaining good working relationships with them. Our business partners primarily include popular talents and their agencies, third parties that promote our platform and applications and third parties that provide us technology support;
- challenges in obtaining and maintaining sufficient intellectual property protection and rights;
- challenges in commercializing Bigo’s platforms in international markets without infringing, misappropriating or otherwise violating the intellectual property rights of third parties;
- challenges in formulating effective marketing strategies targeting users from various jurisdictions and cultures, who have a diverse range of preferences and demands;
- lack of acceptance of our product and service offerings, and challenges of localizing our offerings to appeal to local tastes;
- challenges in replicating or adapting our company policies and procedures to operating environments that are different from each other, including technology infrastructure;
- challengers in meeting local advertiser demands as well as online marketing practices and conventions;
- differences in user and advertiser reception and perception of Bigo's applications internationally;
- challenges in managing compliance with local labor regulations and risks associated with labor dispute across different jurisdictions;
- fluctuations in currency exchange rates;
- increased competition with local players in different markets and sub-markets;
- political instability and general economic or political conditions in particular countries or regions, including territorial or trade disputes, war and terrorism;
- exposure to different tax jurisdictions that may subject us to greater fluctuations in our effective tax rate and assessments in multiple jurisdictions on various tax-related assertions, including transfer pricing adjustments and permanent establishment;
- challenges of maintaining efficient and consolidated internal systems, including information technology infrastructure, and of achieving customization and integration of these systems;

- compliance with privacy laws and data security laws, including heightened restrictions and barriers on the transfer of data between different jurisdictions; and
- increased costs associated with doing business in multiple jurisdictions.

There is no assurance we will be able to manage these risks and challenges as we continue to grow our international businesses. Failure to manage these risks and challenges could negatively affect our ability to expand our international and cross-border businesses and operations as well as materially and adversely affect our business, financial condition and results of operations.

Rising international political tension, including changes in U.S. and international trade policies, may adversely impact our business and operating results.

Political tensions between the United States and China have escalated in recent years due to, among other things, the trade war between the two countries since 2018, the COVID-19 outbreak, the PRC National People's Congress' passage of Hong Kong national security legislation, the imposition of U.S. sanctions on certain Chinese officials from China's central government and the Hong Kong Special Administrative Region by the U.S. government, and the imposition of sanctions on certain individuals from the U.S. by the Chinese government. The U.S. government has made statements and taken certain actions that may lead to potential changes to the U.S. and international trade policies towards China. In January 2020, the "Phase One" agreement was signed between the U.S. and China on trade matters. However, it remains unclear what additional actions, if any, will be taken by the U.S. or other governments with respect to international trade agreements, the imposition of tariffs on goods imported into the U.S., tax policy related to international commerce, or other trade matters. While cross-border business may not be an area of our focus, any unfavorable government policies on international trade, such as capital controls or tariffs, may affect the demand for our products and services, impact the competitive position of our products or prevent us from selling products in certain countries. Moreover, many of the recent policy updates in the U.S., including the Clean Network project initiated by the U.S. Department of State in August 2020, the Entity List regime maintained and regularly updated by the U.S. Bureau of Industry and Security, the executive order issued in November 2020 that prohibits U.S. persons from transacting publicly traded securities of certain "Communist Chinese military companies" named in such executive order, as well as the executive order issued on January 5, 2021 that prohibits such transactions as are identified by the U.S. Secretary of Commerce with certain "Chinese connected software applications", including Alipay and WeChat Pay, starting from February 19, 2021, may have unforeseen implications for our business. In addition, China's Ministry of Commerce, or the MOFCOM promulgated the Rules on Counteracting Unjustified Extra-territorial Application of Foreign Legislation and Other Measures on January 9, 2021 with immediate effect. This will apply to Chinese individuals or entities that are purportedly barred or restricted by foreign legislations or measures from engaging in normal economic, trade and related activities with a third nation or its citizens or entities. If any new tariffs, legislation and/or regulations are implemented, or if existing trade agreements are renegotiated or, in particular, if the U.S. government takes retaliatory trade actions due to the recent U.S.-China trade tension, such changes could have an adverse effect on our business, financial condition and results of operations.

Additionally, the United States and various governments have imposed controls, export license requirements and restrictions on the import or export of technologies and products (or voiced the intention to do so), especially related to semiconductor, AI and other high tech areas, which could have a material and adverse effect on our business, financial condition and results of operations. For instance, India has banned a large number of apps in 2020 out of national security concerns, many of which are China-based apps (including three of our platforms- Bigo Live, Likee and Hago), escalating regional, political and trade tensions.

Although we believe that our platforms including Bigo Live, Likee and Hago are not China-based, our previous history of conducting business in China (such as YY Live) might cause our global platforms to be perceived as China-based apps and be subject to the above mentioned international political tension related to China.

Furthermore, there have been recent media reports on deliberations within the U.S. government regarding potentially limiting or restricting China-based companies from accessing U.S. capital markets, and delisting China-based companies from U.S. national securities exchanges. In January 2021, after reversing its own delisting decision, the NYSE ultimately resolved to delist China Mobile, China Unicom and China Telecom in compliance with the executive order issued in November 2020, after receiving additional guidance from the U.S. Department of Treasury and its Office of Foreign Assets Control. These delistings have introduced greater confusion and uncertainty about the status and prospects of Chinese companies listed on the U.S. stock exchanges. If any further such deliberations were to materialize, the resulting legislation may have a material and adverse impact on the stock performance of China-based issuers listed in the U.S., we cannot assure you that we will always be able to maintain the listing of our ADSs on a national stock exchange in the U.S., such as the NYSE or the Nasdaq Stock Market, or that you will always be allowed to trade our shares or ADSs.

Registered trademarks, purchased internet search engine keywords and registered domain names of third parties that are similar to our trademarks, brands or domain names could cause confusion to our users, divert online customers away from our products and services or harm our reputation.

Competitors and other third parties may register trademarks or domain names that are similar to our trademarks or domain names or purchase keywords that are confusingly similar to our brands or websites in internet search engine advertising programs and in the header and text of the resulting sponsored links or advertisements in order to divert potential customers from us to their websites. Preventing such activity is inherently difficult. If we are unable to prevent such activity, competitors and other third parties may continue to drive potential online customers away from our platforms to competing, irrelevant or potentially offensive platforms, which could harm our reputation and cause us to lose revenue.

We have been and may be subject to intellectual property infringement, misappropriation or other claims or allegations in multiple jurisdictions, which could result in our payment of substantial damages, penalties and fines, removal of relevant content from our website or seeking license arrangements which may not be available on commercially reasonable terms.

Third party owners or right holders of patents, copyrights, trademarks, trade secrets and website content may assert intellectual property infringement, misappropriation or other claims against us. Our success depends, in part, on our ability to develop and commercialize our platforms without infringing, misappropriating or otherwise violating the intellectual property rights of third parties. However, we may not be aware that our platforms are infringing, misappropriating or otherwise violating third-party intellectual property rights and such third parties may bring claims alleging such infringement, misappropriation or violation. In addition, content generated through our platforms, including real-time content, may also potentially cause disputes regarding content ownership or intellectual property rights. For example, we could face copyright infringement claims with respect to songs performed live, recorded or made accessible and online games being streamed live, recorded or made accessible on our audio and video-based social entertainment platforms. Separately, as our business expands in global landscape, the costs of carrying out these procedures and obtaining authorization and licenses for the growing content on our platforms and to use such content in multiple jurisdictions into which we may expand our operations may increase, which may potentially have material and adverse effects on our results of operations.

We have been subject to infringement claims from Indian record companies and have been communicating with such companies for cooperation and handling of infringing contents. Up to now, no lawsuits have ever been lodged against Bigo. However, we cannot assure you that we will not become subject to intellectual property claims and lawsuits in other jurisdictions, such as the United States, by virtue of our ADSs being listed on the Nasdaq Global Select Market, the ability of users to access our platforms in the U.S. and other jurisdictions, the performance of songs and other contents which are subject to copyright and other intellectual property laws of multiple jurisdictions, including the U.S., the ownership of our ADSs by investors in the U.S. and other jurisdictions, or the extraterritorial application of laws by courts in any other jurisdiction or otherwise. In addition, as a publicly listed company, we may be exposed to increased risk of litigation.

If an infringement claim brought against us under the jurisdictional laws is successful, we may be required to pay substantial statutory penalties or other damages and fines, remove relevant content from our platforms, face injunctive relief or enter into license agreements which may not be made on commercially reasonable terms or at all. We currently have a U.S. patent portfolio, and our competitors and other third parties may now or in the future have significantly larger and more mature patent portfolios than we have. Litigation or other claims against us also subject us to adverse publicity which could harm our reputation and affect our ability to attract and retain users, including channel owners, singers and other performers, which could materially and adversely affect the popularity of our platforms and therefore, our business, financial condition, results of operations and prospects may be materially and adversely affected.

We have incurred claims related to intellectual property infringements in China, and failure to address such infringements may undermine our financial position and reputation.

The validity, enforceability and scope of protection of intellectual property rights in internet-related industries are uncertain and still evolving. As we face increasing competition and as litigation becomes a more common way to resolve disputes in China, we have also been involved as subject of intellectual property infringement claims. For example, Guangzhou NetEase Computer System Co., Ltd., or NetEase, has initiated a lawsuit against us in Guangzhou in October 2014, claiming the infringement of its rights of reproduction concerning the online game of Fantasy Westward Journey in the amount of RMB100 million. In 2017, the Guangzhou Intellectual Property Court ordered us to compensate NetEase in an amount of RMB20.0 million, and both NetEase and we appealed against this judgement. In December 2019, the Higher People's Court of Guangdong Province rejected both parties' appeal and upheld the judgement of the Guangzhou Intellectual Property Court. We applied for adjudication supervision from the Supreme People's Court of PRC against the judgement in 2020, and we have applied for withdrawal of such adjudication supervision in April 2021. The judgement of the Higher People's Court of Guangdong Province is final and we may suffer considerable damage to our financial position and reputation. Under relevant PRC laws and regulations, and the laws and regulations of other jurisdictions in which we operate or may expand our operations, online service providers which provide storage space for users to upload works or links to other services or content could be held liable for copyright infringement under various circumstances, including situations where an online service provider knows or should reasonably have known that the relevant content uploaded or linked to on its platform infringes the copyrights of others and the provider realizes economic benefits from such infringement activities. The "knows or should reasonably have known" element would be fulfilled under some statutorily specified circumstances. For example, online service providers are subject to liability if they fail to take necessary measures, such as deletion, blocking or disconnection, after receiving notification from the legal right holders. In particular, there have been cases in China in which the courts have found an online service provider to be liable for the copyrighted content posted by users which were accessible and stored on such provider's servers. See "Item 4. Information on the Company—B. Business Overview—PRC Regulation—Intellectual Property Rights."

We have implemented procedures to reduce the likelihood that we may use, develop or make available any content or applications without the proper licenses or necessary third party consents; such procedures include requiring performers, channel owners and users to acknowledge and agree that they would not perform or upload copyrighted content without proper authorization and that they will indemnify us for any relevant copyright infringement claims. However, these procedures may not be effective in preventing unauthorized posting or use of copyrighted content on our platforms or the infringement of third party rights. Specifically, such acknowledgments and agreements by performers, channel owners and users are not enforceable against third parties who may nevertheless file claims of copyright infringement against us. Furthermore, individual performers or channel owners who generate content on our platform that may infringe copyrights of third parties may not be easily traceable, if at all, by a plaintiff who may then choose to file a claim against us, and these individual performers and channel owners may not have resources to fully indemnify us, if at all, for any such claims.

We may not be able to successfully halt the operations of platforms that aggregate our data as well as data from other companies, including social networks, or "copycat" platforms that have misappropriated our data in the past or may misappropriate our data in the future. Those platforms may also lure away some of our users or advertisers or reduce our market share, causing material and adverse effects on our business operations.

From time to time, third parties have misappropriated our data through scraping our platforms, robots or other means and aggregated this data on their platforms with data from other companies. In addition, historically "copycat" platforms or client applications had misappropriated data on our platforms, implanted Trojan viruses in user PCs or mobiles to steal user data from YY Client or other mobile applications and attempted to imitate our brand or the functionality of our platforms. When we became aware of such platforms, we employed technological and legal measures in an attempt to halt their operations. However, we may not be able to detect all such misappropriation in a timely manner and, even if we could, technological and legal measures may be insufficient to stop all such misappropriation. In those cases, our available remedies may not be adequate to protect us against such misappropriation. Regardless of whether we can successfully enforce our rights against these third parties, any measures that we may take could require significant financial or other resources from us. Those third parties may also lure away some of our users or advertisers or reduce our market share, causing material and adverse effects to our business operations.

We may not be able to prevent unauthorized use of our intellectual property, which could harm our business and competitive position.

We regard our trademarks, service marks, patents, domain names, trade secrets, proprietary technologies and similar intellectual property as critical to our success, and we rely on trademark and patent law, trade secret protection and confidentiality and license agreements with our employees and others to protect our proprietary rights. However, the steps we take to obtain, maintain, protect and enforce our intellectual property rights may be inadequate. We will not be able to protect our intellectual property rights if we are unable to obtain such intellectual property rights, or enforce our rights or if we do not detect unauthorized use of our intellectual property rights. If we fail to protect our intellectual property rights adequately, our competitors may gain access to our proprietary technology and develop and commercialize substantially identical products, services or technologies, and our business, financial condition, results of operations or prospects may be harmed. In addition, defending our intellectual property rights may entail significant expense.

It is often difficult to obtain, maintain and enforce intellectual property rights in China and other jurisdictions, as compared with the United States. Patents, trademarks and service marks may be invalidated, circumvented, or challenged. Trade secrets are difficult to protect, and our trade secrets may be leaked or otherwise become known or be independently discovered by others. Moreover, no assurance can be given that confidential agreements will be effective in controlling access to, distribution, use, misuse, misappropriation, reverse engineering or disclosure of our proprietary information, know-how and trade secrets. Further, these agreements may not prevent our competitors from independently developing technologies that are substantially equivalent or superior to our platform capabilities. Confidentiality agreements may be breached, and we may not have adequate remedies for any breach. Even where adequate, relevant laws exist, it may not be possible to obtain swift and equitable enforcement of such laws, or to obtain enforcement of a court judgment or an arbitration award delivered in another jurisdiction, and accordingly, we may not be able to effectively protect our intellectual property rights or enforce agreements in China or other jurisdictions. Policing any unauthorized use of our intellectual property is difficult and costly and the steps we have taken may be inadequate to prevent the misappropriation of our technologies. Given the potential cost, effort, risks and downsides of obtaining patent protection, in some cases we have not and do not plan to apply for patents or other forms of formal intellectual property protection for certain key technologies. If some of these technologies are later proven to be important to our business and are used by third parties without our authorization, especially for commercial purposes, our business and competitive position may be harmed. Patent, trademark, copyright, and trade secret protection may not be available to us in every country in which our platforms are or become available. For example, as we have expanded our business in multiple regions across the globe, we may be unable to register and obtain exclusive rights to use our trademarks in certain jurisdictions. As we expand our international activities, our exposure to unauthorized copying and use of our platforms will likely increase.

Litigation may be necessary in the future to enforce our intellectual property rights and to protect our trade secrets. Such litigation could be costly, time-consuming, and distracting to management, and could result in the impairment or loss of portions of our intellectual property. Further, our efforts to enforce our intellectual property rights may be met with defenses, counterclaims, and countersuits attacking the validity and enforceability of our intellectual property rights, and if such defenses, counterclaims or countersuits are successful, we could lose valuable intellectual property rights. Our inability to protect our proprietary technology against unauthorized copying or use, as well as any costly litigation or diversion of our management’s attention and resources, could delay further sales or the implementation of our platforms, impair the functionality of our platforms, delay introductions of our platforms, result in our substituting inferior or more costly technologies into our platforms or damage our reputation.

As our patents may expire and may not be extended, our patent applications may not be granted and our patent rights may be contested, circumvented, invalidated or limited in scope, our patent rights may not protect us effectively. In particular, we may not be able to prevent others from developing or exploiting competing technologies, which could have a material and adverse effect on our business operations, financial condition and results of operations.

In China, the valid period of utility model patent right and design patent right is ten years and fifteen years respectively, according to the 2020 Patent Law that will become effective on June 1, 2021, and is not extendable. Our patents registered in other jurisdictions are also generally subject to finite and non-extendable terms. Currently, we have patent applications pending in multiple regions across the globe, but we cannot assure you that we will be granted patents pursuant to our pending applications or will be granted patents based on patent applications we may file in other jurisdictions. Even if our patent applications succeed and we are issued patents in accordance with them, it is still uncertain whether these patents will be contested, circumvented or invalidated in the future. The rights granted under any issued patents may not provide us with proprietary protection or competitive advantages. Further, the claims under any patents that issue from our patent applications may not be broad enough to prevent others from developing technologies that are similar or that achieve results similar to ours. It is also possible that the intellectual property rights of others will bar us from licensing and from exploiting any patents that issue from our pending applications. Numerous U.S. and patents issued in other regions and pending patent applications owned by others exist in the fields in which we have developed and are developing our technology. These patents and patent applications might have priority over our patent applications and could subject our patent applications to invalidation and subject to patent infringement lawsuits if we expand our operations into such jurisdictions. Finally, in addition to those who may claim priority, any of our existing or pending patents may also be challenged by others on the basis that they are otherwise invalid or unenforceable.

If we fail to maintain and enhance our brands or to effectively promote our products and acquire new users, or if we incur excessive expenses in these efforts, our business, results of operations and prospects may be materially and adversely affected.

We believe that maintaining and enhancing our brands is of significant importance to the success of our business. Well-recognized brands are important to increasing the number of users and the level of engagement of our users and enhancing our attractiveness to advertisers. Since we operate in a highly competitive market, brand maintenance and enhancement directly affect our ability to maintain our market position.

As we expand in the future, we may conduct various marketing and brand promotion activities using various methods to continue promoting our brands. We cannot assure you, however, that these activities will be successful or that we will be able to achieve the brand promotion effect we expect. In addition, any negative publicity in relation to our products or services, regardless of its veracity, could harm our brands and reputation.

We have sometimes received, and expect to continue to receive, complaints from users regarding the quality of the products and services we offer. Negative publicity or public complaints by users may harm our reputation and affect our ability to attract new users and retain existing users. If our users' complaints are not addressed to their satisfaction, our reputation and our market position could be significantly harmed, which may materially and adversely affect our business, results of operations and prospects.

We no longer consolidate the operating results of Huya, which may materially and adversely affect our results of operations.

In March 2018, Huya entered into definitive agreements for its series B-2 equity financing with Linen Investment Limited, a wholly owned subsidiary of Tencent Holdings Limited, or Tencent. Pursuant to these agreements, Tencent has a right, exercisable between March 8, 2020 and March 8, 2021, to purchase additional shares in Huya to reach 50.1% of Huya's total voting power. On April 3, 2020, we transferred 16,523,819 Class B ordinary shares of Huya to Linen Investment Limited, a wholly-owned subsidiary of Tencent for an aggregate purchase price of approximately US$262.6 million in cash, pursuant to Tencent's exercise of its option to purchase additional shares of Huya. As a result of the closing of the share transfer, Tencent increased its voting power in Huya to 50.1% on a fully diluted basis, or 50.9% calculated based on the total issued and outstanding shares of Huya, and will consolidate financial statements of Huya. Immediately after the share transfer, we held 68,374,463 Class B ordinary shares of Huya, representing approximately 43.0% of the total voting power calculated based on the total issued and outstanding shares of Huya. On August 10, 2020, we entered into a definitive share transfer agreement with Linen Investment Limited, pursuant to which we would transfer 30,000,000 Class B ordinary shares of Huya to Tencent for an aggregate purchase price of US$810.0 million in cash. Immediately after such share transfer, we held 38,374,463 Class B ordinary shares of Huya, representing 24.1% of the total voting power calculated based on the total issued and outstanding shares of Huya. Starting from the second quarter of 2020, we no longer consolidate the operating results of Huya into our financial statements, and our results of operations as shown in our financial statements may be adversely affected.

Our business depends substantially on the continuing efforts of our executive officers and key employees, and our business operations may be severely disrupted if we lose their services.

Our future success depends substantially on the continued efforts of our executive officers and key employees. If one or more of our executive officers or key employees were unable or unwilling to continue their services with us, we might not be able to replace them easily, in a timely manner, or at all. In addition, some of our executive officers and key employees hold the equity interests in our variable interest entities in PRC. If any of these executive officers and key employees terminates their services with us, we have the contractual right to appoint designees to hold the PRC consolidated affiliated entities' equity interests. However, our business may be severely disrupted, our financial condition and results of operations may be materially and adversely affected and we may incur additional expenses to recruit, train and retain personnel. If any of our executive officers or key employees joins a competitor or forms a competing company, we may lose customers, know-how and key professionals and staff members. Each of our executive officers and key employees has entered into an employment agreement and a non-compete agreement with us. However, as advised by our PRC counsel, Fangda Partners, certain provisions under the non-compete agreement may not be deemed valid or enforceable under PRC laws. If any dispute arises between our executive officers and key employees and us, we cannot assure you that we would be able to enforce these non-compete agreements in China, where these executive officers reside, in light of uncertainties with China's legal system. See "—Risks Related to Doing Business in Jurisdictions We Operate—Uncertainties in the interpretation and enforcement of Chinese laws and regulations could limit the legal protections available to you and us."

If we are unable to attract, train and retain qualified personnel, our business may be materially and adversely affected.

Our future success depends, to a significant extent, on our ability to attract, train and retain qualified personnel, particularly management, technical and marketing personnel with expertise in the internet industry; inability to do so may materially and adversely affect our business. Since the internet industry is characterized by high demand and intense competition for talent, we cannot assure you that we will be able to attract or retain qualified staff or other highly skilled employees. As our company is relatively young, our ability to train and integrate new employees into our operations may not meet the growing demands of our business which may materially and adversely affect our ability to grow our business and hence our results of operations.

We may be exposed to cyber security risk.

Computer hackers, governments or cyber terrorists may attempt to penetrate our network security and our website. Unauthorized access to our proprietary business information or customer data may be obtained through break-ins, sabotage, breach of our secure network by an unauthorized party, computer viruses, computer denial-of-service attacks, employee theft or misuse, breach of the security of the networks of our third party providers, or other misconduct. Because the techniques used by computer programmers who may attempt to penetrate and sabotage our network security or our website change frequently and may not be recognized until launched against a target, we may be unable to anticipate these techniques. It is also possible that unauthorized access to customer data may be obtained through inadequate use of security controls by customers. We would suffer economic and reputational damages if a technical failure of our systems or a security breach compromises our user data, including identification or contact information, although there has not been any compromise in the past. Any disruption to our computer systems could have a material adverse effect on our on-site operations and ability to retain and attract users.

Our internet financing business is subject to a variety of risks.

In 2018, we started to participate in the internet financing sector in China. We have ceased to extend credit in our PRC internet micro-financing business since the second half of 2019, and we are in the process of collecting payments on the historical loans and have made loss provisions based on historical performances. We have launched several internet financial service products. The risk of non-payment of loans is inherent in the internet financing business and we are subject to credit risk resulting from defaults in payment for loans by our customers. Credit risks may be exacerbated in micro-credit financing because there will be relatively limited information available about the credit histories of the borrowers. We cannot assure you that our monitoring of credit risk issues and our efforts to mitigate credit risks through our credit assessment and risk management policies are or will be sufficient to result in lower delinquencies. Furthermore, our ability to manage the quality of our loan portfolio and the associated credit risks will have significant impact on the results of operations of our internet finance business. Deterioration in the overall quality of loan portfolio and the increasing exposure to credit risks may occur due to a variety of reasons, including factors beyond our control, such as a slowdown in the growth of the global or Chinese economies or a liquidity or credit crisis in the global or Chinese finance sectors, which may materially and adversely affect our businesses, operations or liquidity of our consumers or their ability to repay or roll over their debt. Any significant deterioration in the asset quality of our internet finance business and significant increase in associated credit risks may materially and adversely affect our business, financial condition and results of operations. Meanwhile, the regulatory framework for internet financing business is evolving and may remain uncertain for the foreseeable future. China's internet financing industry in general remains at a rather preliminary development stage and may not develop at the anticipated growth rate. It is possible that the PRC laws and regulations may change in ways that do not favor our development. If that happens, our internet financing business may be adversely affected.

In addition, we used to conduct financing leasing business in 2018. Even though we have ceased the operations of such business for the avoidance of potential risks arising from such business, we may still be exposed to credit risks due to existing lessees' failure to repay the outstanding amounts due to us.

Our results of operations are subject to substantial quarterly and annual fluctuations due to seasonality.

We experience seasonality in our business, reflecting seasonal fluctuations in internet usage. As a result, comparing our operating results on a period-to-period basis may not be meaningful. For example, online user numbers tend to be lower during the holidays and celebrations in different cultures (including but not limited to Chinese New Year, Independence Day, Ramadan etc.), which negatively affects our cash flow for those periods. We may also experience a slight decrease of active users during Christmas and ending with the New Year’s Day. Historically, excluding the impact of COVID-19, our revenues from advertising have followed the same general seasonal trend throughout the year with the first quarter of the year being the weakest quarter and the fourth quarter being the strongest. Furthermore, the number of paying users of our video content platform correlates with the marketing campaigns and promotional activities we conduct from time to time. Overall, the historical seasonality of our business has been relatively mild due to our rapid growth but seasonality may increase in the future. Once our business development reaches a more mature stage, our financial results may reflect seasonal effects owing to the factors mentioned above.

As a result, our operating results in future quarters or years may fall below the expectations of securities analysts and investors. In such event, the trading price of our ADSs would likely be materially and adversely affected. See “Item 4. Information on the Company—B. Business Overview—Seasonality” for additional details regarding the effects of seasonality on our cash flow, operating performance and financial results.

Our business is sensitive to global economic and various other conditions. Changes in the global and regional economy and other aspects could materially and adversely affect our business, financial condition and results of operations.

The success of our business ultimately depends on consumer spending. Our revenue is exposed to general economic and various other conditions that affect consumer confidence, discretionary income or changes in spending habits. As a result, our revenue and net income could be impacted to a significant extent by economic and various other conditions in respective regions where we operate, as well as economic conditions specific to digital entertainment. The regional and global economy, markets and levels of consumer spending are influenced by many factors beyond our control, including consumer perception of current and future economic conditions, political uncertainty, employment levels, inflation or deflation, real disposable income, interest rates, taxation and currency exchange rates etc.

COVID-19 had a severe and negative impact on the global economy in the first quarter of 2020. Whether this will lead to a prolonged downturn in the economy is still unknown. Even before the outbreak of COVID-19, the global macroeconomic environment was facing numerous challenges. Uncertainty about global economic conditions poses a risk as consumers and businesses may postpone spending in response to credit constraint, rising unemployment rate, financial market volatility, government austerity programs, negative financial news, declines in income or asset values and/or other factors. There is considerable uncertainty over the long-term effects of the expansionary monetary and fiscal policies which had been adopted by the central banks and financial authorities of the world's leading economies. Unrest, terrorist threats and the potential for war in the Middle East and elsewhere may increase market volatility across the globe. In addition to that, in late June of 2020, the Indian government also took extensive measures to block certain China-based apps in its local market and defend for other geopolitical risks, and our platforms including Bigo Live, Likee and Hago were also perceived by the Indian government as China-based apps and were subsequently blocked, which has affected our user base and resulted a short-term impact on our operations. These worldwide and regional economic and various other conditions could have a material adverse effect on demand for our products and services. Demand also could differ materially from our expectations as a result of currency fluctuations. Other factors that could influence worldwide or regional demand include changes in fuel and other energy costs, conditions in the real estate and mortgage markets, unemployment, labor and healthcare costs, access to credit, consumer confidence and other macroeconomic factors affecting consumer spending behavior. An economic downturn, whether actual or perceived, a further decrease in economic growth rates or an otherwise uncertain economic outlook in global markets which we may operate could have a material adverse effect on business and consumer spending and, as a result, adversely affect our business, financial condition and results of operations.

Future strategic alliances or acquisitions may have a material and adverse effect on our business, reputation and results of operations.

We may enter into strategic alliances, including joint ventures or minority equity investments, with various third parties to further our business purpose from time to time. These alliances could subject us to a number of risks, including risks associated with sharing proprietary information, non-performance by the third party and increased expenses in establishing new strategic alliances, any of which may materially and adversely affect our business. We may have limited ability to monitor or control the actions of these third parties and, to the extent any of these strategic third parties suffers negative publicity or harm to their reputation from events relating to their business, we may also suffer negative publicity or harm to our reputation by virtue of our association with any such third party.

In addition, if appropriate opportunities arise, we may acquire additional assets, products, technologies or businesses that are complementary to our existing business. Past and future acquisitions and the subsequent integration of new assets and businesses into our own require significant attention from our management and could result in a diversion of resources from our existing business, which in turn could have an adverse effect on our business operations. Acquired assets or businesses may not generate the financial results we expect. Acquisitions could result in the use of substantial amounts of cash, potentially dilutive issuances of equity securities, the occurrence of significant goodwill impairment charges, amortization expenses for other intangible assets, exposure to potential unknown liabilities of the acquired business and decrease in our gross and net margins as a result of the consolidation of the financial results of the acquired business. Moreover, the costs of identifying and consummating acquisitions may be significant. In addition to possible shareholders' approval, we may also have to obtain approvals and licenses from relevant government authorities for the acquisitions and to comply with any applicable laws and regulations, which could result in increased delay and costs.

If we fail to maintain an effective system of internal control over financial reporting, we may be unable to accurately report our financial results or prevent fraud, and investor confidence in our company and the market price of our ADSs may be adversely affected.

The SEC, as required by Section 404 of the Sarbanes-Oxley Act of 2002, or the Sarbanes-Oxley Act, adopted rules requiring most public companies to include a management report on such company's internal control over financial reporting in its annual report, which contains management's assessment of the effectiveness of the company's internal control over financial reporting. In addition, when a company meets the SEC's criteria, an independent registered public accounting firm must report on the effectiveness of the company's internal control over financial reporting.

Our management and independent registered public accounting firm have concluded that our internal control over financial reporting was effective as of December 31, 2020. However, we cannot assure you that in the future our management or our independent registered public accounting firm will not identify material weaknesses during the Section 404 of the Sarbanes-Oxley Act audit process or for other reasons. In addition, because of the inherent limitations of internal control over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may not be prevented or detected on a timely basis. As a result, if we fail to maintain effective internal control over financial reporting or should we be unable to prevent or detect material misstatements due to error or fraud on a timely basis, investors could lose confidence in the reliability of our financial statements, which in turn could harm our business, results of operations and negatively impact the market price of our ADSs, and harm our reputation. Furthermore, we have incurred and expect to continue to incur considerable costs and to use significant management time and the other resources in an effort to comply with Section 404 and other requirements of the Sarbanes-Oxley Act.

Unauthorized third party platforms may sell virtual items we offer for free on our platforms, which may affect our revenue-generating opportunities and exert downward pressure on the prices we charge for our virtual items.

We, from time to time, offer virtual items free of charge to attract users or encourage user participation in channels. Some of our users may sell or purchase such free virtual items through unauthorized third party sellers in exchange for real currency. For example, fans of a performer may pay other users to send flowers or gifts the latter have accumulated on our platforms to the performer, in order to show support and raise the popularity ranking of the performer of their choice. These unauthorized transactions are usually arranged on third party platforms which we do not and are unable to track or monitor. Accordingly, these unauthorized purchases and sales from third party sellers may affect our revenue-generating opportunities and may impede our revenue and profit growth by, among other things, reducing the revenues we could have generated and exerting downward pressure on the prices we charge for our virtual items.

We have limited business insurance coverage, so that any uninsured occurrence of business disruption may result in substantial costs to us and the diversion of our resources, which could have an adverse effect on our results of operations and financial condition.

Insurance companies in developing countries such as China currently do not offer as extensive an array of insurance products as insurance companies do in more developed economies. We may not have sufficient insurance coverage for business liabilities or disruptions. We have determined that the costs of insuring for these risks and the difficulties associated with acquiring such insurance on commercially reasonable terms make it impractical for us to have such insurance. Any uninsured occurrence may disrupt our business operations, require us to incur substantial costs and divert our resources, which could have an adverse effect on our results of operations and financial condition.

Risks Related to Doing Business in Jurisdictions We Operate

We are subject to the risks of doing business globally.

We maintain our operations in multiple jusisdictions across the globe including North America, Europe, the Middle East, Southeast Asia, and Eastern Pacific regions, etc., and may in the future continue expanding, or seek to expand, our operations to additional jurisdictions. The global operation and expansion plan exposes us to international political, legal and economic risks, which are fluid and unpredictable. Our ability to maintain good operation in multiple countries and regions may be adversely affected by changes in international and local laws and regulations such as those related to taxation, import and export tariffs, environmental regulations, land use rights, intellectual property, currency controls, network security and other matters. Many, if not all of the above-mentioned risks also apply to our operations in multiple jurisdictions across the globe including North America, Europe, the Middle East, Southeast Asia, and Eastern Pacific regions, etc. where we operate or seek to operate. If any of these risks were to occur, our business, financial condition and results of operations could be materially and adversely affected by any of the risks above.

We cannot guarantee that we will be able to successfully carry out our global expansion strategy. We will face certain risks inherent in doing business internationally, including but not limited to: difficulties in developing, staffing and simultaneously managing global operations as a result of distance, language and cultural differences; challenges in formulating effective local sales and marketing strategies targeting users from various jurisdictions and cultures, who have a diverse range of preferences and demands; challenges in identifying appropriate local business partners and establishing and maintaining good working relationships with them; challenges in obtaining and maintaining sufficient intellectual property protection and rights in various jurisdictions; dependence on local platforms in marketing our international products and services in multiple regions across the globe; challenges in selecting suitable geographical regions for international business; political or social unrest or economic instability; compliance with applicable laws and regulations in multiple regions across the globe and unexpected changes in laws or regulations; exposure to different tax jurisdictions that may subject us to greater fluctuations in our effective tax rate and potentially adverse tax consequences; and increased costs associated with doing business in multiple jurisdictions across the globe including North America, Europe, the Middle East, Southeast Asia, and Eastern Pacific regions, etc..

We face risks and uncertainties to comply with the laws, regulations and rules in various aspects in multiple jurisdictions across the globe including North America, Europe, the Middle East, Southeast Asia, and Eastern Pacific regions, etc. Failure to comply with such applicable laws, regulations and rules may subject our global operations to strict scrutiny by local authorities, which in turn may materially and adversely affect our globalized operations.

As we expand our operations in additional emerging markets and regions, we may have to adapt our business models or operations to the local markets due to various legal requirements and market conditions. Our international operations and expansion efforts may result in increased costs and are subject to various risks, including difficulties in obtaining licenses, permits or other applicable governmental authorizations, content control from local authorities, uncertain enforcement of intellectual property rights, potential claims of intellectual property infringement, the complexity of compliance with laws and regulations and cultural differences. Compliance with applicable laws, regulations and rules related to matters that are central to our business, including those related to live streaming services, content restrictions, data privacy, virtual items, anti-corruption laws, anti-money laundering and protection of minors, increases the costs and risk exposure of doing business in multiple jurisdictions across the globe including North America, Europe, the Middle East, Southeast Asia, and Eastern Pacific regions, etc.. In some cases, compliance with the laws and regulations of one country could violate the laws and regulations of another country. As our globalized operations evolve, we cannot assure you that we are able to fully comply with the legal requirements of each jurisdiction and successfully adapt our business models to local market conditions. Due to the complexity involved in our global business expansion, we cannot assure you that we are in compliance with all local laws or regulations, including license requirements, or that our existing licenses will be successfully renewed or expanded to cover all of our areas of operations.

Uncertainties in the interpretation and enforcement of Chinese laws and regulations could limit the legal protections available to you and us.

The PRC legal system is based on written statutes and prior court decisions have limited value as precedents. Each of our PRC subsidiaries is a foreign-invested enterprise and is subject to laws and regulations applicable to foreign-invested enterprises as well as various Chinese laws and regulations generally applicable to companies incorporated in China. However, since these laws and regulations are relatively new and the PRC legal system continues to rapidly evolve, the interpretations of many laws, regulations and rules are not always uniform and enforcement of these laws, regulations and rules involves uncertainties.

From time to time, we may have to resort to administrative and court proceedings to enforce our legal rights. However, since PRC administrative and court authorities have significant discretion in interpreting and implementing statutory and contractual terms, it may be more difficult to evaluate the outcome of administrative and court proceedings and the level of legal protection we enjoy than in more developed legal systems. Furthermore, the PRC legal system is based in part on government policies and internal rules (some of which are not published in a timely manner or at all) that may have retroactive effect. As a result, we may not be aware of our violation of these policies and rules until sometime after the violation. Such uncertainties, including uncertainty over the scope and effect of our contractual, property (including intellectual property) and procedural rights, could materially and adversely affect our business and impede our ability to continue our operations.

Changes in China's economic, political or social conditions or government policies may adversely affect our business, financial condition and results of operations in China.

With some of our subsidiaries located in China, our business, financial condition, results of operations and prospects may be influenced to a significant degree by political, economic and social conditions in China generally and by continued economic growth in China as a whole.

The Chinese economy differs from the economies of most developed countries in many respects, including the level of government involvement, level of development, growth rate, control of foreign exchange and allocation of resources. Although the Chinese government has implemented measures emphasizing the utilization of market forces for economic reform, the reduction of state ownership of productive assets, and the establishment of improved corporate governance in business enterprises, a substantial portion of productive assets in China is still owned by the Chinese government. In addition, the Chinese government continues to play a significant role in regulating industry development by imposing industrial policies. The Chinese government also exercises significant control over the Chinese economic growth through allocating resources, controlling payment of foreign currency-denominated obligations, setting monetary policy, regulating financial services and institutions and providing preferential treatment to particular industries or companies.

While the Chinese economy has experienced significant growth over the past decades, growth has been uneven, both geographically and among various sectors of the economy. The Chinese government has implemented various measures to encourage economic growth and guide the allocation of resources. Some of these measures may benefit the overall Chinese economy, but may have a negative effect on us. For example, our financial condition and results of operations may be adversely affected by government control over capital investments or changes in tax regulations. The growth rate of the Chinese economy has gradually slowed since 2010, and the impact of COVID-19 on the Chinese economy in 2020 was severe. Any prolonged slowdown in the Chinese economy may reduce the demand for our products and services and may adversely affect our business and results of operations in China.

We may be adversely affected by the complexity, uncertainties and changes in PRC regulation of internet business and companies.

The PRC government extensively regulates the internet industry, including foreign ownership of, and the licensing and permit requirements pertaining to, companies in the internet industry. These internet-related laws and regulations are relatively new and evolving, and their interpretation and enforcement involve significant uncertainty. As a result, in certain circumstances it may be difficult to determine what actions or omissions may be deemed to be in violations of applicable laws and regulations. Issues, risks and uncertainties relating to PRC regulation of the internet business include, but are not limited to, the following:

- We only have contractual control over our platforms in China. Our PRC consolidated affiliated entities own our platforms due to the restriction of foreign investment in businesses providing value-added telecommunication services in China, including internet content provision services. If any of our PRC consolidated affiliated entities breaches its contractual arrangements with us and no longer remains under our control, this may significantly disrupt our business, subject us to sanctions, compromise enforceability of related contractual arrangements, or have other harmful effects on us.

- There are uncertainties relating to the regulation of the internet business in China, including evolving licensing practices and the requirement for real-name registrations. Permits, licenses or operations at some of our subsidiaries and PRC consolidated affiliated entities levels may be subject to challenge, or we may fail to obtain permits or licenses that may be deemed necessary for our operations or we may not be able to obtain or renew certain permits or licenses. See "—Risks Related to Our Corporate Structure—If our PRC consolidated affiliated entities fail to obtain and maintain the requisite licenses and approvals required under the complex regulatory environment for internet-based businesses in China, our business, financial condition and results of operations in China may be adversely affected" and "Item 4. Information on the Company—B. Business Overview—PRC Regulation."

- The evolving PRC regulatory system for the internet industry may lead to the establishment of new regulatory agencies. For example, in May 2011, the State Council announced the establishment of a new department, the State Internet Information Office (with the involvement of the State Council Information Office, or the SCIO, the MIIT and the Ministry of Public Security). The primary role of this new agency is to facilitate the policy-making and legislative development in this field to direct and coordinate with the relevant departments in connection with online content administration and to deal with cross-ministry regulatory matters in relation to the internet industry. We are unable to determine what policies this new agency or any new agencies to be established in the future may have or how they may interpret existing laws, regulations and policies and how they may affect us. Further, new laws, regulations or policies may be promulgated or announced that will regulate internet activities, including online video and online advertising businesses. If these new laws, regulations or policies are promulgated, additional licenses may be required for our operations in China. If our PRC operations do not comply with these new regulations after they become effective, or if we fail to obtain any licenses required under these new laws and regulations, we could be subject to penalties.

On July 13, 2006, the MIIT issued the Notice of the Ministry of Information Industry on Intensifying the Administration of Foreign Investment in Value-added Telecommunications Services. This notice prohibits domestic telecommunication service providers from leasing, transferring or selling telecommunication business operating licenses to any foreign investor in any form, or providing any resources, sites or facilities to any foreign investor for their illegal operation of a telecommunication business in China. According to this notice, either the holder of a value-added telecommunication business operating license or its shareholders must be the registered holders of the domain names or trademarks used by such license holders in their provision of value-added telecommunication services. The notice also requires each license holder to have the necessary facilities, including servers, for its approved business operations and to maintain such facilities in the regions covered by its license. Currently, all contracts with telecommunication carriers and other service providers to host the servers used in our business within China were entered into by our PRC consolidated affiliated entities, and such arrangements are in compliance with this notice. Our PRC consolidated affiliated entities also own the related domain names and trademarks, and hold the ICP License necessary to conduct our operations in China.

The interpretation and application of existing PRC laws, regulations and policies and possible new laws, regulations or policies relating to the internet industry have created substantial uncertainties regarding the legality of existing and future foreign investments in, and the businesses and activities of, internet businesses in China, including our business. There are also risks that we may be found to violate the existing or future laws and regulations given the uncertainty and complexity of China's regulation of internet business.

Content posted and displayed on our platforms operated in China may be found objectionable by PRC regulatory authorities and may subject us to penalties and other severe consequences.

The PRC government has adopted regulations governing internet access and the distribution of information over the internet. Such regulations may intensify and become more stringent from time to time, subjecting us to increased levels of content monitoring requirements, which may increase our expenses and risk of non-compliance with relevant PRC regulations. Under these regulations, internet content providers and internet publishers are prohibited from posting or displaying over the internet content that, among other things, violates PRC laws and regulations, impairs the national dignity of China or the public interest, or is obscene, superstitious, fraudulent or defamatory. Internet content providers are also prohibited from displaying content that may be deemed by relevant government authorities as "socially destabilizing" or leaking "state secrets" of the PRC. Failure to comply with these requirements by our platform in China may result in the revocation of licenses to provide internet content and other licenses, the closure of the concerned platforms and reputational harm. The operator may also be held liable for such censored information displayed on or linked to their platform. For a detailed discussion, see "Item 4. Information on the Company—B. Business Overview—PRC Regulation."

We allow visitors to our platforms to upload written materials, images, pictures, and other content on the forums on our platforms, and also allow users to share, link to and otherwise access audio, video, games and other content from third parties through our platforms. For a description of how content can be accessed on or through our platforms, and what measures we take to lessen the likelihood that we will be held liable for the nature of such content, see "Item 4. Information on the Company—B. Business Overview—Technology," "Item 4. Information on the Company—B. Business Overview—Intellectual Property," and "—Risks Related to Our Business and Industry — We have been and may be subject to intellectual property infringement, misappropriation or other claims or allegations in multiple jurisdictions, which could result in our payment of substantial damages, penalties and fines, removal of relevant content from our website or seeking license arrangements which may not be available on commercially reasonable terms."

Since our inception, we have worked closely with relevant government authorities to monitor the content on our platforms and to make the utmost effort in complying with relevant laws and regulations. However, it may not be possible to timely determine in all cases the types of content that could result in our liability as an internet operator, and if any of our internet content on our platform operated in China is deemed by the PRC government to violate any content restrictions, we would not be able to continue to display such content and could become subject to penalties, including confiscation of income, fines, suspension of business and revocation of required licenses, which could adversely affect our business, financial condition and results of operations. We may also be subject to potential liability for any unlawful actions of our users or third party service providers on our platforms operated in China or for content we distribute that is deemed inappropriate. For example, we have previously been subject to a few warnings and fines in an aggregate amount of RMB0.2 million in 2018 for having inappropriate content on our platforms. Although we corrected these non-compliances and undertook measures to prevent the recurrence of such instances, it may be difficult to determine the type of content or actions that may result in liability to us, and if we are found to be liable, we may be prevented from operating our business in China. Moreover, the costs of compliance with these regulations may continue to increase as a result of more content being made available by an increasing number of users and third party partners and developers, which may adversely affect our results of operations. Although we have adopted internal procedures to monitor content uploaded to our website and to remove offending content once we become aware of any potential or alleged violation, we may not be able to identify all the content that may violate relevant laws and regulations or third party intellectual property rights and even if we manage to identify and remove offending content, we may still be held liable for such third-party content. Users may upload content or images containing content that infringes upon third-party copyrights or other illegal content and we may be subject to claims, including infringement claims or become involved in litigation proceedings due to such content. As a result, our reputation, PRC business and results of operations may be materially and adversely affected.

For clarification, with the sale of YY Live being substantially completed with certain customary matters remaining to be completed in the near future, we believe the majority of our business, especially our global platforms that operated outside China, is not subject to the above regulations.

It is not certain if we will be classified as a Singapore tax resident.

Under the Singapore Income Tax Act, a company established outside Singapore but whose governing body, being the board of directors, usually exercises de facto control and management of its business in Singapore could be considered a tax resident in Singapore. However, such control and management of the business should not be deemed to be in Singapore if physical board meetings are mainly conducted outside of Singapore. Where board resolutions are passed in the form of written consent signed by the directors each acting in their own jurisdictions, or where the board meetings are held by teleconference or videoconference, it is possible that the place of de facto control and management will be considered to be where the majority of the board are located when they sign such consent or attend such conferences.

We believe that we are not a Singapore tax resident for Singapore income tax purposes. However, our tax residence status is subject to determination by the Inland Revenue Authority of Singapore, or IRAS, and uncertainties remain with respect to the interpretation of the term "control and management" for the purposes of the Singapore Income Tax Act. If IRAS determines that we are a Singapore tax resident for Singapore income tax purposes, the portion of our single company income on an unconsolidated basis that is received or deemed by the Singapore Income Tax Act to be received in Singapore, where applicable, may be subject to Singapore income tax at the prevailing tax rate of 17% before applicable income tax exemptions or relief, where Bigo Singapore is entitled to enjoy the beneficial tax rate of 5% as the Incentive for the years 2018 through 2022. If we are regarded as a Singapore tax resident, any dividends received or deemed received by us in Singapore from subsidiaries located in a foreign jurisdiction with a rate of income tax or tax of a similar nature of no more than 15% may generally be subject to additional Singapore income tax where there is no other applicable tax treaty between such foreign jurisdiction and Singapore. Income is considered to have been received in Singapore when it is: (i) remitted to, transmitted or brought into Singapore; (ii) applied in or towards satisfaction of any debt incurred in respect of a trade or business carried on in Singapore; or (iii) applied to purchase any movable property that is brought into Singapore. In addition, as Singapore does not impose withholding tax on dividends declared by Singapore resident companies, if we are considered a Singapore tax resident, dividends paid to the holders of our ordinary shares and ADSs will not be subject to withholding tax in Singapore. Regardless of whether or not we are regarded as a Singapore tax resident, holders of our ordinary shares or the ADSs who are not Singapore tax residents would generally not be subject to Singapore income tax on gains derived from the disposal of our ordinary shares or the ADSs if such shareholders do not maintain a permanent establishment in Singapore, to which the disposition gains may be effectively connected, and the entire process (including the negotiation, deliberation, execution of the acquisition and sale, etc.) leading up to the actual acquisition and sale of the ADSs or our ordinary shares is performed outside of Singapore. For Singapore resident shareholders, if the gain from disposal of our ordinary shares or the ADSs is considered by IRAS as income in nature, such gain will generally be subject to Singapore income tax, and not taxable in Singapore if the gain is considered by IRAS as capital gains in nature. See "Item 10. Additional Information—Taxation—Singapore."

Under the PRC enterprise income tax law, we may be classified as a PRC "resident enterprise," which could result in unfavorable tax consequences to us and our shareholders and have a material adverse effect on our results of operations and the value of your investment.

Under the PRC Enterprise Income Tax Law that became effective on January 1, 2008 and respectively amended on February 24, 2017 and December 29, 2018, an enterprise established outside the PRC with "de facto management bodies" within the PRC is considered a "resident enterprise" for PRC enterprise income tax purposes and is generally subject to a uniform 25% enterprise income tax rate on its worldwide income. On April 22, 2009, the State Administration of Taxation, or the SAT, issued the Notice Regarding the Determination of Chinese-Controlled Overseas Incorporated Enterprises as PRC Tax Resident Enterprise on the Basis of De Facto Management Bodies, or SAT Circular 82, which provides certain specific criteria for determining whether the "de facto management body" of a PRC-controlled enterprise that is incorporated offshore is located in China. Further to SAT Circular 82, on August 3, 2011, the SAT issued the Administrative Measures of Enterprise Income Tax of Chinese-Controlled Offshore Incorporated Resident Enterprises (Trial), or SAT Bulletin 45, which became effective on September 1, 2011, to provide more guidance on the implementation of SAT Circular 82. SAT Bulletin 45 clarified certain issues in the areas of resident status determination, post-determination administration and competent tax authorities.

According to SAT Circular 82, an offshore incorporated enterprise controlled by a PRC enterprise or a PRC enterprise group will be considered as a PRC tax resident enterprise by virtue of having its "de facto management body" in China and will be subject to PRC enterprise income tax on its worldwide income only if all of the following conditions are met: (a) the senior management and core management departments in charge of its daily operations function have their presence mainly in the PRC; (b) its financial and human resources decisions are subject to determination or approval by persons or bodies in the PRC; (c) its major assets, accounting books, company seals, and minutes and files of its board and shareholders' meetings are located or kept in the PRC; and (d) more than half of the enterprise's directors or senior management with voting rights habitually reside in the PRC. SAT Bulletin 45 further clarifies the resident status determination, post-determination administration, as well as competent tax authorities.

Although SAT Circular 82 and SAT Bulletin 45 only apply to offshore incorporated enterprises controlled by PRC enterprises or PRC enterprise group instead of those controlled by PRC individuals or foreigners, the determination criteria set forth therein may reflect SAT's general position on how the term "de facto management body" could be applied in determining the tax resident status of offshore enterprises, regardless of whether they are controlled by PRC enterprises, individuals or foreigners.

We do not meet all of the conditions above; therefore, we believe that we should not be treated as a "resident enterprise" for PRC tax purposes even if the standards for "de facto management body" prescribed in the SAT Circular 82 are applicable to us. For example, our minutes and files of the resolutions of our board of directors and the resolutions of our shareholders are maintained outside the PRC.

However, it is possible that the PRC tax authorities may take a different view. If the PRC tax authorities determine that our Cayman Islands holding company is a PRC resident enterprise for PRC enterprise income tax purposes, then our world-wide income could be subject to PRC tax at a rate of 25%, which could materially reduce our net income. In addition, we will also be subject to PRC enterprise income tax reporting obligations.

Although dividends paid by one PRC tax resident to another PRC tax resident should qualify as "tax-exempt income" under the enterprise income tax law, we cannot assure you that dividends by our PRC subsidiaries to our Cayman Islands holding company will not be subject to a 10% withholding tax, as the PRC foreign exchange control authorities, which enforce the withholding tax on dividends, and the PRC tax authorities have not yet issued guidance with respect to the processing of outbound remittances to entities that are treated as resident enterprises for PRC enterprise income tax purposes.

We face uncertainties on the reporting and consequences on private equity financing transactions, private share transfers and share exchange involving the transfer of shares in our company by non-resident investors.

On February 3, 2015, the PRC State Administration of Taxation issued the Notice on Several Issues Concerning Enterprise Income Tax for Indirect Share Transfer by Non-PRC Resident Enterprises, or the SAT Circular 7, which partially replaced and supplemental previous rules under the Notice on Strengthening Administration of Enterprise Income Tax for Share Transfers by Non-PRC Resident Enterprises issued by the PRC State Administration of Taxation on December 10, 2009, with retroactive effect from January 1, 2008, or SAT Circular 698. Pursuant to SAT Circular 7, an "indirect transfer" of assets of a PRC resident enterprise, including equity interests in a PRC resident enterprise, by non-PRC resident enterprises may be re-characterized and treated as a direct transfer of PRC taxable properties, if such transaction arrangement lacks reasonable commercial purpose and was established for the purpose of reducing, avoiding or deferring PRC enterprise income tax. As a result, gains derived from such indirect transfer may be subject to PRC enterprise income tax, and tax filing or withholding obligations may be triggered, depending on the nature of the PRC taxable properties being transferred. According to SAT Circular 7, "PRC taxable properties" include assets of a PRC establishment or place of business, real properties in the PRC, and equity investments in PRC resident enterprises, in respect of which gains from their transfer by a direct holder, being a non-PRC resident enterprise, would be subject to PRC enterprise income taxes. When determining if there is a "reasonable commercial purpose" of the transaction arrangement, features to be taken into consideration include: whether the main value of the equity interest of the relevant offshore enterprise derives from PRC taxable properties; whether the assets of the relevant offshore enterprise mainly consists of direct or indirect investment in China or if its income mainly derives from China; whether the offshore enterprise and its subsidiaries directly or indirectly holding PRC taxable properties have real commercial nature which is evidenced by their actual function and risk exposure; the duration of existence of the business model and organizational structure; the replicability of the transaction by direct transfer of PRC taxable properties; and the tax situation of such indirect transfer and applicable tax treaties or similar arrangements. In respect of an indirect offshore transfer of assets of a PRC establishment or place of business of a foreign enterprise, the resulting gain is to be included with the annual enterprise filing of the PRC establishment or place of business being transferred, and would consequently be subject to PRC enterprise income tax at a rate of 25%. Where the underlying transfer relates to PRC real properties or to equity investments in a PRC resident enterprise, which is not related to a PRC establishment or place of business of a non-resident enterprise, a PRC enterprise income tax at a rate of 10% would apply, subject to available preferential tax treatment under applicable tax treaties or similar arrangements, and the party who is obligated to make the transfer payments has the withholding obligation. Where the payor fails to withhold any or sufficient tax, the transferor shall declare and pay such tax to the competent tax authority by itself within the statutory time limit. Late payment of applicable tax will subject the transferor to default interest. Circular 7 does not apply to transactions of sale of shares by investors through a public stock exchange where such shares were acquired from a transaction through a public stock exchange. On October 17, 2017, SAT issued the Announcement on Issues Relating to Withholding at Source of Income Tax of Non-resident Enterprises, or SAT Circular 37, effective December 2017, superseded the Non-resident Enterprises Measures and SAT Circular 698 as a whole and partially amended some provisions in SAT Circular 7. SAT Circular 37 purports to clarify certain issues by providing the definition of equity transfer income and tax basis, the foreign exchange rate to be used in the calculation of withholding amount, and the date of occurrence of the withholding obligation. Specifically, SAT Circular 37 provides that where the transfer income subject to withholding at source is derived by a non-PRC resident enterprise in instalments, the instalments may first be treated as recovery of costs of previous investments. Upon recovery of all costs, the tax amount to be withheld must then be computed and withheld. Currently, the sale of shares by investors through a public stock exchange where such shares were acquired from a transaction through a public stock exchange is not considered an "indirect transfer" subject to the rules described above.

We cannot assure you that the PRC tax authorities will not, at their discretion, adjust any capital gains and impose tax return filing and withholding or tax payment obligations on the transferors and transferees of our shares acquired or sold outside a public stock exchange, while our PRC subsidiaries may be requested to assist in the filing. Any PRC tax imposed on a transfer of our shares or any adjustment of such gains would cause us to incur additional costs and may have a negative impact on the value of your investment in our company.

If our preferential tax treatments are revoked or become unavailable or if the calculation of our tax liability is successfully challenged by the relevant tax authorities, we may be required to pay tax, interest and penalties in excess of our tax provisions, and our financial condition and results of operations could be materially and adversely affected.

The Chinese government has provided various tax incentives to our subsidiaries in China. These incentives include reduced enterprise income tax rates. For example, under the PRC Enterprise Income Tax Law, or the EIT Law, which became effective on January 1, 2008 and subsequently amended on February 24, 2017 and on December 29, 2018, respectively, the statutory enterprise income tax rate is 25%. However, Guangzhou Huaduo, our PRC consolidated affiliated entity in the PRC, renewed its qualification as a high and new technology enterprise, or HNTE, as of December 2, 2019 and, subject to the approval of an annual review by competent tax authorities in Guangdong, would be entitled to enjoy a preferential enterprise income tax rate of 15% for three years, from 2019 through 2021. In addition, in 2018, Guangzhou Huanju Shidai was qualified as a "Key National Software Enterprise" after relevant government authorities' assessment and was entitled to a preferential income tax rate of 10%. Guangzhou BaiGuoYuan was qualified as a Software Enterprise and enjoyed the zero preferential tax beginning from 2018 and 12.5% preferential tax rate beginning from 2020. BaiGuoYuan Technology is entitled to enjoy the preferential tax rate of 15% for the years from 2018 through 2020 and will need to re-apply for HNTE qualification renewal in 2021. However, if any of the abovementioned companies fails to maintain its qualification for preferential tax treatments, its applicable enterprise income tax rate may increase to 25% or the applicable standard tax rate, which could materially and adversely affect our financial condition and results of operations.

In addition, according to the applicable provisions under Singapore law, corporations that are engaging in new high-value-added projects, expanding or upgrading their operations, or undertaking incremental activities after their pioneer period may apply for their profits to be taxed at a reduced rate of 5%, at minimum, for an initial period of up to ten years. The total tax relief period for each qualifying project or activity is subject to a maximum of 40 years (inclusive of the post-pioneer relief period previously granted, if applicable). Bigo Technology Pte. Ltd., or Bigo Singapore, was approved for such preferential tax treatment, enabling it to enjoy the preferential tax rate of 5% with the valid period from 2018 to 2022. Bigo Singapore will need to re-apply for such preferential tax treatment in 2023.

China's M&A Rules and certain other PRC regulations establish complex procedures for certain acquisitions of Chinese companies by foreign investors, which could make it more difficult for us to pursue growth through acquisitions in China.

Six PRC regulatory agencies promulgated regulations effective on September 8, 2006, subsequently amended on June 22, 2009, that are commonly referred to as the M&A Rules. See "Item 4. Information on the Company—B. Business Overview—PRC Regulation—New M&A Regulations and Overseas Listings." The M&A Rules establish procedures and requirements that could make some acquisitions of Chinese companies by foreign investors more time-consuming and complex, including requirements in some instances that the MOFCOM be notified in advance of any change-of-control transaction in which a foreign investor takes control of a Chinese domestic enterprise or a foreign company with substantial PRC operations, if certain thresholds under the Provisions on Thresholds for Prior Notification of Concentrations of Undertakings, issued by the State Council on August 3, 2008 and amended on September 18, 2018, are triggered. Moreover, the Anti-Monopoly Law promulgated by the Standing Committee of the National People's Congress on August 30, 2007 which became effective on August 1, 2008 requires that transactions which are deemed concentrations and involve parties with specified turnover thresholds (for example, during the previous fiscal year, (i) the total global turnover of all operators participating in the transaction exceeds RMB10 billion (US$1.5 billion) and at least two of these operators each had a turnover of more than RMB400 million (US$61.3 million) within China, or (ii) the total turnover within China of all the operators participating in the concentration exceeded RMB2 billion (US$0.3 billion) and at least two of these operators each had a turnover of more than RMB400 million (US$61.3 million) within China) must be cleared by the MOFCOM before they can be completed. In addition, on February 3, 2011, the General Office of the State Council promulgated a Notice on Establishing the Security Review System for Mergers and Acquisitions of Domestic Enterprises by Foreign Investors, or the Circular No. 6, which officially established a security review system for mergers and acquisitions of domestic enterprises by foreign investors. According to the Rules on Implementation of Security Review System for the Merger and Acquisition of Domestic Enterprises by Foreign Investors issued by the MOFCOM on August 25, 2011 and became effective on September 1, 2011 and Circular No. 6, a security review is required for mergers and acquisitions by foreign investors having "national defense and security" concerns and mergers and acquisitions by which foreign investors may acquire the "de facto control" of domestic enterprises with "national security" concerns, and the regulations prohibit any activities attempting to bypass such security review, including by structuring the transaction through a proxy or contractual control arrangement. Furthermore, on December 19, 2020, the NDRC and the MOFCOM promulgated the Measures for Security Review of Foreign Investment, or the Foreign Investment Security Review Measures, which took effect on January 18, 2021. Under the Foreign Investment Security Review Measures, investment in certain key areas which results in acquiring the actual control of the assets is required to obtain approval from designated governmental authorities in advance..

In the future, we may grow our business by acquiring complementary businesses. Complying with the requirements of the above-mentioned regulations and other relevant rules to complete such transactions could be time-consuming, and any required approval processes, including obtaining approval from the MOFCOM or its local counterparts, may delay or inhibit our ability to complete such transactions. As the Foreign Investment Security Review Measures was recently promulgated, there are great uncertainties with respect to its interpretation and implementation. It is unclear whether our business would be deemed to be in an industry that raises "national defense and security" or "national security" concerns. If our business is in an industry subject to the security review, in which case our future acquisitions in the PRC, including those by way of entering into contractual control arrangements with target entities, may be closely scrutinized or prohibited. Our ability to expand our business or maintain or expand our market share in China through future acquisitions would as such be adversely affected.

PRC regulations relating to offshore investment activities by PRC residents may limit our PRC subsidiaries' ability to increase their registered capital or distribute profits to us or otherwise expose us to liability and penalties under PRC law.

The PRC State Administration of Foreign Exchange, or SAFE, has promulgated regulations, including the Notice on Relevant Issues Relating to Domestic Residents' Investment and Financing and Round-Trip Investment through Special Purpose Vehicles, or SAFE Circular No. 37, effective on July 4, 2014, and its appendixes, that require PRC residents, including PRC institutions and individuals, to register with local branches of SAFE in connection with their direct establishment or indirect control of an offshore entity, for the purpose of overseas investment and financing, with such PRC residents' legally owned assets or equity interests in domestic enterprises or offshore assets or interests, referred to in SAFE Circular No. 37 as a "special purpose vehicle." SAFE Circular No. 37 further requires amendment to the registration in the event of any significant changes with respect to the special purpose vehicle, such as increase or decrease of capital contributed by PRC individuals, share transfer or exchange, merger, division or other material event. In the event that a PRC shareholder holding interests in a special purpose vehicle fails to fulfill the required SAFE registration, the PRC subsidiaries of that special purpose vehicle may be prohibited from making profit distributions to the offshore parent and from carrying out subsequent cross-border foreign exchange activities, and the special purpose vehicle may be restricted in their ability to contribute additional capital into its PRC subsidiary. Further, failure to comply with the various SAFE registration requirements described above could result in liability under PRC law for foreign exchange evasion, including (i) the requirement by SAFE to return the foreign exchange remitted overseas within a period specified by SAFE, with a fine of up to 30% of the total amount of foreign exchange remitted overseas and deemed to have been evasive and (ii) in circumstances involving serious violations, a fine of no less than 30% of and up to the total amount of remitted foreign exchange deemed evasive. Furthermore, the persons-in-charge and other persons at our PRC subsidiaries who are held directly liable for the violations may be subject to criminal sanctions.

Our PRC resident shareholder, Mr. Jun Lei, had registered with the local SAFE branch. Since there remains uncertainty with respect to the interpretation and implementation of Circular No. 37, and we cannot predict how such SAFE regulations will affect our business operations. For example, our present and prospective PRC subsidiaries' ability to conduct foreign exchange activities, such as the remittance of dividends and foreign currency-denominated borrowings, may be subject to compliance with the SAFE regulations by our PRC resident shareholders. In addition, in some cases, we may have little control over either our present or prospective direct or indirect PRC resident shareholders or the outcome of such registration procedures. A failure by our current or future PRC resident shareholders to comply with the SAFE regulations, including but not limited to any delay in subsequent filings, could subject us to fines or other legal sanctions, restrict our cross-border investment activities, limit our subsidiary's ability to make distributions or pay dividends or affect our ownership structure, which could adversely affect our business and prospects.

On February 15, 2012, SAFE promulgated the Notices on Issues Concerning the Foreign Exchange Administration for Domestic Individuals Participating in Stock Incentive Plans of Overseas Publicly-Listed Companies, or the Stock Option Rules. Under the Stock Option Rules and other relevant rules and regulations, PRC residents who participate in stock incentive plan in an overseas publicly-listed company are required to register with SAFE or its local branches and complete certain other procedures. Participants of a stock incentive plan who are PRC residents must retain a qualified PRC agent, which could be a PRC subsidiary of such overseas publicly listed company or another qualified institution selected by such PRC subsidiary, to conduct the SAFE registration and other procedures with respect to the stock incentive plan on behalf of its participants. Such participants must also retain an overseas entrusted institution to handle matters in connection with their exercise of stock options, the purchase and sale of corresponding stocks or interests and fund transfers. In addition, the PRC agent is required to amend the SAFE registration with respect to the stock incentive plan if there is any material change to the stock incentive plan, the PRC agent or the overseas entrusted institution or other material changes. We and our PRC employees who have been granted stock options, restricted shares and restricted share units are subject to these regulations, and are preparing to complete such SAFE registrations. Failure of our PRC stock option holders, restricted shareholders or restricted share units holders to complete their SAFE registrations may subject these PRC residents to fines and legal sanctions and may also limit our ability to contribute additional capital into our PRC subsidiaries, limited our PRC subsidiaries' ability to distribute dividends to us, or otherwise materially and adversely affect our business.

PRC regulation of direct investment and loans by offshore holding companies to PRC entities may delay or limit us from using the proceeds of public offerings to make additional capital contributions or loans to our PRC subsidiaries.

We are an offshore holding company conducting part of our operations in China through our PRC subsidiaries and variable interest entities. We may make loans to our PRC subsidiaries and variable interest entities, or we may make additional capital contributions to our PRC subsidiaries.

Any capital contributions or loans that we, as an offshore entity, make to our PRC subsidiaries, including from the proceeds of our public offerings, are subject to PRC regulations. For example, none of our loans to a PRC subsidiary can exceed the statutory limits, and the loans must be registered with the local branch of SAFE. Our capital contributions to our PRC subsidiaries are subject to the requirement of making necessary registration with competent governmental authorities in China.

In August 2008, SAFE issued the Circular on the Relevant Operating Issues Concerning the Improvement of the Administration of the Payment and Settlement of Foreign Currency Capital of Foreign-Invested Enterprises, or SAFE Circular 142, regulating the conversion by a foreign-invested enterprise of foreign currency-registered capital into RMB by restricting how the converted RMB may be used. In addition, SAFE promulgated Circular 45 on November 9, 2011 in order to clarify the application of SAFE Circular 142, which was repealed on March 19, 2015. Under SAFE Circular 142 and Circular 45, the RMB capital converted from foreign currency registered capital of a foreign-invested enterprise may only be used for purposes within the business scope approved by the applicable government authority and may not be used for equity investments within the PRC. In addition, SAFE strengthened its oversight of the flow and use of the RMB capital converted from foreign currency registered capital of foreign-invested enterprises. The use of such RMB capital may not be changed without SAFE's approval, and such RMB capital may not in any case be used to repay RMB loans if the proceeds of such loans have not been used.

Since SAFE Circular 142 has been in place for more than five years, in 2014, SAFE decided to further reform the foreign exchange administration system in order to satisfy and facilitate the business and capital operations of foreign invested enterprises, and issued the Circular on the Relevant Issues Concerning the Launch of Reforming Trial of the Administration Model of the Settlement of Foreign Currency Capital of Foreign-Invested Enterprises in Certain Areas on July 4, 2014, or SAFE Circular 36. SAFE Circular 36 suspends the application of SAFE Circular 142 in certain areas and allows a foreign-invested enterprise registered in such areas to use the RMB capital converted from foreign currency registered capital for equity investments within the scope of business, which will be regarded as the reinvestment of foreign-invested enterprise. On March 30, 2015, SAFE issued the Circular on the Reforming of the Management Method of the Settlement of Foreign Currency Capital of Foreign-Invested Enterprises, or SAFE Circular 19, took effect on June 1, 2015, and replaced SAFE Circular 142 and SAFE Circular 36. Under SAFE Circular 19, a foreign-invested enterprise, within the scope of business, may also choose to convert its registered capital from foreign currency to RMB on a discretionary basis, and the RMB capital so converted can be used for equity investments within PRC, which will be regarded as the reinvestment of foreign-invested enterprise.

The Notice of the SAFE on Reforming and Standardizing the Foreign Exchange Settlement Management Policy of Capital Account, promulgated by the SAFE and became effective on June 9, 2016 provides that discretionary foreign exchange settlement applies to foreign exchange capital, foreign debt offering proceeds and remitted foreign listing proceeds, and the corresponding RMB capital converted from foreign exchange are not restricted from extending loans to related parties or repaying the inter-company loans (including advances by third parties). In January 2017, SAFE promulgated the Circular on Further Improving Reform of Foreign Exchange Administration and Optimizing Genuineness and Compliance Verification, or Circular 3, which stipulates several capital control measures with respect to the outbound remittance of profit from domestic entities to offshore entities, including (i) under the principle of genuine transaction, banks shall check board resolutions regarding profit distribution, the original version of tax filing records and audited financial statements; and (ii) domestic entities shall hold income to account for previous years' losses before remitting the profits. Moreover, pursuant to Circular 3, domestic entities shall make detailed explanations of the sources of capital and utilization arrangements, and provide board resolutions, contracts and other proof when completing the registration procedures in connection with an outbound investment.

In light of the various requirements imposed by PRC regulations on loans to and direct investment in PRC entities by offshore holding companies, we cannot assure you that we will be able to complete the necessary registration or obtain the necessary approval on a timely basis, or at all. If we fail to complete the necessary registration or obtain the necessary approval, our ability to make loans or equity contributions to our PRC subsidiaries may be negatively affected, which could adversely affect our PRC subsidiaries' liquidity and their ability to fund their working capital and expansion projects and meet their obligations and commitments.

Our PRC subsidiaries and PRC consolidated affiliated entities are subject to restrictions on paying dividends or making other payments to us, which may restrict our ability to satisfy our liquidity requirements.

We are a holding company incorporated in the Cayman Islands. We rely on dividends from corporate transactions such as the sales of Huya and YY Live, and from our subsidiaries, including PRC and non-PRC subsidiaries, as well as consulting and other fees paid to us by our consolidated affiliated entities for our cash and financing requirements, such as the funds necessary to pay dividends and other cash distributions to our shareholders, including holders of our ADSs, and service any debt we may incur. Current PRC regulations permit our PRC subsidiaries to pay dividends to us only out of their accumulated after-tax profits upon satisfaction of relevant statutory condition and procedures, if any, determined in accordance with Chinese accounting standards and regulations. In addition, each of our PRC subsidiaries is required to set aside at least 10% of its accumulated profits each year, if any, to fund certain reserve funds until the total amount set aside reaches 50% of its registered capital. As of December 31, 2020, appropriations to statutory reserves amounting to RMB114.9 million were made by twenty-two of our PRC consolidated affiliated entities. These reserves are not distributable as cash dividends. Furthermore, if our PRC subsidiaries and PRC consolidated affiliated entities incur debt on their own behalf in the future, the instruments governing the debt may restrict their ability to pay dividends or make other payments to us, which may restrict our ability to satisfy our liquidity requirements. Our capital expenditures are primarily used to purchase office space.

In addition, the EIT Law, and its implementation rules provide that withholding tax rate of 10% will be applicable to dividends payable by Chinese companies to non-PRC-resident enterprises unless otherwise exempted or reduced according to treaties or arrangements between the PRC central government and governments of other countries or regions where the non-PRC-resident enterprises are incorporated.

With the sale of YY Live to Baidu being substantially completed with certain customary matters remaining to be completed in the near future, majority of our revenue and operating cash would be from non-PRC subsidiaries, and our reliance on dividends from PRC subsidiaries would be limited.

Our ADSs may be delisted under the Holding Foreign Companies Accountable Act if the PCAOB is unable to inspect auditors who are located in China. The delisting of our ADSs, or the threat of their being delisted, may materially and adversely affect the value of your investment. Additionally, the inability of the PCAOB to conduct inspections deprives our investors with the benefits of such inspections.

The Holding Foreign Companies Accountable Act, or the HFCA Act, was enacted on December 18, 2020. The HFCA Act states if the SEC determines that we have filed audit reports issued by a registered public accounting firm that has not been subject to inspection by the PCAOB for three consecutive years beginning in 2021, the SEC shall prohibit our shares or ADSs from being traded on a national securities exchange or in the over the counter trading market in the U.S.

Our auditor, the independent registered public accounting firm that issues the audit report included elsewhere in this prospectus, as an auditor of companies that are traded publicly in the United States and a firm registered with the PCAOB, is subject to laws in the United States pursuant to which the PCAOB conducts regular inspections to assess its compliance with the applicable professional standards. Since our auditor is located in China, a jurisdiction where the PCAOB has been unable to conduct inspections without the approval of the Chinese authorities, our auditor is currently not inspected by the PCAOB.

On March 24, 2021, the SEC adopted interim final rules relating to the implementation of certain disclosure and documentation requirements of the HFCA Act. We will be required to comply with these rules if the SEC identifies us as having a "non-inspection" year under a process to be subsequently established by the SEC. The SEC is assessing how to implement other requirements of the HFCA Act, including the listing and trading prohibition requirements described above.

The SEC may propose additional rules or guidance that could impact us if our auditor is not subject to PCAOB inspection. For example, on August 6, 2020, the President's Working Group on Financial Markets, or the PWG, issued the *Report on Protecting United States Investors from Significant Risks from Chinese Companies to the then President of the United States.* This report recommended the SEC implement five recommendations to address companies from jurisdictions that do not provide the PCAOB with sufficient access to fulfil its statutory mandate. Some of the concepts of these recommendations were implemented with the enactment of the HFCA Act. However, some of the recommendations were more stringent than the HFCA Act. For example, if a company was not subject to PCAOB inspection, the report recommended that the transition period before a company would be delisted would end on January 1, 2022.

The SEC has announced that the SEC staff is preparing a consolidated proposal for the rules regarding the implementation of the HFCA Act and to address the recommendations in the PWG report. It is unclear when the SEC will complete its rulemaking and when such rules will become effective and what, if any, of the PWG recommendations will be adopted. The implications of this possible regulation in addition the requirements of the HFCA Act are uncertain. Such uncertainty could cause the market price of our ADSs to be materially and adversely affected, and our securities could be delisted or prohibited from being traded "over-the-counter" earlier than would be required by the HFCA Act. If our securities are unable to be listed on another securities exchange by then, such a delisting would substantially impair your ability to sell or purchase our ADSs when you wish to do so, and the risk and uncertainty associated with a potential delisting would have a negative impact on the price of our ADSs.

The PCAOB's inability to conduct inspections in China prevents it from fully evaluating the audits and quality control procedures of our independent registered public accounting firm. As a result, we and investors in our ordinary shares are deprived of the benefits of such PCAOB inspections. The inability of the PCAOB to conduct inspections of auditors in China makes it more difficult to evaluate the effectiveness of our independent registered public accounting firm's audit procedures or quality control procedures as compared to auditors outside of China that are subject to the PCAOB inspections, which could cause investors and potential investors in our stock to lose confidence in our audit procedures and reported financial information and the quality of our financial statements.

In May 2013, the PCAOB announced that it had entered into a Memorandum of Understanding on Enforcement Cooperation with the CSRC and the PRC Ministry of Finance, which establishes a cooperative framework between the parties for the production and exchange of audit documents relevant to investigations undertaken by the PCAOB in the PRC or by the CSRC or the PRC Ministry of Finance in the United States. The PCAOB continues to be in discussions with the CSRC and the PRC Ministry of Finance to permit joint inspections in the PRC of audit firms that are registered with the PCAOB and audit Chinese companies that trade on U.S. exchanges.

Additional remedial measures could be imposed on certain PRC-based accounting firms, including our independent registered public accounting firm, in administrative proceedings instituted by the SEC, as a result of which our financial statements may be determined to not be in compliance with the requirements of the Exchange Act, if at all.

In December 2012, the SEC brought administrative proceedings against the PRC-based Big Four accounting firms, including our independent registered public accounting firm, alleging that they had violated U.S. securities laws by failing to provide audit work papers and other documents related to certain other PRC-based companies under investigation by the SEC. On January 22, 2014, an initial administrative law decision was issued, censuring and suspending these accounting firms from practicing before the SEC for a period of six months. The decision was neither final nor legally effective until reviewed and approved by the SEC, and on February 12, 2014, the PRC-based accounting firms appealed to the SEC against this decision. In February 2015, each of the four PRC-based accounting firms agreed to a censure and to pay a fine to the SEC to settle the dispute and avoid suspension of their ability to practice before the SEC. The settlement required the firms to follow detailed procedures to seek to provide the SEC with access to such firms' audit documents via the CSRC. If the firms did not follow these procedures or if there was failure in the process between the SEC and the CSRC, the SEC could impose penalties such as suspensions, or it could restart the administrative proceedings. Under the terms of the settlement, the underlying proceeding against the four PRC-based accounting firms was deemed dismissed with prejudice four years after entry of the settlement. The four-year mark occurred on February 6, 2019. While we cannot predict if the SEC will further challenge the four PRC-based accounting firms' compliance with U.S. law in connection with U.S. regulatory requests for audit work papers or if the results of such challenge would result in the SEC imposing penalties such as suspensions.

In the event that the PRC-based Big Four accounting firms become subject to additional legal challenges by the SEC or PCAOB, depending upon the final outcome, listed companies in the United States with major PRC operations may find it difficult or impossible to retain auditors in respect of their operations in the PRC, which could result in financial statements being determined to not be in compliance with the requirements of the Exchange Act, including possible delisting. Moreover, any negative news about the proceedings against these audit firms may cause investor uncertainty regarding PRC-based, United States-listed companies and the market price of our ADSs may be adversely affected.

If our independent registered public accounting firm was denied, even temporarily, the ability to practice before the SEC and we were unable to timely find another registered public accounting firm to audit and issue an opinion on our financial statements, our financial statements could be determined not to be in compliance with the requirements of the Exchange Act. Such a determination could ultimately lead to the delisting of our Class A common shares from the Nasdaq Global Select Market or deregistration from the SEC, or both, which would substantially reduce or effectively terminate the trading of our ADSs in the United States.

Substantial uncertainties exist with respect to the interpretation and implementation of the new Foreign Investment Law and how it may impact the viability of our current corporate structure, corporate governance and business operations.

On March 15, 2019, the Standing Committee of the National People's Congress promulgated the Foreign Investment Law, or the New Foreign Investment Law, which took effect on January 1, 2020, and on December 12, 2019, the Implementation Regulations of New Foreign Investment Law was promulgated by the State Council, which simultaneously came into force on January 1, 2020. The New Foreign Investment Law, together with the Implementation Regulations of New Foreign Investment Law, replaced the trio of existing laws regulating foreign investment in China, namely, the Sino-foreign Equity Joint Venture Enterprise Law, the Sino-foreign Cooperative Joint Venture Enterprise Law and the Wholly Foreign-invested Enterprise Law, together with their implementation rules and ancillary regulations. This law is the legal foundation for foreign investment in the PRC. The New Foreign Investment Law embodies an expected PRC regulatory trend to rationalize its foreign investment regulatory regime in line with prevailing international practice and the legislative efforts to unify the corporate legal requirements for both foreign and domestic investments. The Implementation Regulations of New Foreign Investment Law provide detailed rules for the principles of investment protection, promotion and management set forth in the New Foreign Investment Law.

The New Foreign Investment Law stipulates three forms of foreign investment, but does not explicitly stipulate the contractual arrangements under the "variable interest equity" structures as a form of foreign investment. The New Foreign Investment Law further stipulates that foreign investment includes "foreign investors invest in China through any other methods under laws, administrative regulations, or provisions prescribed by the State Council." Therefore, it is possible that future laws, administrative regulations or provisions of the State Council may stipulate contractual arrangements as a form of foreign investment, and then whether the contractual arrangements will be recognized as a foreign investment, whether the contractual arrangements will be deemed to be in violation of the access requirements of foreign investment and how the contractual arrangements will be interpreted and handled remain uncertain. Conversely, if contractual arrangements are then incorporated as a form of foreign investment, it may materially impact our corporate governance practice and increase our compliance costs.

It may be difficult for overseas regulators to conduct investigation or collect evidence within China.

Shareholder claims or regulatory investigation that are common in the United States generally are difficult to pursue as a matter of law or practicality in China. For example, in China, there are significant legal and other obstacles to providing information needed for regulatory investigations or litigation initiated outside China. Although the authorities in China may establish a regulatory cooperation mechanism with the securities regulatory authorities of another country or region to implement cross-border supervision and administration, such cooperation with the securities regulatory authorities in the Unities States may not be efficient in the absence of mutual and practical cooperation mechanism. Furthermore, according to Article 177 of the PRC Securities Law, or Article 177, which became effective in March 2020, no overseas securities regulator is allowed to directly conduct investigation or evidence collection activities within the territory of the PRC. While detailed interpretation of or implementation rules under Article 177 have yet to be promulgated, the inability for an overseas securities regulator to directly conduct investigation or evidence collection activities within China may further increase difficulties faced by you in protecting your interests.

Uncertainties exist with respect to the newly enacted Anti-Monopoly Guidelines for Internet Platforms and how it may impact our business operations and financial position in China.

On February 7, 2021, the Anti-monopoly Commission of the State Council officially promulgated the Guidelines to Anti-Monopoly in the Field of Internet Platforms, or the Anti-Monopoly Guidelines for Internet Platforms. Pursuant to an official interpretation from the Anti-monopoly Commission of the State Council, the Anti-Monopoly Guidelines for Internet Platforms mainly covers five aspects, including general provisions, monopoly agreements, abusing market dominance, concentration of undertakings, and abusing of administrative powers eliminating or restricting competition. The Anti-Monopoly Guidelines for Internet Platforms prohibits certain monopolistic acts of internet platforms so as to protect market competition and safeguard interests of users and undertakings participating in internet platform economy, including without limitation, prohibiting platforms with dominant position from abusing their market dominance (such as discriminating customers in terms of pricing and other transactional conditions using big data and analytics, coercing counterparties into exclusivity arrangements, using technology means to block competitors' interface, favorable positioning in search results of goods displays, using bundle services to sell services or products, compulsory collection of unnecessary user data). In addition, the Anti-Monopoly Guidelines for Internet Platforms also reinforces antitrust merger review for internet platform related transactions to safeguard market competition. As the Anti-Monopoly Guidelines for Internet Platforms was newly promulgated, we are uncertain to estimate its specific impact on our business, financial condition, result of operations and prospects in China. Considering the majority of our current business is outside of China, we believe we are not in such a market-dominating position in China, but the interpretation and application of such regulations may depend on various factors and we cannot assure you that our business operations comply with such regulations and authorities' requirements in all respects. If any non-compliance is raised by relevant authorities and determined against us, we may be subject to fines and other penalties.

In addition, the PRC anti-monopoly enforcement agencies have in recent years strengthened enforcement under the PRC Anti-monopoly Law, including levying significant fines, with respect to concentration of undertakings and cartel activity, mergers and acquisitions, as well as abusive behavior by companies with market dominance. Moreover, The Anti-Monopoly Guidelines for Internet Platforms aims at specifying some of the circumstances under which an activity of internet platform may be identified as monopolistic act as well as setting out merger controlling filing procedures involving variable interest entities. These constraints could also include forced termination of any agreements or arrangements that are determined by governmental authorities to be in violation of anti-monopoly laws, which may compromise our pursuit of investment and mergers and acquisitions strategy. The strenthened enforcement may have more substantial and significant influences on, among others, mergers and acquisition transactions, business practices and investment, which may under certain circumstances further adversely affect our business strategy, financial conditions and reputation.

Risks Related to Our Corporate Structure

If the PRC government finds that the structure we have adopted for our business operations does not comply with PRC laws and regulations, or if these laws or regulations or interpretations of existing laws or regulations change in the future, we could be subject to severe penalties, including the shutting down of our platforms and our business operations.

Foreign ownership of internet-based businesses is subject to significant restrictions under current PRC laws and regulations. The PRC government regulates internet access, the distribution of online information and the conduct of online commerce through strict business licensing requirements and other government regulations. These laws and regulations also limit foreign ownership in PRC companies that provide internet information distribution services. Specifically, foreign ownership in an internet information provider or other value-added telecommunication service providers may not exceed 50%. In addition, according to the Several Opinions on the Introduction of Foreign Investment in the Cultural Industry promulgated by the Ministry of Culture, or the MOC, currently known as the Ministry of Culture and Tourism, the State Administration of Radio, Film and Television, or the SARFT, the General Administration of Press and Publication, or the GAPP, currently known as the State Administration of Press Publication, Radio, Film and Television after combination of SARFT and GAPP, the National Development and Reform Commission and the Ministry of Commerce, or the MOFCOM, in July 2005, foreign investors are prohibited from investing in or operating, among others, any internet cultural operating entities and from engaging in the business of transmitting audio-visual programs through information networks. In addition, according to the Special Administrative Measures (Negative List) for the Access of Foreign Investment (Edition 2020) promulgated by the National Development and Reform Commission and the MOC on June 23, 2020 and effective on July 23, 2020, other than e-commerce, domestic multiparty communication, store and forward, and call center services, the permitted foreign investment in value-added telecommunications service providers must not be more than 50%.

We are an exempted company incorporated in the Cayman Islands. We conduct part of our operations in China primarily through a series of contractual arrangements entered into among our PRC subsidiaries and the respective shareholders of our PRC variable interest entities. As a result of these contractual arrangements, we exert control over our major PRC consolidated affiliated entities and consolidate each of their operating results in our financial statements under U.S. GAAP. All of the equity (net assets) or deficit (net liabilities) and net income (loss) of the consolidated affiliated entities are attributed to us. For a detailed description of these contractual arrangements, see “Item 7. Major Shareholders and Related Party Transactions—B. Related Party Transactions—Contractual Arrangements.”

On September 28, 2009, the GAPP, the National Copyright Administration and the National Office of Combating Pornography and Illegal Publications, jointly issued a Notice on Further Strengthening the Administration of Pre-examination and Approval of Online Games and the Examination and Approval of Imported Online Games, or Circular 13. Circular 13 restates that foreign investors are not permitted to invest in online game-operating businesses in China via wholly owned, equity joint venture or cooperative joint venture investments and expressly prohibits foreign investors from gaining control over or participating in domestic online game operators through indirect ways such as establishing other joint venture companies or entering into contractual or technical arrangements such as the variable interest entity structural arrangements we adopted for our consolidated affiliated entities. We are not aware of any companies that have adopted a corporate structure that is the same as or similar to ours having been penalized or terminated under Circular 13 since the effective date of the circular. Furthermore, the enforcement of Circular 13 is still subject to substantial uncertainty, including possible subsequent joint actions by relevant authorities in charge, such as the MOC. The Regulation on Three Provisions stipulates that the MOC is authorized to regulate the online game industry, while the GAPP is authorized to approve the publication of online games before their launch on the internet. The Interpretation on Three Provisions further provides that once an online game is launched on the internet, it will be completely under the regulation of the MOC, and that if an online game is launched on the internet without obtaining prior approval from the GAPP, the MOC, instead of the GAPP, is directly responsible for investigating the game. In the event that we, our PRC subsidiaries or PRC consolidated affiliated entities are found to be in violation of the prohibition under Circular 13, the GAPP, in conjunction with the relevant regulatory authorities in charge, may impose applicable penalties, which in the most serious cases may include suspension or revocation of relevant licenses and registrations. In addition, various media sources have reported that the CSRC prepared a report proposing pre-approval by a competent central government authority of offshore listings by China-based companies with variable interest entity structures, such as ours, that operate in industry sectors subject to foreign investment restrictions. However, it is unclear whether the CSRC officially issued or submitted such a report to a higher level government authority or what any such report provides. Furthermore, the New Foreign Investment Law, which promulgated by the Standing Committee of the National People's Congress on March 15, 2019 and became effective on January 1, 2020, does not explicitly stipulate the contractual arrangements under the "variable interest equity" structures as a form of foreign investment. Nevertheless, we cannot assure you that there will not be any further changes in the regulatory regime in the future. For more information, please see "—Risks Related to Doing Business in Jurisdictions We Operate—Substantial uncertainties exist with respect to the interpretation and implementation of the New Foreign Investment Law and how it may impact the viability of our current corporate structure, corporate governance and business operations."

Based on understanding of current PRC laws, rules and regulations of our PRC counsel, Fangda Partners, our current ownership structure for our business operations, the ownership structure of our PRC subsidiaries and our PRC consolidated affiliated entities, the contractual arrangements among our PRC subsidiaries, our PRC consolidated affiliated entities and their shareholders, as described in this annual report on Form 20-F, are in compliance with existing PRC laws, rules and regulations. However, we were further advised by Fangda Partners that there is substantial uncertainty regarding the interpretation and application of current or future PRC laws and regulations and these laws or regulations or interpretations of these laws or regulations may change in the future. Furthermore, the relevant government authorities have broad discretion in interpreting these laws and regulations. Accordingly, we cannot assure you that PRC government authorities will not ultimately take a view contrary to the opinion of our PRC counsel.

If our ownership structure, contractual arrangements and businesses of our company, our PRC subsidiaries or our PRC consolidated affiliated entities are found to be in violation of any existing or future PRC laws or regulations, the relevant governmental authorities would have broad discretion in dealing with such violation, including levying fines, confiscating our income or the income of our PRC subsidiaries or PRC consolidated affiliated entities, revoking or suspending the business licenses or operating licenses of our PRC subsidiaries or PRC consolidated affiliated entities, shutting down our servers or blocking our platforms, discontinuing or placing restrictions or onerous conditions on our operations, requiring us to discontinue our operations in China, requiring us to undergo a costly and disruptive restructuring, restricting or prohibiting our use of proceeds from our initial public offering to finance our business and operations in China, and taking other regulatory or enforcement actions that could be harmful to our business. Any of these actions could cause significant disruption to our business operations in China and severely damage our reputation, which would in turn materially and adversely affect our business, financial condition and results of operations. In addition, if the imposition of any of these penalties causes us to lose the rights to direct the activities of our PRC consolidated affiliated entities or our right to receive their economic benefits, we would no longer be able to consolidate such entities.

We rely on contractual arrangements with our PRC consolidated affiliated entities and their shareholders for the operation of our business, which may not be as effective as direct ownership. If our PRC consolidated affiliated entities and their shareholders fail to perform their obligations under these contractual arrangements, we may have to resort to litigation to enforce our rights, which may be time-consuming, unpredictable, expensive and damaging to our operations and reputation.

Because of PRC restrictions on foreign ownership of internet-based businesses in China, we depend on contractual arrangements with our PRC consolidated affiliated entities in which we have no ownership interest to conduct our business. These contractual arrangements are intended to provide us with effective control over these entities and allow us to obtain economic benefits from them. For additional details on these ownership interests, see "—Risks Related to Our Business and Industry—Our business depends substantially on the continuing efforts of our executive officers and key employees, and our business operations may be severely disrupted if we lose their services" and "Item 4. Information on the Company—A. History and Development of the Company." However, these contractual arrangements may not be as effective in providing control as direct ownership. For example, each of our PRC consolidated affiliated entities and their shareholders could breach their contractual arrangements with us by, among other things, failing to operate our business in an acceptable manner or taking other actions that are detrimental to our interests. If we were the controlling shareholder of these PRC consolidated affiliated entities with direct ownership, we would be able to exercise our rights as shareholders to effect changes to their board of directors, which in turn could implement changes at the management and operational level. However, under the current contractual arrangements, as a legal matter, if our PRC consolidated affiliated entities or their shareholders fail to perform their obligations under these contractual arrangements, we may have to incur substantial costs to enforce such arrangements, and rely on legal remedies under PRC laws, including contract remedies, which may not be sufficient or effective. In particular, the contractual arrangements provide that any dispute arising from these arrangements will be submitted to the China International Economic and Trade Arbitration Commission for arbitration in Beijing or Guangzhou Arbitration Commission as applicable, the ruling of which will be final and binding. The legal framework and system in China, particularly those relating to arbitration proceedings, is not as developed as other jurisdictions such as the United States. As a result, significant uncertainties relating to the enforcement of legal rights through arbitration, litigation and other legal proceedings remain in China, which could limit our ability to enforce these contractual arrangements and exert effective control over our consolidated affiliated entities. If we are unable to enforce these contractual arrangements, or if we suffer significant delay or other obstacles in the process of enforcing these contractual arrangements, our business and operations could be severely disrupted, which could materially and adversely affect our results of operations and damage our reputation. See "—Risks Related to Doing Business in Jurisdictions We Operate—Uncertainties in the interpretation and enforcement of Chinese laws and regulations could limit the legal protections available to you and us."

Our existing shareholders have substantial influence over our company and their interests may not be aligned with the interests of our other shareholders, which may discourage, delay or prevent a change in control of our company, which could deprive our shareholders of an opportunity to receive a premium for their securities.

As of March 31, 2021, Mr. David Xueling Li, our co-founder, chairman and chief executive officer, and his affiliates, held 76.0% of the total voting power. Mr. David Xueling Li has substantial influence over our business, including decisions regarding mergers, consolidations and the sale of all or substantially all of our assets, election of directors and other significant corporate actions. This concentration of ownership may discourage, delay or prevent a change in control of our company, which could deprive our shareholders of an opportunity to receive a premium for their shares as part of any contemplated sale of our company and may reduce the price of our ADSs. In addition, Mr. Li could violate the terms of his non-compete or employment agreements with us or his legal duties by diverting business opportunities from us, resulting in our loss of corporate opportunities. These actions may take place even if they are opposed by our other shareholders.

Additionally, Mr. Jun Lei, our major shareholder who beneficially owned 7.8% of our outstanding shares as of March 31, 2021, has delegated the voting rights of the shares that he holds in our Company to Mr. Li. Mr. Lei is active in making investments in internet companies in China and currently holds direct and indirect interests in Xiaomi and iSpeak, which competes with certain of our lines of business, and other entities which may have businesses that compete with ours. Xiaomi (HKSE: 01810) is an internet company with smartphones and smart hardware connected by an IoT platform at its core, which has started offering online performance and live broadcasting services recently. iSpeak is owned by Mr. Lei in part through Kingsoft Corporation Limited, which is engaged in the research, development operation and distribution of online games, mobile games, casual game services and internet software. Mr. Lei may, in the future, acquire additional interests in businesses that directly or indirectly compete with some of our lines of business or that are our suppliers or customers. Furthermore, Mr. Lei may pursue acquisitions or make further investments in our industries which may conflict with our interests. For more information regarding the beneficial ownership of our company by our principal shareholders, see "Item 6. Directors, Senior management and Employees—E. Share Ownership."

We may lose the ability to use and enjoy assets held by our PRC consolidated affiliated entities that are important to the operation of our business if such entities go bankrupt or become subject to a dissolution or liquidation proceeding.

As part of our contractual arrangements with our PRC consolidated affiliated entities, such entities hold certain assets, such as patents for the proprietary technologies that are essential to the operations of our platforms and important to the operation of our business. If any one of our PRC consolidated affiliated entities goes bankrupt and all or part of its assets become subject to liens or rights of third party creditors, we may be unable to continue some or all of our business activities, which could materially and adversely affect our business, financial condition and results of operations. If any one of PRC consolidated affiliated entities undergoes a voluntary or involuntary liquidation proceeding, the unrelated third party creditors may claim rights to some or all of these assets, thereby hindering our ability to operate our business, which could materially and adversely affect our business, financial condition and results of operations.

Our ability to enforce the equity pledge agreements between us and our PRC variable interest entities' shareholders may be subject to limitations based on PRC laws and regulations.

Pursuant to the equity interest pledge agreements between our wholly owned subsidiaries in China, and the shareholders of our variable interest entities, or VIEs, each shareholder of each variable interest entities agrees to pledge its equity interests in the VIE to our subsidiary to secure the relevant VIE's performance of their obligations under the relevant contractual arrangements. The equity interest pledges of shareholders of VIEs under these equity pledge agreements have been registered with the relevant local branch of the SAMR. The equity interest pledge agreements with each of the VIEs' shareholders provide that the pledged equity interest shall constitute continuing security for any and all of the indebtedness, obligations and liabilities under all of the principal service agreements and the scope of pledge which are not limited by the amount of the registered capital of that VIE. However, it is possible that a PRC court may take the position that the amount listed on the equity pledge registration forms represents the full amount of the collateral that has been registered and perfected. If this is the case, the obligations that are supposed to be secured in the equity interest pledge agreements in excess of the amount listed on the equity pledge registration forms could be determined by the PRC court as unsecured debt, which takes last priority among creditors.

Our contractual arrangements with our PRC consolidated affiliated entities may result in adverse tax consequences to us.

As a result of our corporate structure and the contractual arrangements among our PRC subsidiaries, our PRC consolidated affiliated entities and their shareholders, we are effectively subject to PRC turnover tax on revenues generated by our subsidiaries from our contractual arrangements with our PRC consolidated affiliated entities. Such tax generally includes the PRC value added tax, or the VAT, along with related surcharges. The applicable turnover tax is determined by the nature of the transaction generating the revenues subject to taxation. The PRC enterprise income tax law requires every enterprise in China to submit its annual enterprise income tax return together with a report on transactions with its affiliates or related parties to the relevant tax authorities. These transactions may be subject to audit or challenge by the PRC tax authorities within ten years after the taxable year during which the transactions are conducted. We may be subject to adverse tax consequences if the PRC tax authorities were to determine that the contracts between us and our PRC consolidated affiliated entities were not on an arm's length basis and therefore constitute a favorable transfer pricing arrangements. If this occurs, the PRC tax authorities could request that either of our PRC consolidated affiliated entities adjust its taxable income upward for PRC tax purposes. Such a pricing adjustment could adversely affect us by reducing expense deductions recorded by either PRC consolidated affiliated entities and thereby increasing these entities' tax liabilities, which could subject these entities to late payment fees and other penalties for the underpayment of taxes. Our consolidated net income may be materially and adversely affected if our PRC consolidated affiliated entities' tax liabilities increase or if it becomes subject to late payment fees or other penalties.

If our PRC consolidated affiliated entities fail to obtain and maintain the requisite licenses and approvals required under the complex regulatory environment for internet-based businesses in China, our business, financial condition and results of operations in China may be adversely affected.

The internet industry in China is highly regulated. See "Item 4. Information on the Company—B. Business Overview—PRC Regulation." For example, an internet information service provider shall obtain an operating license, or the ICP License, from MIIT or its local counterparts before engaging in any commercial internet information services. Prior to May 2019, an online game operator must also obtain an Internet Culture Operation License from the MOC and an Internet Publishing License from the GAPP to distribute online games, in addition to filing its online games with the GAPP and the MOC. Prior to February 2016, an educational website operator shall obtain approvals from the local education authorities. Guangzhou Huaduo has obtained a valid ICP License for provision of internet information services and online data process and transaction business, a Radio and Television Program Production and Operating Permit and an Internet Culture Operation License for online games and music products. In addition, Guangzhou Huaduo holds a valid License for Online Transmission of Audio-Visual Programs under the business classification of converging and play-on-demand service for certain kinds of internet audio-visual programs—literary, artistic and entertaining—as prescribed in the newly issued provisional categories. Bigo has obtained a valid ICP License for provision of internet information services, a valid Internet Culture Operation License for music products and performances, a Radio and Television Program Production and Operating Permit and a License for Online Transmission of Audio-Visual Programs. Each of Chengdu Yunbu Internet Technology Co., Ltd., or Chengdu Yunbu, Chengdu Luota Internet Technology Co., Ltd., or Chengdu Luota, and Chengdu Jiyue Internet Technology Co., Ltd., or Chengdu Jiyue, has obtained a valid ICP License for provision of internet information services, and an Internet Culture Operation License for music entertainment products and online performance. On October 8, 2011, Guangzhou Huaduo was granted a License for Production and Operation of Radio and TV Programs, covering the production, reproduction and publication of TV dramas, cartoons (excluding production), special subjects, special columns (excluding current political news category) and entertainment programs. On January 1, 2015, Guangzhou Huaduo was granted a License for surveying and mapping, covering online map service. On January 17, 2013 and January 16, 2014, we were granted permission by relevant authorities to provide online education content on edu.YY.com and 100.com, respectively. In the fourth quarter of 2014, we acquired Beijing Huanqiu Xingxue Technology Development Co., Ltd., or Beijing Xingxue, and Beijing Huanqiu Chuangzhi Software Co., Ltd., or Beijing Chuangzhi, which operated Edu24oL.com, an online education website that is an online vocational training and language training platform, and Beijing Xingxue held an ICP License and a Publication Operating License for the operation of Edu24ol.com. In the fourth quarter of 2016, we sold majority equity interests in Beijing Xingxue and cease to consolidate financial results of Beijing Xingxue. In addition, Zhuhai Huanju Entertainment has obtained a valid ICP License for provision of internet information services, an Internet Culture Operation License for online games and music products, and a License for Production and Operation of Radio and TV Programs, covering the production, reproduction and publication of broadcasting plays, TV dramas, cartoons (excluding production), special subjects, special columns (excluding current political news category) and entertainment programs. These licenses or permits are essential to the operation of our business in China and are generally subject to annual government review. However, we cannot assure you that we can successfully renew these licenses annually or that these licenses are sufficient to conduct all of our present or future business in China.

With the sale of YY Live being substantially completed with certain customary matters remaining to be completed in the near future, we believe the majority of our business, especially our global platforms that operated outside China, is not subject to the above regulations. Yet as we maintain some our audio and video capabilities and functions in China, we will need to obtain additional qualifications, permits, approvals or licenses. In addition, with respect to specific services offered online, we or the service or content providers may be subject to additional separate qualifications, permits, approvals or licenses. For financial-related content offered on our channels, we are tightening our internal review of the relevant qualifications of the content providers as instructed by the competent authorities, while complying with other statutory requirements. We cannot assure you that we or the service or content providers will be granted such qualifications, permits, approvals or licenses in a timely manner or at all. Prior to the receipt of such qualifications, permits, approvals or licenses, we may be deemed as being in violation of relevant laws or regulations and be subject to penalties.

As the internet industry in China is still at a relatively early stage of development, new laws and regulations may be adopted from time to time to address new issues that come to the authorities' attention. In the interpretation and implementation of existing and future laws and regulations governing our business activities, considerable uncertainties still exist. We cannot assure you that we will not be found in violation of any future laws and regulations or any of the laws and regulations currently in effect due to changes in the relevant authorities' interpretation of these laws and regulations. In addition, we may be required to obtain additional license or approvals, and we cannot assure you that we will be able to timely obtain or maintain all the required licenses or approvals or make all the necessary filings in the future. If we fail to obtain or maintain any of the required licenses or approvals or make the necessary filings, we may be subject to various penalties, such as confiscation of the net revenues that were generated through the unlicensed internet activities, the imposition of fines and the discontinuation or restriction of our operations in China. Any such penalties may disrupt our business operations in China and adversely affect our business, financial condition and results of operations.

The shareholders of our PRC variable interest entities may have potential conflicts of interest with us, and if any such conflicts of interest are not resolved in our favor, our business may be materially and adversely affected.

Guangzhou Tuyue is indirectly held by selected individuals from our senior management team who are PRC citizens through PRC limited partnership jointly established by these individuals. Guangzhou Huaduo, and its direct and indirect shareholders, are controlled by Guangzhou Huanju Shidai and Beijing Huanju Shidai through a series of contractual arrangements. Guangzhou Tuyue Network Technology Co., Ltd., or Guangzhou Tuyue, holds 99.4996% of the equity interest in Guangzhou Huaduo Bilin Online is also our variable interest entity, which was acquired in August 2015 and is currently 99% held by Mr. Li. Guangzhou Qianxun Network Technology Co., Ltd., or Guangzhou Qianxun owns 100% of Guangzhou BaiGuoYuan's equity interests, as of the date of this annual report. Guangzhou Qianxun, is indirectly held by selected individuals of our senior management team who are PRC citizens through PRC limited partnership jointly established by these individuals. Guangzhou BaiGuoYuan, and its direct and indirect shareholders, are controlled by BaiGuoYuan Technology through a series of contractual arrangements. The interests of such nominated individuals as the controlling shareholders of the variable interest entities may differ from the interests of our Company as a whole, as what is in the best interests of our VIEs may not be in the best interests of our Company. Similarly, two individuals from the senior management team of Bigo collectively own all equity interest of each of Chengdu Yunbu, Chengdu Luota and Chengdu Jiyue, respectively. We cannot assure you that when conflicts of interest arise, the shareholders of our PRC variable interest entities will act in the best interests of our Company or that conflicts of interests will be resolved in our favor. In addition, the shareholders of our PRC variable interest entities may breach or cause our consolidated variable entities and their respective subsidiaries to breach or refuse to renew the existing contractual arrangements with us. Currently, we do not have existing arrangements to address potential conflicts of interest the shareholders of our PRC variable interest entities may encounter in his/her capacity as a shareholder or director of our variable interest entities, on the one hand, and as a beneficial owner or director of our Company, on the other hand; provided that we could, at all times, exercise our option under the exclusive option agreement with the shareholders of our PRC variable interest entities to cause them to transfer all of his equity ownership in our consolidated variable interest entities to a PRC entity or individual designated by us, and this new shareholder of our consolidated variable entities could then appoint a new director of our consolidated variable entities to replace the existing directors. In addition, if such conflicts of interest arise, our wholly owned PRC subsidiaries, could also, in the capacity of attorney-in-fact for the shareholders of our PRC variable interest entities as provided under the relevant powers of attorney, directly appoint a new director of our consolidated variable entities to replace the existing directors. However, the legal frameworks of China and the Cayman Islands do not provide guidance on resolving conflicts in the event of a conflict with another corporate governance regime. If we cannot resolve any conflicts of interest or disputes between us and the shareholders and the nominated individuals of our PRC variable interest entities, we would have to rely on legal proceedings, which could result in disruption of our business and subject us to substantial uncertainty as to the outcome of any such legal proceedings.

We are in the process of enhancing the structure of some of our variable interest entities, and its completion is subject to uncertainties.

In order to further improve our control over our material variable interest entities, reduce key man risks associated with having certain individuals be the equity holders of the material variable interest entities, and address the uncertainty resulting from any potential disputes between us and the individual equity holders of the material variable interest entities that may arise, we are in the process of enhancing the structure of our material variable interest entities and certain other variable interest entities, or the VIE Enhancement.

Prior to the completion of the VIE Enhancement, the variable interest entities were owned, or are owned, by a few PRC citizens who are our founders, key management or significant shareholders. After completion of the VIE Enhancement, those variable interest entities will be directly owned by certain PRC limited liability companies that are indirectly held by selected individuals of the Company (or the management) through PRC limited liability partnerships jointly established by such individuals. We have and will enter into certain contractual arrangements, which are substantially similar to the contractual arrangements we have historically used for our VIEs, with the above-mentioned PRC limited liability company and selected individuals of our management. The contractual arrangements, both before and after the VIE Enhancement, give us effective control over each of those variable interest entities and enable us to obtain substantially all of the economic benefits arising from those variable interest entities as well as consolidate the financial results of those variable interest entities into our results of operations.

After completion of the VIE Enhancement, PRC limited liability companies will become the equity holder of the variable interest entities, and those PRC limited liability companies and selected individuals of our management will enter into a series of contractual arrangements with us, including the equity pledge agreements. With respect to the VIE Enhancement that has been completed as of the date of this Annual Report, we have completed the equity pledge with respect to the variable interest entities. However, as there are no implementing rules for the registration of the pledges of the partnership interests, we have not been able to register the pledges of the partnership interests of those limited liability partnerships. Those pledges will not be deemed validly created security interests under applicable PRC laws until they are registered. Until the equity pledges are registered, we may not be able to successfully enforce theses pledges, and will not be able to prevent any third party from acquiring in good faith the interests of those limited liability partnerships. While we believe the new structure is consistent with the longstanding industry practice, the PRC government may consider these arrangements not in compliance with PRC licensing, registration or other regulatory requirements in all aspects, with existing policies or with requirements or policies that may be adopted in the future. The VIE Enhancement process is subject to a number of uncertainties, including registration of the transfer of the equity interests, registration of the new equity pledges, and the receipt of required approvals of amendments to certain operating permits. If we are unable to successfully complete these processes involved in the VIE Enhancement, we will be unable to enjoy the expected benefits, including the anticipated enhanced control over those variable interest entities, or reduced key man risks or the uncertainty resulting from any potential disputes among us and the individual equity holders of those variable interest entities as discussed above.

Implementation of the new labor laws and regulations in China may adversely affect our business and results of operations.

Pursuant to the labor contract law that took effect in January 2008 and was amended on July 1, 2013 and its implementation rules that took effect in September 2008, employers are subject to stricter requirements in terms of signing labor contracts, minimum wages, paying remuneration, determining the term of employees' probation and unilaterally terminating labor contracts. Due to lack of detailed interpretative rules and uniform implementation practices and broad discretion of the local competent authorities, it is uncertain as to how the labor contract law and its implementation rules will affect our current employment policies and practices. Our employment policies and practices may violate the labor contract law or its implementation rules, and we may thus be subject to related penalties, fines or legal fees. Compliance with the labor contract law and its implementation rules may increase our operating expenses, in particular our personnel expenses. In the event that we decide to terminate some of our employees' employment or otherwise change our employment or labor practices, the labor contract law and its implementation rules may also limit our ability to effect those changes in a desirable or cost-effective manner, which could adversely affect our business and results of operations. On October 28, 2010, the Standing Committee of the National People's Congress promulgated the PRC Social Insurance Law, or the Social Insurance Law, which became effective on July 1, 2011 and was amended on December 29, 2018. According to the Social Insurance Law, employees must participate in pension insurance, work-related injury insurance, medical insurance, unemployment insurance and maternity insurance and the employers must, together with their employees or separately, pay the social insurance premiums for such employees. On July 20, 2018, General Office of the Communist Party of China and the State Council promulgated the Reform Plan for Collection and Management System of National and Local Taxes, or the Tax Reform Plan, which became effective on the same day. According to the Tax Reform Plan, all social insurance premiums, such as basic pension insurance premium, basic medical insurance premium, unemployment insurance premium, work-related injury insurance premium and maternity insurance premium, shall be collected uniformly by the relevant tax authorities starting from January 1, 2019.

Compliance with the laws or regulations governing virtual currency may cause us to obtain additional approvals or licenses or change our current business model.

The issuance and use of "virtual currency" in China has been regulated since 2007 in response to the growth of the online game industry in China. On January 25, 2007, the Ministry of Public Security, the MOC, the MIIT and the GAPP jointly issued a circular regarding online gambling which has implications for the use of virtual currency. The circular bans the conversion of virtual currency into real currency or property.

We issue virtual currency to users on our platforms for them to purchase various items to be used in channels, including music channels. We are in the process of adjusting the content of our platforms but we cannot assure you that our adjustments will be sufficient to comply with the relevant laws. Moreover, although we believe we do not offer virtual currency transaction services, we cannot assure you that the PRC regulatory authorities will not take a view contrary to ours. In that event, we may be required to cease either our virtual currency issuance activities or such deemed "transaction service" activities and may be subject to certain penalties, including mandatory corrective measures and fines. The occurrence of any of the foregoing could have an adverse effect on our business, financial condition and results of operations in China.

We face risks related to natural disasters, health epidemics, and other outbreaks, which could significantly disrupt our operations.

Our business could be adversely affected by the effects of epidemics. In recent years, there have been outbreaks of epidemics in China and globally. Our business operations could be disrupted if one of our employees is suspected of having contracted the H1N1 flu, avian flu, Ebola, COVID-19 or another epidemic, since it could require our employees to be quarantined and/or our offices to be disinfected. Our results of operations could be adversely affected to the extent that the outbreak has any negative impact on the global economy in general and the global mobile internet and gaming industries in particular.

We are also vulnerable to natural disasters and other calamities. It is possible that we may be unable to recover certain data in the event of a server failure. We cannot assure you that any backup systems will be adequate to protect us from the effects of fire, floods, typhoons, earthquakes, power loss, telecommunications failures, break-ins, war, riots, terrorist attacks or similar events. Any of the foregoing events may give rise to server interruptions, breakdowns, system failures, technology platform failures or internet failures, which could cause the loss or corruption of data or malfunctions of software or hardware as well as adversely affect our ability to provide services on our platform.

Non-compliance on the part of third parties with which we conduct business could restrict our ability to maintain or increase our number of users or the level of traffic to our platforms.

Our third party game developers or other business partners may be subject to regulatory penalties or punishments because of their regulatory compliance failures, which may disrupt our business. Although we conduct a rigid review of legal formalities and certifications before entering into contractual relationship with other businesses such as third party game developers and landlords, we cannot be certain whether such third party has or will infringe any third parties' legal rights or violate any regulatory requirements. We regularly identify irregularities or non-compliance in the business practices of any parties with whom we pursue existing or future cooperation and we cannot assure you that any of these irregularities will be corrected in a prompt and proper manner. The legal liabilities and regulatory actions on our commercial partners may affect our business activities and reputation and in turn, our results of operations. For example, according to PRC regulations, all lease agreements are required to be registered with the local housing authorities. We presently lease properties at 60 different locations for daily operations and certain other properties serving as dormitories and canteens in China, and the landlords of some of these properties are still completing the registration of their ownership rights or the registration of our leases with the relevant authorities. Some of our lessors have not provided us with appropriate title certificates, which may adversely affect the validity of the leases if the lessors do not have proper title. We cannot assure you that such certificates or registration will be obtained in a timely manner or at all, and in case of failures, we may be subject to monetary fines, have to relocate our offices and suffer economic losses.

In addition, we allow providers of some online services, such as online education and financial services, to establish channels on our platforms. The online service providers and the producers of content on our platforms may be required to meet specific qualifying standards, evidenced by approvals, permits or certificates, and to comply with various requirements when conducting business. We cannot predict if any non-compliance on the part of such commercial partners may cause potential liabilities to us and in turn disrupt our operations.

Risks Related to Our ADSs

The trading prices of our ADSs are likely to be volatile, which could result in substantial losses to investors.

The daily closing trading prices of our ADSs ranged from US$42.01 to US$100.83 in 2020. The trading prices of our ADSs are likely to be volatile and could fluctuate widely due to factors beyond our control. This may happen because of broad market and industry factors, like the performance and fluctuation in the market prices or the underperformance or deteriorating financial results of other similarly situated companies in China that have listed their securities in the United States in recent years. The sale of a significant number of the ADSs, ordinary shares or other equity securities in the public market, or the perception that such sales may occur, could also materially and adversely affect the market price of our ADSs. The securities of some of these companies have experienced significant volatility since their initial public offerings, including, in some cases, substantial price declines in the trading prices of their securities. With the sale of YY Live being substantially completed with certain customary matters remaining to be completed in the near future, and the majority of our business operations outside China, we do not believe that we are comparable to these Chinese companies. But our previous history of conducting business in China (such as YY Live, our discontinued PRC business) might cause investors to perceive us as a Chinese company, and the trading performances of certain Chinese companies' securities after their offerings, including companies in internet and social networking businesses, may affect the attitudes of investors toward Chinese companies listed in the United States, which consequently may impact the trading performance of our ADSs, regardless of our actual operating performance. In addition, any negative news or perceptions about inadequate corporate governance practices or fraudulent accounting or other practices at other Chinese companies may also negatively affect the attitudes of investors towards Chinese companies in general, including us, regardless of whether we have engaged in such practices. Furthermore, the stock market in general has experienced extreme price and volume fluctuations that have often been unrelated or disproportionate to the operating performance of companies like us. These broad market and industry fluctuations may adversely affect the market price of our ADSs.

In addition to market and industry factors, the price and trading volume for our ADSs may be highly volatile due to specific factors, including the following:

- variations in our net revenues, earnings and cash flow;
- announcements of new investments, acquisitions, strategic partnerships, or joint ventures;
- announcements of new services and expansions by us or our competitors;

- changes in financial estimates by securities analysts;
- changes in the number of our registered or active users;
- fluctuations in the number of paying users or other operating metrics;
- failure on our part to realize monetization opportunities as expected;
- additions or departures of key personnel;
- release of lock-up or other transfer restrictions on our outstanding equity securities or sales of additional equity securities;
- detrimental negative publicity about us, our competitors or our industry; and
- potential litigation or regulatory proceedings or changes.

Any of these factors may result in large and sudden changes in the volume and price at which our ADSs will trade.

If securities or industry analysts do not publish research or reports about our business, or if they adversely change their recommendations regarding our ADSs, the market price for our ADSs and trading volume could decline.

The trading market for our ADSs will be influenced by research or reports that industry or securities analysts publish about our business. If one or more analysts who cover us downgrade our ADSs, the market price for our ADSs would likely decline. If one or more of these analysts cease to cover us or fail to regularly publish reports on us, we could lose visibility in the financial markets, which, in turn, could cause the market price or trading volume for our ADSs to decline.

Techniques employed by short sellers may drive down the market price of our listed securities.

Short selling is the practice of selling securities that a seller does not own but rather has borrowed from a third party with the intention of buying identical securities back at a later date to return to the lender. Short sellers hope to profit from a decline in the value of the securities between the sale of the borrowed securities and the purchase of the replacement shares, as short sellers expect to pay less in that purchase than they received in the sale. As it is in short sellers' interest for the price of the security to decline, many short sellers publish, or arrange for the publication of, negative opinions and allegations regarding the relevant issuer and its business prospects in order to create negative market momentum and generate profits for themselves after selling a security short. These short attacks have, in the past, led to selling of shares in the market.

Much of the scrutiny and negative publicity on the target companies has centered on allegations of lack of effective internal control over financial reporting resulting in financial and accounting irregularities and mistakes, inadequate corporate governance policies or a lack of adherence thereto and, in many cases, allegations of fraud. As a result, many of these companies are now conducting internal and external investigations into the allegations and, in the interim, are subject to shareholder lawsuits and/or SEC enforcement actions. Even though our major operations is outside of China after the sale of YY Live, which was substantially completed though certain customary matters remaining to be completed in the near future, we were and may continue to be subject to such risks.

We are currently, and may in the future be, the subject of unfavorable allegations made by short sellers. On November 18, 2020, Muddy Waters Capital LLC, an entity unrelated to us, issued the Muddy Water short seller report (the "Report") containing certain allegations against us. Our audit committee has conducted an independent review of the allegations raised in the Report related to our YY Live business, with the assistance of independent counsel, working with a team of experienced forensic auditors and data analytics experts. Our announcement dated February 8, 2021 disclosed the conclusion of the independent review, which concluded that the allegations raised and conclusions reached in the Report about our YY Live business were not substantiated. On March 26, 2021, our audit committee also concluded its work as to the handful of claims in the Report unrelated to the YY Live business (concerning Bigo) and likewise found the short seller allegations unsubstantiated. Any such allegations may be followed by periods of instability in the market price of our ordinary shares and ADSs and negative publicity. If and when we become the subject of any unfavorable allegations, whether such allegations are proven to be true or untrue, we may have to utilize a significant portion of our resources to investigate such allegations and/or defend ourselves, including in connection with class actions or regulatory enforcement actions derivative of such allegations. While we would strongly defend against any such short seller attacks, we may be constrained in the manner in which we can proceed against the relevant short sellers by principles of freedom of speech, applicable federal or state law or issues of commercial confidentiality. Such a situation could be costly and time-consuming and could divert management's attention from the day-to-day operations of our Company. Even if such allegations are ultimately proven to be groundless, allegations against us could severely impact the market price of our securities and our business operations.

Our reputation and the trading price of our ADSs may be negatively affected by adverse publicity or detrimental conduct against us.

Adverse publicity concerning the alleged fraudulence on our reported user metrics and authenticity on our revenues and cash balances could harm our reputation and cause the trading price of our ADSs to decline and fluctuate significantly. For example, after the Report containing various allegations against us was released on November 18, 2020, the trading price of our ADSs declined sharply. The negative publicity and the resulting decline of the trading price of our ADSs also led to the filing of a shareholder class action lawsuits against us and certain of our directors and officers.

Although we have publicly refuted the erroneous and misleading statements regarding us in the Report, we may still continue to be the target of adverse publicity and detrimental conduct against us, including complaints, anonymous or otherwise, to regulatory agencies regarding our operations, accounting, revenues and regulatory compliance. Additionally, allegations against us may be posted on the Internet by any person or entity which identifies itself or on an anonymous basis. We may be subject to government or regulatory investigation or inquiries, or shareholder lawsuits, as a result of such third-party conduct and may be required to incur significant time and substantial costs to defend ourselves. There is no assurance that we will be able to conclusively refute each of the allegations in connection with the Report within a reasonable period of time or at all. Our reputation may also be negatively affected as a result of the public dissemination of allegations or malicious statements about us, which in turn may materially and adversely affect the trading price of our ADSs.

We may be named as a defendant in putative shareholder class action lawsuits and may be subject to the SEC or third-party investigations which could have a material adverse impact on our business, financial condition, results of operation, cash flows and reputation.

We are defending against a putative shareholder class action lawsuit described in "Item 8. Financial Information—A. Consolidated Statements and Other Financial Information—Legal Proceedings," including any appeals of such lawsuit. We are currently unable to estimate the possible loss or possible range of loss, if any, associated with the resolution of this lawsuit, and there might be other class actions or regulatory enforcement actions in connection with such allegations. In the event that our initial defense of this lawsuit is unsuccessful, there can be no assurance that we will prevail in any appeal. Any adverse outcome of this case, including any plaintiff's appeal of the judgment in this case, could have a material adverse effect on our business, financial condition, results of operation, cash flows and reputation. In addition, there can be no assurance that our insurance carriers will cover all or part of the defense costs, or any liabilities that may arise from these matters. Even if the allegations against us may ultimately be proven to be groundless, we may have to utilize a significant portion of our cash resources and divert management's attention from the day-to-day operations of our company, all of which could harm our business. We also may be subject to claims for indemnification related to these matters, and we cannot predict the impact that indemnification claims may have on our business or financial results. In addition, in response to the Report, we may be subject to further due diligence and investigations conducted by competent third-party advisors or regulatory authorities. We cannot predict or provide any assurance as to the timing, outcome or consequences of such reviews and investigations, and we have incurred and may continue to incur significant expenses related to legal, accounting, and other professional services in connection with matters relating to or arising from the such reviews and investigations.

The sale or availability for sale, or perceived sale or availability for sale, of substantial amounts of our ADSs could adversely affect their market price.

Sales of substantial amounts of our ADSs in the public market, or the perception that these sales could occur, could adversely affect the market price of our ADSs and could materially impair our ability to raise capital through equity offerings in the future. Our ADSs are freely tradable by persons other than our affiliates without restriction or further registration under the Securities Act of 1933, as amended, or the Securities Act, and shares held by our existing shareholders may also be sold in the public market in the future subject to the restrictions in Rule 144 and Rule 701 under the Securities Act. In addition, common shares subject to our outstanding share-based awards, including options, restricted shares and restricted share units, are eligible for sale in the public market to the extent permitted by the provisions of various vesting agreements, Rules 144 and 701 under the Securities Act. We may also issue additional options in the future which may be exercised for additional common shares and additional restricted shares and restricted share units which may vest. As of March 31, 2021, we had 1,237,598,376 Class A common shares (excluding 78,982,488 outstanding restricted shares and treasury Class A common shares held by entities controlled by us) and 326,509,555 Class B common shares outstanding. We cannot predict what effect, if any, market sales of securities held by our significant shareholders or any other shareholder or the availability of these securities for future sale will have on the market price of our ADSs.

We believe that we were a passive foreign investment company, or PFIC, for United States federal income tax purposes for the taxable year ended December 31, 2020, which could subject United States holders of our ADSs or Class A common shares to significant adverse United States income tax consequences.

We will be classified as a "passive foreign investment company," or "PFIC" for United States federal income tax purposes for any taxable year, if either (a) 75% or more of our gross income for such year consists of certain types of "passive" income or (b) 50% or more of the value of our assets (generally determined on the basis of a quarterly average) during such year produce or are held for the production of passive income. Although the law in this regard is unclear, we treat our PRC consolidated affiliated entities as being owned by us for United States federal income tax purposes, not only because we exercise effective control over the operation of such entities but also because we are entitled to substantially all of their economic benefits, and, as a result, we consolidate their operating results in our consolidated financial statements.

Based on the market price of our ADSs and the composition of our assets (in particular the substantial amount of cash, deposits and investments), we believe that we were a PFIC for United States federal income tax purposes for the taxable year ended December 31, 2020, and no assurances can be given with respect to our PFIC status for our current taxable year or any future taxable year.

If we are classified as a PFIC in any taxable year, a U.S. holder (as defined in "Item 10. Additional Information—E. Taxation—United States Federal Income Tax Considerations") may incur significantly increased United States income tax on gain recognized on the sale or other disposition of the ADSs or Class A common shares and on the receipt of distributions on the ADSs or Class A common shares to the extent such gain or distribution is treated as an "excess distribution" under the United States federal income tax rules. Further, if we are classified as a PFIC for any year during which a U.S. holder holds our ADSs or Class A common shares, we generally will continue to be treated as a PFIC for all succeeding years during which such U.S. holder holds our ADSs or Class A common shares. Alternatively, U.S. holders of PFIC shares can sometimes avoid the rules described above by making certain elections, including a "mark-to-market" election or electing to treat a PFIC as a "qualified electing fund." However, U.S. holders will not be able to make an election to treat us as a "qualified electing fund" because, even if we were to be or become a PFIC, we do not intend to comply with the requirements necessary to permit U.S. holders to make such election. Each U.S. holder is urged to consult its tax advisor concerning the United States federal income tax considerations relating to the ownership and disposition of our ADSs or Class A common shares if we are treated as a PFIC for our current taxable year or any future taxable year (including the possibility of making a "mark-to-market" election and the unavailability of an election to treat us as a qualified electing fund). For more information see "Item 10. Additional Information—E. Taxation— United States Federal Income Tax Considerations—Passive Foreign Investment Company Rules."

Provisions of our convertible senior notes could discourage an acquisition of us by a third party.

In June, 2019, we completed the offering of US$500 million in aggregate principal amount of convertible senior notes due 2025 and US$500 million in aggregate principal amount of convertible senior notes due 2026. Certain provisions of our convertible senior notes could make it more difficult or more expensive for a third party to acquire us. The indentures for the convertible senior notes define a "fundamental change" to include, among other things and subject to certain qualifications specified therein: (i) any person or group becoming a direct or indirect beneficial owner of our company's ordinary share capital (including ordinary share capital held in the form of ADSs) representing more than 50% of the voting power of our ordinary share capital, or Lei Jun, Top Brand Holdings Limited, David Xueling Li and YYME Limited and their affiliates collectively becoming the direct or indirect beneficial owner of Class A common shares representing more than 50% of the number of outstanding Class A common shares; (ii) any recapitalization, reclassification or change of our Class A common shares or ADSs as a result of which these securities would be converted into, or exchanged for, stock, other securities, other property or assets or any share exchange, consolidation or merger of our company pursuant to which our Class A common shares or ADSs will be converted into cash, securities or other property or any sale, lease or other transfer in one transaction or a series of transaction of all or substantially all of our consolidated assets, taken as a whole, to any person other than one of our subsidiaries; (iii) the approval of any plan or proposal for the liquidation or dissolution of our company by our shareholders; (iv) our ADSs ceasing to be listed or quoted on any of The New York Stock Exchange, The NASDAQ Global Select Market or The NASDAQ Global Market (or any of their respective successors); or (v) any change in or amendment to the laws, regulations and rules in the PRC or the official interpretation or official application thereof that prohibits us from operating substantially all of our business operations and prevents us from continuing to derive substantially all of the economic benefits from our business operations. Upon the occurrence of a fundamental change, holders of these notes will have the right, at their option, to require us to repurchase all of their notes or any portion of the principal amount of such notes in principal amounts of US$1,000 or integral multiples thereof. In the event of a fundamental change, we may also be required to issue additional ADSs upon conversion of our convertible notes.

Our dual class common share structure with different voting rights will limit your ability to influence corporate matters and could discourage others from pursuing any change of control transactions that holders of our Class A common shares and ADSs may view as beneficial.

Our common shares are divided into Class A common shares and Class B common shares. Holders of Class A common shares are entitled to one vote per share, while holders of Class B common shares are entitled to ten votes per share, voting together as one class on all matters requiring a shareholders' vote and which are voted upon by way of a poll. Each Class B common share is convertible into one Class A common share at any time by the holder thereof. Class A common shares are not convertible into Class B common shares under any circumstances. Upon any sale, pledge, transfer or assignment or disposition of Class B common shares by a holder thereof to any person or entity that is not an affiliate of such holder, such Class B common shares will be automatically and immediately converted into an equal number of Class A common shares. In addition, if at any time, Messrs. David Xueling Li, Jun Lei, Tony Bin Zhao and Jin Cao and their affiliates collectively own less than 5% of the total number of the issued and outstanding Class B common shares, each issued and outstanding Class B common share will be automatically and immediately converted into one Class A common share, and we will not issue any Class B common shares thereafter. Furthermore, if at any time more than 50% of the ultimate beneficial ownership of any holder of Class B common shares (other than our founders or our founders' affiliates) changes, each such Class B common share will be automatically and immediately converted into one Class A common share.

Due to the disparate voting powers attached to these two classes of common shares, as of March 31, 2021, Mr. David Xueling Li and his respective affiliates, held 76.0% of the total voting power of our company and have considerable influence over all matters requiring a shareholders' vote, including election of directors and significant corporate transactions, such as a merger or sale of our company or our assets. This concentrated control will limit your ability to influence corporate matters and could discourage others from pursuing any potential merger, takeover or other change of control transactions that holders of Class A common shares and ADSs may view as beneficial.

Our articles of association contain anti-takeover provisions that could have a material adverse effect on the rights of holders of our common shares and ADSs.

Our articles of association contain provisions to limit the ability of others to acquire control of our company or cause us to engage in change-of-control transactions. These provisions could have the effect of depriving our shareholders of an opportunity to sell their shares at a premium over prevailing market prices by discouraging third parties from seeking to obtain control of our company in a tender offer or similar transaction. For example, our board of directors has the authority, without further action by our shareholders, to issue preferred shares in one or more series and to fix their designations, powers, preferences, privileges, and relative participating, optional or special rights and the qualifications, limitations or restrictions, including dividend rights, conversion rights, voting rights, terms of redemption and liquidation preferences, any or all of which may be greater than the rights associated with our common shares, in the form of ADSs or otherwise. Preferred shares could be issued quickly with terms calculated to delay or prevent a change in control of our company or make removal of management more difficult. If our board of directors decides to issue preferred shares, the price of our ADSs may fall and the voting and other rights of the holders of our common shares and ADSs may be materially and adversely affected.

You may face difficulties in protecting your interests, and your ability to protect your rights through U.S. courts may be limited, because we are incorporated under Cayman Islands law.

We are an exempted company incorporated under the laws of the Cayman Islands with limited liability. Our corporate affairs are governed by our amended and restated memorandum and articles of association, the Companies Act (As Revised) of the Cayman Islands and the common law of the Cayman Islands. The rights of shareholders to take action against the directors, actions by minority shareholders and the fiduciary responsibilities of our directors to us under Cayman Islands law are to a large extent governed by the common law of the Cayman Islands. The common law of the Cayman Islands is derived in part from comparatively limited judicial precedent in the Cayman Islands as well as from the common law of England, the decisions of whose courts are of persuasive authority, but are not binding, on a court in the Cayman Islands. The rights of our shareholders and the fiduciary responsibilities of our directors under Cayman Islands law are not as clearly established as they would be under statutes or judicial precedent in some jurisdictions in the United States. In particular, the Cayman Islands has a less developed body of securities laws than the United States. Some U.S. states, such as Delaware, have more fully developed and judicially interpreted bodies of corporate law than the Cayman Islands. In addition, shareholders of a Cayman Islands company may not have standing to initiate a shareholder derivative action in a federal court of the United States.

Unlike many jurisdictions in the United States, Cayman Islands law does not generally provide for shareholder appraisal rights on an approved arrangement and reconstruction of a company. This may make it more difficult for you to assess the value of any consideration you may receive in a merger or consolidation or to require that the offeror gives you additional consideration if you believe the consideration offered is insufficient. Moreover, holders of our ADSs are not entitled to appraisal rights under Cayman Islands law. ADS holders that wish to exercise their appraisal or dissentient rights must convert their ADSs into our Class A common shares by surrendering their ADSs to the depositary and paying the ADS depositary fee.

Shareholders of Cayman Islands exempted companies like us have no general rights under Cayman Islands law to inspect corporate records (except our memorandum and articles of association, special resolutions passed by our shareholders, and our register of mortgages and charges) or to obtain copies of lists of shareholders of these companies. Our directors have discretion under our existing articles of association to determine whether or not, and under what conditions, our corporate records may be inspected by our shareholders, but are not obliged to make them available to our shareholders. This may make it more difficult for you to obtain the information needed to establish any facts necessary for a shareholder motion or to solicit proxies from other shareholders in connection with a proxy contest.

As a result of all of the above, public shareholders may have more difficulty in protecting their interests in the face of actions taken by management, members of the board of directors or controlling shareholders than they would as public shareholders of a company incorporated in the United States.

Judgments obtained against us by our shareholders may not be enforceable in our home jurisdiction.

We are a Cayman Islands exempted company and a majority of our assets are located outside of the United States. In addition, a significant majority of our current directors and officers are nationals and residents of countries other than the United States and most of their assets are located outside the United States. As a result, it may be difficult or impossible for you to bring an action against us or against these individuals in the United States in the event that you believe that your rights have been infringed under the United States federal securities laws or otherwise. Even if you are successful in bringing an action of this kind, the laws of the Cayman Islands and of China may render you unable to enforce a judgment against our assets or the assets of our directors and officers.

There are uncertainties as to whether Cayman Islands courts would:

- recognize or enforce against us or our directors or officers judgments of courts of the United States based on certain civil liability provisions of U.S. securities laws; and
- impose liabilities against us or our directors or officers, in original actions brought in the Cayman Islands, based on certain civil liability provisions of U.S. securities laws that are penal in nature. There is no statutory recognition in the Cayman Islands of judgments obtained in the United States, although the courts of the Cayman Islands will generally recognize and enforce a foreign money judgment of a foreign court of competent jurisdiction without reexamination of the merits of the underlying disputes provided that such judgment (i) imposes on the judgment debtor a liability to pay a liquidated sum for which the judgment has been given; (ii) is final; (iii) is not in respect of taxes, a fine or penalty; and (iv) was not obtained in a manner and is not of a kind the enforcement of which is contrary to natural justice or the public policy of the Cayman Islands.

We are a foreign private issuer within the meaning of the rules under the Exchange Act, and as such we are exempt from certain provisions applicable to United States domestic public companies.

Because we qualify as a foreign private issuer under the Exchange Act, we are exempt from certain provisions of the securities rules and regulations in the United States that are applicable to U.S. domestic issuers, including:

- the rules under the Exchange Act requiring the filing with the SEC of quarterly reports on Form 10-Q or current reports on Form 8-K;
- the sections of the Exchange Act regulating the solicitation of proxies, consents, or authorizations in respect of a security registered under the Exchange Act;
- the sections of the Exchange Act requiring insiders to file public reports of their share ownership and trading activities and liability for insiders who profit from trades made in a short period of time; and
- the selective disclosure rules by issuers of material nonpublic information under Regulation FD.

We are required to file an annual report on Form 20-F within four months of the end of each fiscal year. In addition, we publish our results on a quarterly basis as press releases, distributed pursuant to the rules and regulations of the Nasdaq Global Select Market. Press releases relating to financial results and material events are also be furnished to the SEC on Form 6-K. However, the information we are required to file with or furnish to the SEC are less extensive and less timely as compared to that required to be filed with the SEC by United States domestic issuers. As a Cayman Islands company listed on the Nasdaq Global Select Market, we are subject to the Nasdaq Global Select Market corporate governance requirements. However, the Nasdaq Global Select Market permit a foreign private issuer like us to follow certain corporate governance practices of its home country. Certain corporate governance practices in the Cayman Islands, which is our home country, may differ significantly from the Nasdaq Global Select Market corporate governance requirements.

We relied on the exemption available to foreign private issuers to the requirement that each member of the compensation committee be an independent director. Currently, the chairman of our compensation committee, Mr. David Xueling Li, is not an independent director. We also relied on the exemption available to foreign private issuers to the requirement that shareholder approval should be obtained in certain circumstances prior to an issuance of securities in connection with the acquisition of the stock or assets of another company, and the requirement that shareholder approval should be obtained prior to the issuance of securities when a stock option or purchase plan is to be established or materially amended or other equity compensation arrangement made or materially amended, pursuant to which stock may be acquired by officers, directors, employees, or consultants. We relied on home country practice exemption and did not convene a shareholder meeting to approve the 2019 Arrangement. See "Item 6. Directors, Senior Management and Employees—B. Compensation of Directors and Executive Officers—2019 Share Incentive Awards Arrangement" for more information. If we continue to rely on the above and other exemptions available to foreign private issuers in the future, our shareholders may be afforded less protection than they otherwise would under the Nasdaq Global Select Market corporate governance requirements applicable to U.S. domestic issuers. As a result, you may not be afforded the same protections or information, which would be made available to you, were you investing in a United States domestic issuer.

The voting rights of holders of ADSs are limited by the terms of the deposit agreement, and you may not be able to exercise your right to direct how the Class A common shares which are represented by your ADSs are voted.

Holders of ADSs do not have the same rights as our registered shareholders. As a holder of our ADSs, you will not have any direct right to attend general meetings of our shareholders or to cast any votes at such meetings. You will only be able to exercise the voting rights which are carried by the underlying Class A common shares represented by your ADSs indirectly by giving voting instructions to the depositary in accordance with the provisions of the deposit agreement. Under the deposit agreement, you may vote only by giving voting instructions to the depositary. Upon receipt of your voting instructions, the depositary will vote the underlying Class A common shares represented by your ADSs in accordance with your instructions. You will not be able to directly exercise your right to vote with respect to the underlying Class A common shares represented by your ADSs unless you withdraw the shares from the depositary and become the registered holder of such shares prior to the record date for the general meeting. Under our memorandum and articles of association, the minimum notice period required for convening a general meeting is at least ten clear days. When a general meeting is convened, you may not receive sufficient advance notice of the meeting to withdraw the underlying Class A common shares underlying represented by your ADSs and become the registered holder of such shares to allow you to attend the general meeting and to vote directly with respect to any specific matter or resolution to be considered and voted upon at the general meeting. In addition, under our articles of association, our directors may close our register of members (subject to compliance with Nasdaq Global Select Market rules) or, for the purposes of determining those shareholders who are entitled to attend and vote at any general meeting, fix in advance a record date for such meeting, and such closure of our register of members or the setting of such a record date may prevent you from withdrawing the Class A common shares underlying your ADSs and becoming the registered holder of such shares prior to the record date, so that you would not be able to attend the general meeting or to vote directly. If we ask for your instructions, the depositary will notify you of the upcoming vote and will arrange to deliver our voting materials to you. We cannot assure you that you will receive the voting materials in time to ensure that you can instruct the depositary to vote the underlying Class A common shares represented by your ADSs. In addition, the depositary and its agents are not responsible for failing to carry out voting instructions or for their manner of carrying out your voting instructions. This means that you may not be able to exercise your right to direct how the shares underlying your ADSs are to be voted and you may have no legal remedy if the underlying Class A common shares underlying represented by your ADSs are not voted as you requested. The depositary for our ADSs will give us a discretionary proxy to vote our Class A common shares represented by your ADSs if you do not vote at shareholders' meetings, except in limited circumstances, which could adversely affect your interests.

Under the deposit agreement for the ADSs, if you do not vote, the depositary will give us a discretionary proxy to vote our Class A common shares represented by your ADSs at shareholders' meetings unless:

- we have failed to timely provide the depositary with notice of meeting and related voting materials;
- we have instructed the depositary that we do not wish a discretionary proxy to be given;
- we have informed the depositary that there is substantial opposition as to a matter to be voted on at the meeting;
- a matter to be voted on at the meeting would have a material adverse impact on shareholders; or
- the voting at the meeting is to be made on a show of hands.

The effect of this discretionary proxy is that if you do not vote at shareholders' meetings, you cannot prevent our Class A common shares represented by your ADSs from being voted, except under the circumstances described above. This may make it more difficult for shareholders to influence the management of our company. Holders of our common shares are not subject to this discretionary proxy.

You may not receive dividends or other distributions on our common shares and you may not receive any value for them, if it is illegal or impractical to make them available to you.

The depositary of our ADSs has agreed to pay to you the cash dividends or other distributions it or the custodian receives on Class A common shares or other deposited securities underlying our ADSs, after deducting its fees and expenses. You will receive these distributions in proportion to the number of Class A common shares your ADSs represent. However, the depositary is not responsible if it decides that it is unlawful or impractical to make a distribution available to any holders of ADSs. For example, it would be unlawful to make a distribution to a holder of ADSs if it consists of securities that require registration under the Securities Act but that are not properly registered or distributed under an applicable exemption from registration. The depositary may also determine that it is not feasible to distribute certain property through the mail. Additionally, the value of certain distributions may be less than the cost of mailing them. In these cases, the depositary may determine not to distribute such property. We have no obligation to register under U.S. securities laws any ADSs, common shares, rights or other securities received through such distributions. We also have no obligation to take any other action to permit the distribution of ADSs, common shares, rights or anything else to holders of ADSs. This means that you may not receive distributions we make on our common shares or any value for them if it is illegal or impractical for us to make them available to you. These restrictions may cause a material decline in the value of our ADSs.

You may be subject to limitations on transfer of your ADSs.

Your ADSs are transferable on the books of the depositary. However, the depositary may close its books at any time or from time to time when it deems expedient in connection with the performance of its duties. The depositary may close its books from time to time for a number of reasons, including in connection with corporate events such as a rights offering, during which time the depositary needs to maintain an exact number of ADS holders on its books for a specified period. The depositary may also close its books in emergencies, and on weekends and public holidays. The depositary may refuse to deliver, transfer or register transfers of our ADSs generally when our share register or the books of the depositary are closed, or at any time if we or the depositary thinks that it is advisable to do so because of any requirement of law or of any government or governmental body, or under any provision of the deposit agreement, or for any other reason in accordance with the terms of the deposit agreement. As a result, you may be unable to transfer your ADSs when you wish to.

ITEM 4. INFORMATION ON THE COMPANY

A. History and Development of the Company

We commenced operations in April 2005 with the establishment of Guangzhou Huaduo in China. Guangzhou Huaduo later became one of our PRC consolidated affiliated entities through the contractual arrangements described below.

We established Dokhi Investments Limited in the British Virgin Islands, or BVI, in July 2006 and changed its name to Duowan Limited in September 2006. In August 2006, we established Double Top Limited, which is wholly owned by Dokhi Investments Limited, in Hong Kong and changed its name to Duowan (Hong Kong) Limited in September 2006. In April 2007, we established Guangzhou Duowan Information Technology Co., Ltd., or Guangzhou Duowan, which was wholly owned by Duowan (Hong Kong) Limited. Guangzhou Duowan entered into a series of contractual arrangements with Guangzhou Huaduo and its shareholders, which were subsequently amended to reflect updated shareholder equity interests in Guangzhou Huaduo and enhanced by a series of new contractual arrangements with Guangzhou Huaduo's direct and indirect shareholders respectively, through which Guangzhou Duowan exercised effective control over the operations of Guangzhou Huaduo.

In November 2007, we established Duowan Entertainment Corporation, or Duowan BVI, in the BVI. In March 2008, we established Huanju Shidai Technology (Beijing) Co., Ltd., formerly known as Duowan Entertainment Information Technology (Beijing) Co., Ltd., or Beijing Huanju Shidai, which is wholly owned by Duowan BVI. Beijing Huanju Shidai purchased all the equity interests in Guangzhou Duowan from Duowan (Hong Kong) Limited in August 2008, and entered into a series of contractual arrangements with Guangzhou Huaduo and its shareholders through which Beijing Huanju Shidai exercises effective control over the operations of Guangzhou Huaduo which were subsequently amended to reflect certain equity interests in Guangzhou Huaduo. Duowan (Hong Kong) Limited was deregistered as a company and ceased to operate in May 2010.

In December 2008, Duowan BVI entered into an agreement with Morningside Technology Investments Limited and two individuals, through which Duowan BVI purchased all the equity interests in NeoTasks Inc. from Morningside Technology Investments Limited.

In March 2009, Beijing Huanju Shidai entered into an agreement with NeoTasks New Age International Media Technology (Beijing) Co., Ltd., or NeoTasks Beijing, through which NeoTasks Beijing was merged into Beijing Huanju Shidai. After the merger and additional capital contribution, Beijing Huanju Shidai became 96.5% held by Duowan BVI, and 3.5% held by NeoTasks Limited (formerly known as Enlight Online Entertainment Limited), a Hong Kong company, which in turn was the shareholder of NeoTasks Beijing before the merger. NeoTasks Limited is 100% owned by NeoTasks Inc., a Cayman Islands company. In August 2009, Guangzhou Duowan was renamed Zhuhai Duowan Information Technology Co., Ltd.

In December 2009, Beijing Huanju Shidai entered into a series of contractual agreements with Beijing Tuda and its shareholders, which were subsequently amended solely to reflect updated shareholder equity interests in Beijing Tuda, through which agreements Beijing Huanju Shidai exercises effective control over the operations of Beijing Tuda.

In December 2010, we established Guangzhou Huanju Shidai, formerly known as Zhuhai Duowan Technology Co., Ltd., which is 100% directly owned by Duowan BVI. Guangzhou Huanju Shidai has entered into a series of contractual agreements with Guangzhou Huaduo's direct and indirect shareholders, through which Guangzhou Huanju Shidai also exercised effective control over the operations of Guangzhou Huaduo.

Our holding company, YY Inc., was incorporated in July 2011 as an exempted company with limited liability in the Cayman Islands. The corporate affairs of YY Inc. are governed by the memorandum and articles of association, the Companies Act (As Revised) of the Cayman Islands and the common law of the Cayman Islands. Through a share exchange on September 6, 2011, the shareholders of Duowan BVI exchanged all of their outstanding common and preferred shares in Duowan BVI for common and preferred shares of YY Inc. on a pro rata basis. No additional consideration was paid in connection with the share exchange. As a result, Duowan BVI became a wholly owned subsidiary of YY Inc.

In the fourth quarter of 2014, Guangzhou Huaduo acquired 100% of the equity interests in both Beijing Huanqiu Xingxue Technology Development Co., Ltd, or Beijing Xingxue, and Beijing Huanqiu Chuangzhi Software Co., Ltd., which operate the online education website Edu24oL.com, an online vocational training and language training platform. In addition, we acquired 100% of the equity interests in both Zhengrenqiang and His Partners Education Technology (Beijing) Co., Ltd., which was later renamed 100-Online Education Technology (Beijing) Co., Ltd., or 100-Online, a company specializing in providing preparation courses for the International English Language Testing System, or IELTS, which is an English language proficiency test, and Beijing Dubooker Culture Communication Co., Ltd., or Dubooker, a language education publisher. In the fourth quarter of 2016, we sold majority equity interests in Beijing Xingxue following which we hold 33.14% of equity interests in Beijing Xingxue. We dissolved Dubooker and 100-Online in October 2016 and January 2017, respectively.

In the first quarter of 2015, Duowan BVI established and became a limited partner holding 93.5% equity interests of, Engage Capital Partners I, L.P., which is a private equity fund registered in the Cayman Islands. In June 2015, as a limited partner holding 93.5% equity interests, Guangzhou Huaduo established Shanghai Yilian Equity Investment Partnership (LP), a private equity fund registered in China. In June 2017, Guangzhou Huaduo established and became a limited partner holding 99% equity interests of Guangzhou Yilian Yixing Equity Investment Partnership (LP), a private equity fund registered in China.

In May 2015, we established Zhuhai Huanju Interactive Entertainment Technology Co., Ltd., which is 100% directly owned by Guangzhou Huaduo.

In July 2015, we established Guangzhou Huanju Electronic Commerce Co., Ltd., which is 100% directly owned by Guangzhou Huaduo.

In August 2015, Duowan BVI acquired 55.05% of the equity interests in BiLin Information Technology Co., Ltd., or BiLin Cayman, a company incorporated in the Cayman Islands that develops and operates instant voice chatting applications for mobile devices. BiLin Cayman is the sole shareholder of BiLin Information Technology Co., Limited, which is in turn the sole shareholder of Bilin Changxiang. Bilin Changxiang entered into a series of contractual arrangements with Bilin Online, and its shareholders, through which Bilin Changxiang exercises effective control over the operations of Bilin Online. In the first quarter of 2018, we acquired the minority equity interests in BiLin Cayman, and BiLin Cayman became a wholly owned subsidiary of Duowan BVI.

In January 2016, we established Guangzhou Huanju Microfinance Co., Ltd., which aims to engage in financing business as a wholly owned subsidiary of Guangzhou Huaduo.

In April 2016, we established Guangzhou Sanrenxing 100-Education Technology Co., Ltd. or Sanrenxing, which entered into a series of VIE agreements and completed its VIE restructure in October 2018. As of the date of this annual report, Sanrenxing is 46.55% directly owned by Guangzhou Huaduo.

In August 2016, we established Guangzhou Huya, which is 100% directly owned by Guangzhou Huaduo. In 2017, Guangzhou Huaduo transferred 0.99% of the equity interest of Guangzhou Huya to Guangzhou Qinlv, which is wholly owned by Mr. Rongjie Dong, the CEO of HUYA Inc. In December 31, 2016, we completed transfer of all assets, including trademarks, domain names, business contracts and tangible assets, relating to our game live streaming business to Guangzhou Huya.

In 2017, we established HUYA Inc., Huya Limited, a wholly owned subsidiary of HUYA Inc. in Hong Kong and Guangzhou Huya Technology Co., Ltd., or Huya Technology, wholly-owned by Huya Limited. In July 2017, Huya Technology, Guangzhou Huya and its shareholders, Guangzhou Huaduo and Guangzhou Qinlv, entered into a series of VIE agreements, through which Huya Technology exercises effective control over the operations of Guangzhou Huya. Guangzhou Huya has obtained the licenses to provide internet-related service in the PRC. On March 8, 2018, we and HUYA Inc., through our respective PRC affiliated entities, entered into a non-compete agreement. Pursuant to this non-compete agreement, we agree not to compete with HUYA Inc. in certain areas of its core business, for a term of four years from the date of this non-compete agreement.

In July 2017, HUYA Inc. issued series A shares to a group of investors for an aggregate amount of US$75 million. In March 2018, HUYA Inc. issued 64,488,235 shares of Series B-2 redeemable convertible preferred shares at a price of US$7.16 per share for a cash consideration of US$461.6 million to Linen Investment Limited, a wholly owned subsidiary of Tencent Holdings Limited. Pursuant to the agreements entered into in this series B-2 financing transaction, Tencent has a right, exercisable between March 8, 2020 and March 8, 2021, to purchase at the then fair market price additional shares to reach 50.10% of the voting powers in HUYA Inc. As part of the Series B-2 financing transaction, Tencent and HUYA Inc., through their respective PRC affiliated entities, entered into a business cooperation agreement, which became effective on March 8, 2018. Pursuant to this business cooperation agreement, the parties agreed to establish strategic cooperation in various aspects regarding game live streaming business and other game related business. In May 2018, HUYA Inc. successfully completed its initial public offering of 17,250,000 ADSs at a price of US$12.0 per ADS, including 2,250,000 ADSs offered pursuant to the underwriters' full exercise of their overallotment options. In April 2019, HUYA Inc. successfully completed a follow-on public offering, issuing 13,600,000 ADSs (or 15,640,000 ADSs if the underwriters exercise their option to purchase additional ADSs in full) at a price of US$24.00 per ADS. Each HUYA Inc. ADS represents one Class A ordinary share of HUYA Inc. On April 3, 2020, we transferred 16,523,819 Class B ordinary shares of HUYA Inc. to Linen Investment Limited, a wholly-owned subsidiary of Tencent for an aggregate purchase price of approximately US$262.6 million in cash, pursuant to Tencent's exercise of its option to purchase additional shares of Huya from us. The purchase price was determined based on the average closing prices of Huya's American depositary shares in the last 20 trading days prior to the receipt of Tencent's written exercise notice by us and Huya in accordance with Huya's second amended and restated shareholders agreement dated March 8, 2018. As a result of the closing of the share transfer, Tencent increased its voting power in Huya to 50.1% on a fully-diluted basis, or 50.9% calculated based on the total issued and outstanding shares of Huya, and will consolidate financial statements of Huya. Starting from April 3, 2020, we no longer consolidate the operating results of Huya.

In May 2018, we established TIEN Direction Inc., which in turn established Hago Singapore Pte. Ltd.

In June 2018, we invested US$272 million in the Series D round of financing of Bigo as the lead investor. We were then an existing shareholder of Bigo and had become its largest shareholder after the Series D financing.

In March 2019, we completed the acquisition of the remaining 68.3% of equity interest in Bigo from the other shareholders of Bigo, including Mr. David Xueling Li, our chairman of the board of directors and chief executive officer. We paid US$343.1 million in cash and resulted in issuance of 38,326,579 Class B common shares to Mr. David Xueling Li and 305,127,046 outstanding Class A common shares to Mr. David Xueling Li and other selling shareholders of Bigo. As of the date of this annual report, we wholly own Bigo.

In March 2019, we entered into a strategic partnership agreement with Shanghai Chuangsi Enterprise Development Co., Ltd., or Shanghai Chuangsi. Under the agreement, we will exchange for certain equity interest of Shanghai Chuangsi by contributing our online game business into Shanghai Chuangsi. The transaction was completed in December 2019, after which the financial results of online games would no longer be consolidated in our financial results.

Effective December 20, 2019, we changed our corporate name from “YY Inc.” to “JOYY Inc.” We began trading under the new corporate name on December 30, 2019.

YY Inc. completed an initial public offering of 7,800,000 ADSs, representing 156,000,000 Class A common shares, in November 2012. On November 21, 2012, our ADSs were listed on The Nasdaq Stock Market under the symbol “YY.” In December 2012, in connection with the initial public offering, we also completed the over-allotment offering of an additional 1,170,000 ADSs, representing 23,400,000 Class A common shares.

On August 21, 2017, we completed our registered follow-on public offering and over-allotment to the underwriters. We issued and sold a total of 6,612,500 ADSs in these transactions, representing 132,250,000 Class A common shares. We received the net proceeds of US$442.2 million, after deducting commissions and offering expenses.

In June, 2019, we completed the offering of US$500 million in aggregate principal amount of convertible senior notes due 2025, or the 2025 Notes, and US$500 million in aggregate principal amount of convertible senior notes due 2026, or the 2026 Notes, which included the exercise in full by the initial purchasers of their option to purchase an additional US$75 million in aggregate principal amount of the 2025 Notes and US$75 million in aggregate principal amount of the 2026 Notes. We collectively refer to the 2025 Notes and the 2026 Notes as the Notes in this annual report. The Notes have been offered in the United States to qualified institutional buyers pursuant to Rule 144A and to non-U.S. persons outside the United States in reliance on Regulation S under the Securities Act. The initial conversion rate of the 2025 Notes is 10.4271 ADSs per US$1,000 principal amount of the 2025 Notes. The initial conversion rate of the 2026 Notes is 10.4271 ADSs per US$1,000 principal amount of such the 2026 Notes. The relevant conversion rate for each series of the Notes is subject to adjustment upon the occurrence of certain events. The 2025 Notes bear interest at a rate of 0.75% per year, and the 2026 Notes bear interest at a rate of 1.375% per year. Interest on the both the 2025 Notes and 2026 Notes will accrue from, and including, June 24, 2019 and will be payable semiannually in arrears on June 15 and December 15 of each year, beginning on December 15, 2019. The 2025 Notes will mature on June 15, 2025 and the 2026 Notes will mature on June 15, 2026, unless repurchased, redeemed or converted in accordance with their terms prior to such date. We may not redeem the Notes prior to maturity, unless certain tax-related events occur. The holders may require us to repurchase all or part of their Notes in cash on June 15, 2023, in the case of the 2025 Notes, and June 15, 2024, in the case of the 2026 Notes, or in the event of certain fundamental changes. In connection with the offering the 2025 Notes and the 2026 Notes, we have entered into capped call transactions with certain counterparties. The cap price of the capped call transactions is initially US$127.87 per ADS and is subject to adjustment under the terms of the capped call transactions. On March 25, 2020, we announced a convertible notes repurchase plan under which we may repurchase up to an aggregate of US$200 million of the 2025 Notes and 2026 Notes over the next 12 months. The convertible notes repurchases may be made from time to time through legally permissible means, depending on market conditions and in accordance with applicable rules and regulations. Our board will review the convertible notes repurchase plan periodically, and may authorize adjustment of its terms and size.

On April 3, 2020, we transferred 16,523,819 Class B ordinary shares of Huya to Linen Investment Limited, a wholly-owned subsidiary of Tencent for an aggregate purchase price of approximately US$262.6 million in cash, pursuant to Tencent's exercise of its option to purchase additional shares of Huya from the Company. As a result of the share transfer, Tencent increased its voting power in Huya to 50.1% on a fully-diluted basis and became the controlling shareholder of Huya. As a result, Huya has been deconsolidated from our financial statement starting from the second quarter of 2020. The financial information of Huya will be presented in discontinued operations and will not be presented as a separate segment starting from the second quarter of 2020. On August 10, 2020, we entered into a definitive share transfer agreement with Linen Investment Limited, pursuant to which we would transfer 30,000,000 Class B ordinary shares of Huya to Tencent for an aggregate purchase price of US$810.0 million in cash. Immediately after the second share transfer, we held 38,374,463 Class B ordinary shares of Huya, representing 24.1% of the total voting power calculated based on the total issued and outstanding shares of Huya.

On November 16, 2020, we entered into definitive agreements with Baidu, and made certain amendments to the share purchase agreement on February 7, 2021, pursuant to which Baidu will acquire our PRC video-based entertainment live streaming business, or YY Live, including the YY mobile app, YY.com website, and PC YY, among others, for an aggregate purchase price of approximately US$3.6 billion in cash, subject to certain adjustments. The acquisition has been substantially completed, with certain customary matters remaining to be completed in the near future.

Our principal executive offices locate at 30 Pasir Panjang Road #15-31A Mapletree Business City, Singapore 117440. Our registered office in the Cayman Islands is located at Conyers Trust Company (Cayman) Limited of Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KYI-1111, Cayman Islands.

See "Item 5. Operating and Financial Review and Prospects—B. Liquidity and Capital Resources—Capital Expenditures" for a discussion of our capital expenditures and divestitures.

SEC maintains an internet site that contains reports, proxy and information statements, and other information regarding issuers that file electronically with the SEC on *www.sec.gov*. You can also find information on our website *http://ir.joyy.sg*. The information contained on our website is not a part of this annual report.

B. Business Overview

Overview

We operate leading global social media platforms, offering users around the world a uniquely engaging and immersive experience across various video and audio-based social platforms, such as live streaming, short-form videos, instant messaging, casual games, and others. Our platforms enable users across the globe to interact with each other in real time through online live media.

- Live streaming platform —*Bigo Live. Bigo Live* is a leading global live streaming platform. With strong presence in North America, Europe, the Middle East, Southeast Asia, and Eastern Pacific regions etc., Bigo Live enables global users to live stream their specific moments and talk live with each other.

- Short-form video platform — *Likee. Likee* is a leading global short-form video social platform, with a fast growing and highly engaged user base that produces, uploads, views, shares and comments on short-form videos on a daily basis.

- Other key products — (i) *imo*: Our video communication product *imo* has attracted a massive and highly engaged video-oriented user base in South Asia, the Middle East and other global regions, by offering frictionless video calls and other communication tools such as two-way video calls, group calls and video sharing. (ii) *Hago: Hago* is a casual-game-oriented social platform that integrates multiple social features, such as live streaming chatrooms and karaoke, which encourages young users to use these features to establish and maintain social connections while enjoying casual games.

In the past, we also operated a live streaming platform (our discontinued PRC business) — YY Live. YY Live is an interactive and comprehensive video-based entertainment live streaming social media platform, offering content such as music and dance shows, talk shows, outdoor activities, sports and anime. On November 16, 2020, we entered into definitive agreements with Baidu, and made certain amendments to the share purchase agreement on February 7, 2021, pursuant to which Baidu will acquire our PRC video-based entertainment live streaming business, or YY Live, including the YY mobile app, YY.com website, and PC YY, among others, for an aggregate purchase price of approximately US$3.6 billion in cash, subject to certain adjustments. The acquisition has been substantially completed, with certain customary matters remaining to be completed in the near future.

With our pioneering business model in China, we have accumulated deep expertise in building and operating a vibrant video content ecosystem since our inception in 2005. Foreseeing the massive global opportunities, we began to expand our global business first by investing in Bigo in 2014, followed by the internationalization of *Hago*, and lately by acquiring Bigo in March 2019. Our business model is not only successful in China, but has also been tested and replicated effectively on a global basis.

Artificial intelligence (AI) technology is the backbone of our business success and integrated to all critical aspects of our services and broader business operations: from visual and voice recognition, content recommendation and distribution that optimizes users' viewing experience, to automated product beta testing and critical corporate decision-making, such as budgeting. As AI improved the accuracy and effectiveness of our content and host recommendations, and optimized our other efforts aimed at improving user experience.

Our business model optimizes the seamless integration of traffic generation, user engagement and monetization. While the basic use of our platforms is currently free to attract traffic, we monetize our user base mainly through virtual tips for live streaming.

We believe that we will be able to capitalize on our large, growing and highly engaged user base around the world by enriching our video content categories, exploring additional monetization opportunities and diversifying our main revenue sources, such as advertising and e-commerce.

Our Platforms and Products

Bigo Live

Bigo Live is a leading global live streaming platform. Bigo Live allows the users to live stream their specific moments, live talk with other users, make video calls and watch trend video. It also has features like music live house and cross-room PK. Five years after its product launch in 2016, Bigo Live has established a strong presence in North America, Europe, the Middle East, Southeast Asia, and Eastern Pacific regions etc., available in over 150 countries and in 22 languages. In the fourth quarter of 2020, the average mobile monthly active users of Bigo Live reached 28.7 million, increasing by 24.5% from the same period in 2019.

Supported by over 30 regional offices located in different countries across the globe and around 3,000 local operational staff, Bigo Live provides abundant localized contents and highly social interaction experiences to its diversified group of users.

Bigo Live's revenue is distributed globally, with contribution from developed market continued to ramp up to 40.7% in 2020, driven by accelerated user base expansion and enhanced monetization capabilities in the developed market.

Among the various platforms operated by the Company, *Bigo Live* is currently the largest revenue contributor of the Company. Bigo Live was ranked as one of the Top 10 Non-Game Apps by Worldwide Revenue for 2020, according to the data from Sensor Tower.

Likee

Likee is a leading short-form video social platform worldwide. *Likee* originally focused on enabling users to create short-form video by utilizing functions such as music and effect filter, cinematic effects (including 4D backgrounds), acting and lip-sync, face stickers and special effects toolkits. In the fourth quarter of 2020, the average mobile monthly active users of *Likee* reached 120.1 million, increasing by 4.2% from the same period in 2019.

Likee has facilitated a large volume of user generated short-form video content to be produced, uploaded, viewed, shared and commented on a daily basis. In 2020, we continued to expand Likee's geographic coverage, refine its content offerings, and augment its monetization capabilities. We introduced a variety of new features and functions, including cartoonizer function, AI based music recommendation, match-making friends and direct dialogs features. These new features significantly lowered the short-form video production entry barrier to users, attracting millions of users worldwide to create and share videos with their friends, and further augmented the social nature of the community. *Likee* continued its support program in 2020 to attract more high-quality content creators to cultivate an increasingly diverse, engaging and entertaining content pool.

Likee organized a variety of offline events to increase the activeness of its user and creator communities around the globe. Combining its global reach and local resources, Likee is making meaningful contribution to helping users handle the pandemic in a fun and informative manner. For example, in the first quarter of 2020, *Likee* launched the live Health Clinic Initiative in Indonesia to provide users with free online health consultations, wherein doctors and nurses were invited to join *Likee*'s online challenges and create videos to teach viewers the most effective hand washing methods and how to best protect themselves against infections. Our success in organizing such local offline events in different countries and regions demonstrates *Likee*'s unique capability in establishing cultural connections among young users, inspiring their creativity and self-expression, and boosting their enthusiasm towards original content production, all of which in turn help us expand our brand influence as well as strengthen our leadership in broader global markets.

Likee kicked off monetization in 2020. Leveraging on *Bigo Live*'s local operational capabilities and successful monetization experience, *Likee* currently monetizes its user base mainly through virtual tips for live streaming. It is also exploring additional monetization opportunities.

Hago

Launched in 2018, *Hago* is a casual game-oriented social platform, with primary presence in Southeast Asia, the Middle East, and South America. It provides over 100 casual games, supporting one-on-one and group battles, together with multiple social features such as live streaming rooms, public and private audio chatrooms, karaoke, and others which encourage young users to establish and maintain social connections while enjoying casual games. In the fourth quarter of 2020, the average mobile monthly active users of *Hago* reached 16.5 million.

In 2020, *Hago* continued to enhance user stickiness, and foster new social interactions between users on its platform. For example, we upgraded *Hago*'s interest-based user group functions to promote social interactions on the platform. We launched and upgraded a number of features in the party chat room along with complimentary monetization features. As a result, the highly social nature of the platform has enabled us to accelerate the development of our innovative monetization capabilities, as seen in our virtual gifting features for both voice chatrooms and interest-based user groups.

imo

imo is a chat and instant messaging application with functions including video calls, text messages, photo and video sharing. By offering frictionless video calls and other communication tools such as two-way video calls, group calls and video sharing, *imo* has attracted a massive and highly engaged video-oriented user base in South Asia, the Middle East and other global regions. *imo* fulfills the video communications needs of users in a variety of personal and business-oriented communication scenarios. We plan to continually introduce innovative services offerings within *imo* to bolster social interactions among its users and broaden its monetization opportunities. In the fourth quarter of 2020, the average mobile monthly active users of *imo* reached 186.3 million.

YY Live (Discontinued)

In June 2016, we revamped our online music and entertainment live streaming services to form the YY Live platform. With its increasing popularity of and growing content, YY Live has been transformed into an interactive and comprehensive live streaming social media platform. Users of YY Live may enjoy the live streaming services on YY Live App, YY Live website, or YY Client to enjoy a wide variety of live streaming content, including, among others, music and dance show, talk show, outdoor activities, sports, anime and games. In the fourth quarter of 2020, the average mobile monthly active users of YY Live reached 42.0 million, increasing by 1.9% from the same period in 2019.

We develop mobile applications to provide a variety of live streaming content to our users through mobile operating systems and make live streaming services available at finger tips. While we continue to develop and upgrade our platforms, we rebranded Mobile YY, our first and main mobile application, into YY Live App, which primarily provides users access to our live streaming content offered on our YY Live platform. To better accommodate the increasing demands of our users to access more content on our YY Live platform, we developed a number of additional mobile applications, each of which dedicates to a specific type of content or functions. Users can access contents on our YY Live platform through all these mobile applications, and retrieve contents most suitable to individual preferences and interests.

As our core PC product, YY Client provides access to user-created online social activities groups, which we refer to as channels. YY Client is compatible with most internet-enabled systems, including PCs and mobile interfaces. YY Client also contains the game center which consists of a game lobby and VIP game access services, enabling users to access various online games without downloading any additional client software. The first version of YY Client, launched in July 2008, had voice-enabled features that allowed online game players to communicate with large groups of fellow gamers on a real-time basis. Game players typically organize various guilds for players to discuss gaming strategies and communicate with each other in a team setting. Such online guilds, which can consist of up to thousands of players, built their own channels on YY Client to communicate with fellow guild members in real time when playing games online. Gradually, we further developed and tailored YY Client in response to the market need for a platform enabling large groups to gather, meet and socialize in real time online, and turned it into the rich communication social product that it is today. We introduced live video-enabled channels beginning in late 2011 and have since applied video features to all our channels.

We also operate the website *YY.com*, which enables users to conduct real-time interactions and watch live streaming content through web browsers on both PC and mobile, without requiring any downloads or installations. We optimize our technologies for the web format, transcending the limitations of operational systems and enabling real-time communications and live streaming on the web.

In November 2020, we entered into definitive binding agreements with Baidu and made certain amendments on February 7, 2021, pursuant to which our PRC video-based entertainment live streaming business or YY Live will be acquired by Baidu, which includes YY mobile app, YY.com website and PC YY, among others, for an aggregate purchase price of approximately US$3.6 billion in cash, subject to certain adjustments. The acquisition has been substantially completed, with certain customary matters remaining to be completed in the near future. As a result, the historical financial results of YY Live are reflected in the Company's consolidated financial statements as discontinued operations accordingly.

Global Branding and Marketing

Branding Strategy

Commensurate with our growing global presence and leadership position, we elevated our group legal name from *YY* to *JOYY* in 2019, reiterating our vision of bring joyful and youthful experiences to users around the world. This latest strategy upgrade offers us greater flexibility to unleash the respective branding power of our various products and services targeting different demographics of users across the globe. Our comprehensive matrix of popular global brands, including *Bigo Live*, *Likee*, *imo* and *Hago*, enable us to reach the full spectrum of coveted user bases around the world.

Marketing Activities

We employ a variety of marketing activities, embracing the latest trends in online and social-based promotional strategies. We employ performance-based advertising, social network marketing campaigns, as well as promotion through search engines and web portals, with an emphasis on efficiency and delivering measurable results. Furthermore, we cooperate with application distributors and hardware manufacturers, and sponsor offline exhibitions and industry summits. We are also exploring innovative ways to enhance our user acquisition through various marketing activities, such as TV programs, online entertainment variety shows and dramas, and offline channels.

Seasonality

Our results of operations of various products and services are subject to seasonal fluctuations. However, seasonal fluctuations have not posed material operational and financial challenges to us, as such periods tend to be brief and predictable.

Competition

We face competition in several major aspects of our business, particularly from companies that provide online live streaming and short-form video businesses in terms of user traffic and user time spent. In relation to our global business, our competitors primarily include global short-form video platforms such as TikTok, and livestreaming platforms such as Twitch in certain regions. In relation to YY Live (our discontinued PRC business), our competitors primarily include Kuaishou, Douyin, Tencent Music Entertainment, Momo, Douyu and other live streaming platforms in China. With the sale of YY Live being substantially completed with certain customary matters remaining to be completed in the near future, we primarily face competition in our global business.

Technology

Our proprietary technologies is the backbone of our products and services. We enhance our user experience though a variety of advanced technology, including our AI-based content recommendation technology, to accurately and efficiently identify and deliver tailored short-form video clips and live streaming content to our users. As a leading provider of large-scale multi-user voice- and video-enabled online service, we continually improve our technologies. Our capability to provide superior user experience is further supported by our highly scalable infrastructure, proprietary algorithms and software, and tailored devices for optimal live broadcasting performance, which help enable low latency, low jitter and low loss rates in delivering voice and video data even with weak internet connection.

Artificial intelligence (AI) and algorithms technologies

AI and algorithms technologies are embedded into our technology DNA. For example, we leverage our sophisticated machine learning models to enhance the effectiveness of our content tagging functions. We have also implemented our AI-powered visual recognition technology into our content distribution engine so that it can, with the assistance from our large-scale deep neural network and various search-related technology, automatically tag and accurately recommend the most relevant short-form video clips and live streaming shows to our users. The vast amount of users' behavior data that we have accumulated helps us to construct data models of the underlying relations between our users, content and creators, thereby gaining a deeper understanding of their tendencies and preferences. Through those efforts, we were able to create an optimal experience for our users by ensuring that we distribute the video content to the different audience groups.

In addition, we are also empowered by our cutting-edge computer vision (CV) and augmented reality (AR) technology to help our content creators in combining real life's moments with virtual scenes to produce innovative and engaging video content. We have launched *Likee*'s FaceMagic after years of R&D efforts in CV, which is able to help millions of creators on the platform to participate in virtual shows and share the astonishing moments with their fans.

QoS for online multi-media communications

Quality of Service, or QoS, assurance is a key element of any high quality delivery of voice and video data over the internet. For live voice- or video-enabled communications, any data packet loss and jitter, or delay in transmission, is often immediately noticeable to users. We devote significant resources to maintain and develop a creative combination of multiple voice- and voice-over internet protocol, or VOIP, quality assurance mechanisms to minimize data loss and jitter. The mechanisms we employ include, but are not limited to, cloud-based intelligence routing, low-bitrate redundant solution, upstream-forward error correction and adaptive jitter. A special intelligent routing algorithm we designed automatically seeks optimal ways of delivering voice and video data across our cloud-based network, enabling us to provide better QoS even when the QoS levels are lower on certain routes.

We employ computer programs and design and implement a standardized set of measurements to help monitor our service quality. Our system periodically collects, and our team of experts analyzes, data from each of our data centers to evaluate the voice- and video-quality for each user using a systematic standard. We have set up formal procedures to handle different levels of server breakdowns and network-related emergencies, and our team can remotely discover issues and access any server to promptly resolve issues. Positioned to offer top-quality audio and video experience to our users worldwide, we developed a series of media technologies and revamped our streaming framework, which enable multimodal information to be synthetically utilized to provide highly flexible and customizable services.

Our adaptive audio and video encoding, transmission and decoding algorithms are conducive to delivering superior audio and video experience based on users' local setup, including locations, devices, network condition and personal preference, optimizing both fluency and latency at the same time.

Large, dedicated cloud-based network infrastructure

In 2020, we continued to develop and expand our global data center network, to provide top-quality, real-time video and audio services to our users worldwide. Our infrastructure provides seamless integration and is highly customized for supporting our services with significant flexibility. Our team of experts developed a cloud-based network infrastructure specifically designed to handle multi-party voice- and video-enabled real-time online interactions. We own over 52,000 servers which are hosted in the data centers we lease from third parties across the world as of December 31, 2020. Our cloud-based network infrastructure provides quality data delivery and enable many users to interact online from anywhere with ease and speed.

Our system is designed for scalability and reliability to support growth in our user base. The number of our servers contributes significantly to our fast streaming speed and reliable services, and can be expanded with comparative ease and relatively lower cost, given the flexibility of renting data centers to host additional servers in any high traffic regions in our network. We believe that our current network facilities and broadband capacity provide us with sufficient capacity to carry out our current operations, and can be expanded to meet additional capacity relatively quickly. The amount of bandwidth we lease is continually expanded to reflect increased peak concurrent user numbers. We have been developing and expanding our data centers network around the world, focusing on Asia, Europe and the Americas. Our data centers' key technological mechanisms include optimized data access, automated switch of servers, and intelligent routing, which help ensure the quality of data transmission for our users globally. In response to poor connection situations, we are able to provide precise connection estimation, adaptive transcoding, segmentation-based coding and other advanced mechanisms to help users enjoy high-quality audio and video experience.

Proprietary data-driven platform

Significant time and efforts are required to build and operate an infrastructure such as ours. The technological difficulties which a platform that hosts 10,000 concurrent users faces differ greatly from the difficulties a platform with 100,000 and 1,000,000 concurrent users faces, including many issues to be considered when programming for the platform and planning the infrastructure. Over the years, we have gradually developed an effective system to identify, study and resolve issues that we encounter every day. In addition, our team members have been trained over the years to anticipate and resolve any issues, having gained significant knowledge from building and maintaining our platforms over time.

Safeguarding User Privacy

We dedicate significant resources to strengthening the user privacy functions of our platforms, promoting a safe online environment for our users. For example, we provide our users with adequate notice as to what data are being collected, and have implemented a variety of mechanisms and policies to prevent the unauthorized use, loss or leak of collected user data. In addition, our data security technologies empower us to protect user data. For our external interfaces, we utilize firewalls to protect against potential attacks or unauthorized access. Our dedicated team of privacy professionals conducts regular reviews of our data security practices.

Content Management and Monitoring

Our live streaming, short-form video and video communication platforms and other products enable users to exchange information, generate and distribute content, advertise products and services, conduct business and engage in various other online activities. A team within our data security department helps in enforcing our internal procedures to ensure that the content in our system is in compliance with applicable laws and regulations. They are aided by a program designed to sweep our platforms in real time and the data being conveyed in our system for sensitive key words or questionable materials. Content that contains certain keywords are automatically filtered by our program and cannot be successfully posted on our platforms. Thus we are able to minimize offending materials on our platforms and to remove such materials promptly after they are discovered. Our *Hago* platform has deployed deep learning-based voice recognition technology, which helps us to detect and delete prohibited content and deal with the relevant distributors in a timely fashion. See “Item 3. Key Information—D. Risk Factors— Risks Related to Our Business and Industry—We may face significant risks related to the content and communications on our platforms.”

We have been continually localizing our content management and monitoring efforts. In particular, we have deployed approximately 4,000 dedicated content management and monitoring personnel with local language proficiency and cultural understanding in a number of countries worldwide, including but not limited to Russia, Egypt, Indonesia, Thailand and Vietnam.

Our IT Professionals

We believe that our ability to develop internet and mobile online applications and services tailored to respond to the needs of our user base has been a key factor for the success of our business. As of December 31, 2020, our research and development team consisted of 3,451 members. All of our service programs are designed and developed internally, including various interactive technologies. Our research and development team currently works on both back-end and front-end development of our products and services, including (a) the continuous improvement of our core audio and video data processing and streaming technologies, (b) the enhancement of network and server structures, data distribution and transfer technologies to achieve lower latency and reduce interruptions, and (c) the creation of new features and functions to meet the demand of our users in various business lines, including but not limited to PC-desktop, web and mobile applications, channel templates and virtual items. We also build a team of experienced engineers who help us address challenges such as recommendation engines, big data and artificial intelligence, particularly in the areas of computer vision, national language processing, automatic speech recognition and speech synthesis.

We have technicians who are dedicated to monitoring and maintaining our network infrastructure. Our operation and maintenance team checks the voice and video data quality received by various users, the quality of users' experience on our platforms and the proper functioning of our server equipment in our network, as well as contacting internet data center hosts to fix any issues located through such checks. Having launched more diversified and complex products and services for an increasing number of users, we raised new challenges to our operation and maintenance team, and rely on them to continue to provide video content services and online real-time interactions to our users.

Intellectual Property

We regard our patents, trademarks, domain names, copyrights, trade secrets, proprietary technologies and similar intellectual property as critical to our success. We seek to protect our intellectual property rights through a combination of patent, trademark, copyright and trade secret protection laws in the PRC and other jurisdictions, as well as through confidentiality agreements and procedures with our employees, partners and others.

YY and Bigo

As of December 31, 2020, we held 888 registered domain names, including YY.com, Bigo TV, Duowan.com, 100.com, bigolive.sg, likee.com, 520hello.com, 942 software copyrights and other copyrights, 1,212 patents and 2,145 trademarks and service marks. In addition, as of December 31, 2020, we had filed 3,341 patent applications covering certain of our proprietary technologies and 3,571 trademark applications. Following the full completion of the sale of YY Live to Baidu, which was substantially completed with certain customary matters remaining to be completed in the near future, we will transfer 780 patents, 460 trademarks, 124 copyrights and 29 domain names to Baidu.

Regulations

PRC Regulation

Certain areas related to the internet, such as telecommunications, internet information services, connections to the international information networks and internet information security and censorship, are covered extensively by a number of existing laws and regulations issued by various PRC governmental authorities. With the sale of YY Live being substantially completed with certain customary matters remaining to be completed in the near future, we believe the majority of our business, especially our global platforms that we operate outside China, is not subject to the above regulations. Yet as we maintained some of our audio and video capabilities and functions in China, our remaining PRC business operations are subject to regulations issued by the below authorities, including:

- the Ministry of Industry and Information Technology, or the MIIT;
- the Ministry of Culture, or the MOC, which currently known as the Ministry of Culture and Tourism;
- the General Administration of Press and Publication, or the GAPP;
- the State Administration for Radio, Film and Television, or the SARFT;

- State Administration of Press, Publication, Radio, Film and Television of the People's Republic of China, or the SAPPRFT;
- the National Copyright Administration, or the NCA;
- the State Administration for Industry and Commerce, or the SAIC, which currently known as the State Administration for Market Regulation, or the SAMR;
- the State Council Information Office, or the SCIO;
- the Ministry of Commerce, or the MOFCOM;
- the Bureau of Protection of State Secrets;
- the Ministry of Public Security; and
- the State Administration of Foreign Exchange, or the SAFE.

As the online social platform is still at an early stage of development in China, new laws and regulations may be adopted from time to time to require new licenses and permits in addition to those we currently have. There are substantial uncertainties on the interpretation and implementation of any current and future Chinese laws and regulations, including those applicable to the online social platform industries. See "Item 3. Key Information—D. Risk Factors— Risks Related to Doing Business in Jurisdictions We Operate—Uncertainties in the interpretation and enforcement of Chinese laws and regulations could limit the legal protections available to you and us." This section sets forth the most important laws and regulations that govern our current business activities in China and that affect the dividends payment to our shareholders.

Regulation on Telecommunications Services and Foreign Ownership Restrictions

Investment activities in China by foreign investors are mainly governed by the Special Administrative Measures (Negative List) for the Access of Foreign Investment (2020), or the Negative List, which was promulgated on June 23, 2020 and became effective on July 23, 2020. According to the Negative List, the foreign stake in a value-added telecommunications service (except e-commerce, domestic conferencing, store-and-forward, and call center services) may not exceed 50%.

On December 30, 2019, the MOC and the SAMR jointly promulgated the Measures for Reporting of Foreign Investment Information, which became effective on January 1, 2020. According to the Measures for the Reporting of Foreign Investment Information, where foreign investors carry out investment activities directly or indirectly within China, foreign investors or foreign-invested enterprises shall report investment information to commerce departments in accordance with these Measures. A foreign investor who establishes a foreign-invested enterprise within China shall submit an initial report through the enterprise registration system when undergoing formation registration of the foreign-invested enterprise. In the case of any modification of the information in the initial report, which involves the enterprise's modification registration (recordation), the foreign-invested enterprise shall submit the modification report through the enterprise registration system when undergoing the enterprise's modification registration (recordation).

According to the Telecommunications Regulations, which became effective on September 25, 2000 and have been subsequently amended respectively on July 29, 2014 and February 6, 2016, and the Catalog of Telecommunications Business (2015 Amendment), implemented on March 1, 2016 attached to the Telecommunications Regulations and amended on June 6, 2019, internet information services are deemed a type of value-added telecommunications services. The Telecommunications Regulations require the operators of value-added telecommunications services to obtain value-added telecommunications business operation licenses from MIIT or its provincial delegates prior to the commencement of such services. Under these regulations, if the value-added telecommunications services offered include mobile network information services, the operation license for value-added telecommunications business must include the provision of such services in its covered scope. We currently, through Guangzhou Huaduo and Guangzhou BaiGuoYuan, our PRC consolidated affiliated entities, hold ICP licenses, a sub-category of the value-added telecommunications business operation license, covering the provision of internet and mobile network information services, issued by the Guangdong branch of the MIIT, which were last updated on December 23, 2020 and March 21, 2018, respectively.

The Regulations for the Administration of Foreign-Invested Telecommunications Enterprises, or the FITE Regulations, which took effect on January 1, 2002 and were amended respectively on September 10, 2008 and February 6, 2016, are the key regulations that regulate foreign direct investment in telecommunications companies in China. The FITE Regulations stipulate that the foreign investor of a telecommunications enterprise is prohibited from holding more than 50% of the equity interest in a foreign-invested enterprise that provides value-added telecommunications services, including provision of internet content. Moreover, such foreign investor shall demonstrate a good track record and experience in operating value-added telecommunications services when applying for the value-added telecommunications business operation license from the MIIT.

On July 13, 2006, the MIIT issued the Circular on Strengthening the Administration of Foreign Investment in Value-added Telecommunications Services, or the MIIT Circular 2006, which requires that (a) foreign investors can only operate a telecommunications business in China through establishing a telecommunications enterprise with a valid telecommunications business operation license; (b) domestic license holders are prohibited from leasing, transferring or selling telecommunications business operation licenses to foreign investors in any form, or providing any resource, sites or facilities to foreign investors to facilitate the unlicensed operation of telecommunications business in China; (c) value-added telecommunications service providers or their shareholders must directly own the domain names and registered trademarks they use in their daily operations; (d) each value-added telecommunications service provider must have the necessary sites and facilities for its approved business operations and maintain such sites and facilities in the geographic regions covered by its license; and (e) all value-added telecommunications service providers should improve network and information security, enact relevant information safety administration regulations and set up emergency plans to ensure network and information safety. Due to the lack of any additional interpretation from the regulatory authorities, it remains unclear what impact MIIT Circular 2006 will have on us or the other PRC internet companies with similar corporate and contractual structures.

To comply with such foreign ownership restrictions, we operate our online platform in China through Guangzhou Huaduo in PRC, which is owned by several PRC citizens and Guangzhou Tuyue. Guangzhou Tuyue is indirectly held by selected individuals from our senior management team who are PRC citizens, through PRC limited partnership jointly established by these individuals. Guangzhou Huaduo, and its direct and indirect shareholders, are controlled by Guangzhou Huanju Shidai and Beijing Huanju Shidai through a series of contractual arrangements. See “Item 7. Major Shareholders and Related Party Transactions—B. Related Party Transactions—Contractual Arrangements.” Moreover, Guangzhou Huaduo is the registered holder of a majority of the domain names, trademarks and facilities necessary for daily operations in compliance with the MIIT Circular 2006. Based on our PRC counsel Fangda Partners’ understanding of the current PRC laws, rules and regulations, our corporate structure complies with all existing PRC laws and regulations. However, we were further advised by our PRC counsel that there are substantial uncertainties with respect to the interpretation and application of existing or future PRC laws and regulations and thus there is no assurance that Chinese governmental authorities would take a view consistent with the opinions of our PRC counsel.

Internet Information Services

The Administrative Measures on Internet Information Services, or the ICP Measures, issued by the State Council on September 25, 2000 and amended on January 8, 2011, regulate the provision of internet information services. According to the ICP Measures, internet information commercial service providers shall obtain a value-added telecommunications business operation license (the "ICP license"), from the relevant local authorities before engaging in the providing of any commercial internet information services in China, and the ICP license is subject to annual inspection within the first quarter of the next year according to the Administrative Measures for Telecommunications Business Operating Licensing, which was promulgated by the MIIT on March 5, 2009 and amended on July 3, 2017. In addition, if the internet information services involve provision of news, publication, education, medicine, health, pharmaceuticals, medical equipment and other services that statutorily require approvals from other additional governmental authorities, such approvals must be obtained before applying for the ICP license. Each of Guangzhou Huaduo and Guangzhou BaiGuoYuan presently holds the ICP licenses on internet and mobile network information services issued by the Guangdong branch of the MIIT.

Besides, the ICP Measures and other relevant measures also ban the internet activities that constitute publication of any content that propagates obscenity, pornography, gambling and violence, incite the commission of crimes or infringe upon the lawful rights and interests of third parties, among others. If an internet information service provider detects information transmitted on their system that falls within the specifically prohibited scope, such provider must terminate such transmission, delete such information immediately, keep records and report to the governmental authorities in charge. Any provider's violation of these prescriptions will lead to the revocation of its ICP license and, in serious cases, the shutting down of its internet systems.

Regulations Related to Mobile Internet Applications Information Services

The mobile internet applications, or the APPs, are specially regulated by the Administrative Provisions on Mobile Internet Applications Information Services, or the App Provisions, which were promulgated by the Cyberspace Administration of China, or CAC, on June 28, 2016 and became effective on August 1, 2016. The App Provisions set forth the relevant requirements on the APP information service providers. The CAC and local offices of cyberspace administration shall be responsible for the supervision and administration of nationwide and local APP information respectively.

The APP information service providers shall satisfy relevant qualifications required by laws and regulations, carry out the information security management responsibilities strictly and fulfill their obligations in various aspects relating to real-name system, protection of users' information, examination and management of information content, as follows: (i) shall authenticate the identity information of the registered users including their mobile phone number and other identity information under the principle that mandatory real name registration at the back-office end, and voluntary real-name display at the front-office end; (ii) shall establish and perfect the mechanism for the protection of users' information and follow the principle of legality, rightfulness and necessity, indicate expressly the purpose, method and scope of collection and use and obtain the consent of users while collecting and using users' personal information; (iii) shall establish and perfect the mechanism for the examination and management of information content, and in terms of any information content released that violates laws or regulations, take such measures as warning, restricting the functions, suspending the update and closing the accounts as the case may be, keep relevant records and report the same to relevant competent authorities; (iv) shall safeguard users' right to know and to make choices when users are installing or using such applications, and shall neither start such functions as collecting the information of users' positions, accessing users' contacts, turning on the camera and recording the sound, or any other function irrelevant to the services, nor forcefully install any other irrelevant applications without prior consent or users' when noticed expressly; (v) shall respect and protect the intellectual properties and shall neither produce nor release any application that infringes others' intellectual properties; and (vi) shall record the users' log information and keep the same for 60 days.

On November 29, 2019, the Secretary Bureau of the Cyberspace Administration of China, the MIIT, the Ministry of Public Security and the SAMR jointly promulgated the Measures for the Determination of the Collection and Use of Personal Information by APPs in Violation of Laws and Regulations, which came into effect on the same day. The Measures explicitly classify acts that may be determined as "failing to make public the collection and use rules", "failing to explicitly showing the purposes, methods and scope of the collection and use of personal information", "failing to collect and using personal information with a user's consent", "collecting personal information unrelated to the services it provides against the necessary principle" and "providing personal information to others without consent."

Real-name Registration System

Pursuant to the Provisions on Administration over the Internet User Public Account Information Services, which was promulgated by the State Internet Information Office on September 7, 2017 and became effective on October 8, 2017 and amended on February 22, 2021, the network platforms providing the services of registration of the Internet user accounts shall conduct real identity verification over the registered users and require providing the identity information and mobile phone number. If a user fails to provide real identity information, the network platforms shall not provide the information release services to such user.

Online Music and Entertainment

On November 20, 2006, the MOC issued Several Suggestions of the MOC on the Development and Administration of Internet Music, or the Suggestions, which became effective on the same date. The Suggestions, among other things, reiterate the requirement for an internet service provider to obtain an Internet Culture Operation License to carry out any business relating to internet music products. In addition, foreign investors are prohibited from operating internet culture businesses. However, the laws and regulations on internet music products are still evolving, and there have not been any provisions clarifying whether music products will be regulated by the Suggestions or how such regulation would be carried out.

On July 8, 2015, the National Copyright Administration issued the Circular regarding Ceasing Transmitting Unauthorized Music Products by Online Music Service Providers, which requires that (a) all unauthorized music products on the platform of online music services providers shall be removed prior to July 31, 2015; and (b) the National Copyright Administration investigate and punish the online music services providers who continue to transmit unauthorized music products following July 31, 2015.

On October 23, 2015, the MOC promulgated the Notice on Further Strengthening and Improving the Content Management of Online Music, which stipulated that operating entities shall carry out self-examination in respect of the content management of online music, which shall be regulated by the cultural administration departments in process or afterwards.

Guangzhou Huaduo holds a valid Internet Culture Operation License covering our provision of online music. Most of the music offered on our websites is sung by grassroots performers along with recorded music. If any music provided through our platforms is found to lack necessary filings and/or approvals, we could be requested to cease providing such music or be subject to claims from third parties or penalties from the MOC or its local branches. See “D. Risk Factors— Risks Related to Our Corporate Structure—If our PRC consolidated affiliated entities fail to obtain and maintain the requisite licenses and approvals required under the complex regulatory environment for internet-based businesses in China, our business, financial condition and results of operations in China may be adversely affected.” Moreover, the unauthorized posting of online music on our platforms by third parties may expose us to the risk of administrative penalties and intellectual property infringement lawsuits. See “D. Risk Factors—Risks Related to Our Business and Industry—We may face significant risks related to the content and communications on our platforms.” and “PRC Regulation—Intellectual Property Rights—Copyright.”

In 2011, the MOC greatly intensified its regulation of the provision of online music products. According to the series of Notices on Clearing Online Music Products that are in Violation of Relevant Regulations promulgated by the MOC since January 7, 2011, entities that provide any of the following will be subject to relevant penalties or sanctions imposed by the MOC: (a) online music products or relevant services without obtaining corresponding qualifications, (b) imported online music products that have not passed the content review of the MOC or (c) domestically developed online music products that have not been filed with the MOC. Thus far, we believe that we have eliminated from our platforms any online music products that may fall into the scope of those prohibited online music products thereunder.

Online Transmission of Audio-Visual Programs

According to the Administrative Provisions on Private Network and Targeted Publication of Audio-Visual Programs Services, or the Audio-Visual Provisions, which was promulgated by the SAPPRFT on April 25, 2016 and put into effect on June 1, 2016, to engage in the transmission and distribution of audio-visual programs, a License for the Online Transmission of Audio-Visual Programs is required. Foreign invested enterprises are not allowed to carry out such business.

On April 13, 2005, the State Council promulgated the Certain Decisions on the Entry of the Non-state-owned Capital into the Cultural Industry. On July 6, 2005, five PRC governmental authorities, including the MOC, the SARFT, the GAPP, the CSRC and the MOFCOM, jointly adopted the Several Opinions on Canvassing Foreign Investment into the Cultural Sector. According to these regulations, non-state-owned capital and foreign investors are not allowed to engage in the business of transmitting audio-visual programs through information networks.

To further regulate the provision of audio-visual program services to the public via the internet, including through mobile networks, within the territory of the PRC, the SARFT and the MIIT jointly promulgated the Administrative Provisions on Internet Audio-Visual Program Service, or the Audio-Visual Program Provisions, on December 20, 2007, which came into effect on January 31, 2008 and subsequently amended on August 28, 2015. Providers of internet audio-visual program services are required to obtain a License for Online Transmission of Audio-Visual Programs issued by SARFT, or complete certain registration procedures with SARFT. In general, providers of internet audio-visual program services must be either state-owned or state-controlled entities, and the business to be carried out by such providers must satisfy the overall planning and guidance catalog for internet audio-visual program service determined by SARFT. On May 21, 2008, SARFT issued a Notice on Relevant Issues Concerning Application and Approval of License for the Online Transmission of Audio-Visual Programs, and amended the Notice on August 28, 2015, which further sets out detailed provisions concerning the application and approval process regarding the License for Online Transmission of Audio-Visual Programs. On March 30, 2009, SARFT promulgated the Notice on Strengthening the Administration of the Content of Internet Audio-Visual Programs, which reiterates the pre-approval requirements for the audio-visual programs transmitted via the internet, including through mobile networks, where applicable, and prohibits certain types of internet audio-visual programs containing violence, pornography, gambling, terrorism, superstition or other similarly prohibited elements.

The Internet Audio-visual Program Services Categories (Provisional), or the Provisional Categories issued by the SARFT on March 17, 2010 and subsequently revised on March 10, 2017 classified internet audio-visual program services into four categories.

Administrative Measures for the Business Activities of Online Performances, or Online Performance Measures, was promulgated by the MOC on December 2, 2016 and became effective on January 1, 2017, regulating that the entity engaging in the operation of online performances shall establish content review system, and be staffed with qualified reviewers for self-censorship. Pursuant to Online Performance Measures, online performances shall not contain any illegal elements set forth in the Online Performance Measures. Once the online performances in violation of laws are found, the entity engaging in the operation of online performances shall immediately suspends the provision of such performance, and report relevant information to the authorized governmental departments.

Guangzhou Huaduo holds a valid License for Online Transmission of Audio-Visual Programs with the business classification of converging and play-on-demand service for certain kinds of audio-visual programs—literary, artistic and entertaining—as prescribed in the Provisional Categories.

Production of Radio and Television Programs

On July 19, 2004, the SARFT issued the Regulations on the Administration of Production of Radio and Television Programs, or the Radio and TV Programs Regulations, which become effective on August 20, 2004 and amended on August 28, 2015 and October 29, 2020. The Radio and TV Programs Regulations require any entity engaging in the production of radio and television programs to obtain a license for such businesses from the SARFT or its provincial branches. Entities with the License for Production and Operation of Radio and TV Programs must conduct their business operations strictly in compliance with the approved scope of production and operations and these entities (except radio and TV stations) must not produce radio and TV programs regarding current political news or similar subjects.

Guangzhou Huaduo holds an effective License for Production and Operation of Radio and TV Programs, covering the production, reproduction and publication of broadcasting plays, TV dramas, cartoons (excluding production), special subjects, special columns (excluding current political news category) and entertainment programs.

Regulation on Advertising Business and Conditions on Foreign Investment

The SAMR is the primary governmental authority regulating advertising activities in China. Regulations that apply to advertising business primarily include:

- Advertisement Law of the People's Republic of China, promulgated by the Standing Committee of the National People's Congress on October 27, 1994 and amended on April 24, 2015 which became effective since September 1, 2015, and on October 26, 2018, respectively;

- Administrative Regulations for Advertising, promulgated by the State Council on October 26, 1987 and effective since December 1, 1987.

According to the above regulations, companies that engage in advertising activities must each obtain, from the SAMR or its local branches, a business license which specifically includes operating an advertising business in its business scope. An enterprise engaging in advertising business within the specifications in its business scope does not need to apply for an advertising operation license, provided that such enterprise is not a radio station, television station, newspaper or magazine publisher or any other entity otherwise specified in the relevant laws or administrative regulations. Enterprises conducting advertising activities without such license may be subject to penalties, including fines, confiscation of advertising income and orders to cease advertising operations. The business license of an advertising company is valid for the duration of its existence, unless the license is suspended or revoked due to a violation of any relevant laws or regulations.

Advertisers, advertising agencies, and advertising distributors are required to ensure that the content of the advertisements they prepare or distribute is true and in complete compliance with applicable laws. In providing advertising services, advertising operators and advertising distributors must review the supporting documents provided by advertisers for advertisements and verify that the content of the advertisements complies with applicable PRC laws and regulations. Prior to distributing advertisements that are subject to government censorship and approval, advertising distributors are obligated to verify that such censorship has been performed and approval has been obtained. Violation of these regulations may result in penalties, including fines, confiscation of advertising income, orders to cease dissemination of the advertisements and orders to publish an advertisement correcting the misleading information. Where serious violations occur, the SAMR or its local branches may revoke such offenders' licenses or permits for their advertising business operations.

On July 4, 2016, the SAIC issued the Interim Measures for the Administration of Internet Advertising, or the Internet Advertising Measures, which become effective on September 1, 2016. The Internet Advertising Measures specifically sets out the following requirements: (a) advertisements must be identifiable and marked with the word "advertisement" enabling consumers to distinguish them from non-advertisement information; (b) sponsored search results must be clearly distinguished from organic search results; (c) it is forbidden to send advertisements or advertisement links by email without the recipient's permission or induce Internet users to click on an advertisement in a deceptive manner; and (d) Internet information service providers who do not participate in the business activities of Internet advertising are required to stop publishing illegal advertisement only if they know or should have known the advertising is illegal.

Intellectual Property Rights

Software

The State Council and the NCA have promulgated various rules and regulations relating to protection of software in China. According to these rules and regulations, software owners, licensees and transferees may register their rights in software with the SCB or its local branches and obtain software copyright registration certificates. Although such registration is not mandatory under PRC law, software owners, licensees and transferees are encouraged to go through the registration process and registered software rights to be entitled to better protections. For the number of software programs for which we had registered rights as of December 31, 2020, see "Item 4. Information on the Company—B. Business Overview—Intellectual Property."

Patents

The National People's Congress adopted the Patent Law of the People's Republic of China in 1984 and amended it in 1992, 2000, 2008 and 2020, respectively. The most recently amended Patent Law of the People's Republic of China, or the 2020 Patent Law will come into force on June 1, 2021. A patentable invention, utility model or design must meet three conditions: novelty, inventiveness and practical applicability. Patents cannot be granted for scientific discoveries, rules and methods for intellectual activities, methods used to diagnose or treat diseases, animal and plant breeds or substances obtained by means of nuclear transformation. The Patent Office under the State Intellectual Property Office is responsible for receiving, examining and approving patent applications. According to the 2020 Patent Law, a patent is valid for a twenty-year term for an invention, a ten-year term for a utility model and a fifteen-year term for design, starting from the application date. Except under certain specific circumstances provided by law, any third party user must obtain consent or a proper license from the patent owner to use the patent, or else the use will constitute an infringement of the rights of the patent holder. For the number of patents we had and the number of patent applications we made as of December 31, 2020, see "Item 4. Information on the Company—B. Business Overview—Intellectual Property."

Copyright

The Copyright Law of the People's Republic of China, or the Copyright Law, promulgated in 1990 and amended in 2001, 2010 and 2020. The most recently amended Copyright Law, or 2020 Copyright Law, will take effect on June 1, 2021. The Copyright Law and its related implementing regulations, promulgated on May 30, 1991, and amended on August 2, 2002, January 8, 2011 and on January 30, 2013, respectively, are the principal laws and regulations governing the copyright related matters. The amended Copyright law covers internet activities, products disseminated over the internet and software products, among the subjects entitled to copyright protections. Registration of copyright is voluntary, and is administrated by the China Copyright Protection Center.

To further clarify some key internet copyright issues, on December 17, 2012, the PRC Supreme People's Court promulgated the Regulation on Several Issues Concerning Applicable Laws on Trial of Civil Disputes over the Infringement of Information Network Transmission Right, or the Information Network Transmission Right Infringement Regulation. The Information Network Transmission Right Infringement Regulation took effect on January 1, 2013, and replaced the Interpretations on Some Issues Concerning Applicable Laws for Trial of Disputes over Internet Copyright that was initially adopted in 2000 and subsequently amended in 2004 and 2006. The Information Network Transmission Right Infringement Regulation was amended on December 29, 2020 and came into effect on January 1, 2021. Under the Information Network Transmission Right Infringement Regulation, where an internet information service provider works in cooperation with others to jointly provide works, performances, audio and video products of which the right holders have information network transmission right, such behavior will constitute joint infringement of third parties' information network transmission right, and the PRC court shall order such internet information service provider to assume join liability for such infringement. The PRC court shall determine whether an internet information service provider is liable for abetting or contributory infringement according to its findings on the degree of fault of the internet information service provider. The fault of the internet information service provider is determined according to various criteria, including situations where such provider knew or should have known of the network user's infringement against third party's information network transmission right. If an internet information service provider can prove that it has only provided network services through automatic access, automatic transmission, data storage space, search functions, links, document sharing technology, etc., and thereby argues that it has not been involved in any alleged joint infringement, the PRC court shall find in favor of such internet information service provider. If an internet information service provider fails to take necessary measures, the PRC court shall find that it acknowledges such infringement.

Under the 2020 Copyright Law and its implementation rules, anyone infringing upon the copyrights of others is subject to various civil liabilities, which include stopping the infringement, eliminating the damages, apologizing to the copyright owners and compensating the copyright owners for such owners' actual or the income received by the offender as a result of the copyright infringement; or if such actual loss or income is in itself difficult to calculate, the relevant PRC court may decide the amount of the actual loss up to RMB 5,000,000 for each infringement.

An internet information service operator may be subject to cease-and-desist orders and other administrative penalties such as confiscation of illegal income and fines, if it is clearly aware of a copyright infringement through the internet or, although not aware of such infringement, it fails to take measures to remove relevant content upon receipt of the copyright owner's notice of infringement and, as a result, damages public interests.

On May 18, 2006, the State Council issued the Protection of the Right of Communication through Information Network, which took effect on July 1, 2006 and amended on January 30, 2013. Under this regulation, an internet information service provider may be exempt from indemnification liabilities under the certain circumstances.

We have adopted measures to mitigate copyright infringement risks. For instance, we have established a routine reporting and registration system that is updated on a monthly basis, and we require performers, channel owners and users to acknowledge and agree that (a) they would not perform or upload copyrighted content without proper authorization and (b) that they will indemnify us for any relevant copyright infringement claims in relation to their activities on our platforms.

If, despite these precautions, such procedures fail to effectively prevent unauthorized posting or use of copyrighted content or the infringement of other third party rights on our platforms, and the PRC courts find that certain safe harbor exemptions under PRC laws are not applicable to us because, for instance, a court finds that we knew or should have known about such infringement or that we have directly derived economic benefits from allowing such infringement activities on our platforms, we may be held jointly and severally liable with the performers, channel owners or other infringement parties in lawsuits initiated by the relevant third party copyright holders or authorized users. See "D. Risk Factors—Risks Related to Our Business and Industry—We have incurred claims related to intellectual property infringements in China, and failure to address such infringements may undermine our financial position and reputation."

Domain Name

The Measures for Administration of Domain Names, or the Domain Name Measures, was promulgated by the MIIT on August 24, 2017 and became effective on November 1, 2017. The MIIT is the major regulatory authority responsible for the administration of the PRC Internet domain names. The registration of domain names in PRC is on a "first-apply-first-registration" basis. A domain name applicant will become the domain name holder upon the completion of the application procedure. For the number of domain names we registered as of December 31, 2020, see "Item 4. Information on the Company—B. Business Overview—Intellectual Property."

Trademark

The PRC Trademark Law, adopted in 1982 and amended in 1993, 2001, 2013 and 2019, with its implementation rules adopted in 2002 and amended in 2014, protects registered trademarks. The Trademark Office of the SAIC (currently known as the Trademark Office of National Intellectual Property Administration) handles trademark registrations and grants a protection term of ten years to registered trademarks. Trademark license agreements must be filed with the Trademark Office for record. For the number of trademarks we had and trademark applications we had made as of December 31, 2020, see "Item 4. Information on the Company—B. Business Overview—Intellectual Property."

Internet Infringement

On May 28, 2020, the National People's Congress of the People's Republic of China promulgated the PRC Civil Code, which became effective on January 1, 2021. Under the Civil Code, an internet user or an internet service provider that infringes upon the civil rights or interests of others through using the internet assumes tort liability. If an internet user infringes upon the civil rights or interests of another through using the internet, the person being infringed upon has the right to notify and request the internet service provider to take necessary measures including the deletion, blocking or disconnection of an internet link. If, after being notified, the internet service provider fails to take necessary measures in a timely manner to end the infringement, it will be jointly and severally liable for any additional harm caused by its failure to act.

Regulation of Internet Content

The PRC government has promulgated measures relating to internet content through a number of governmental agencies, including the MIIT, the MOC and the GAPP. These measures specifically prohibit internet activities that result in the publication of any content which is found to contain, among others, propagate obscenity, gambling or violence, instigate crimes, undermine public morality or the cultural traditions of the PRC, or compromise state security or secrets. If an ICP license holder violates these measures, its ICP license may be revoked and its websites may be shut down by the relevant government agencies.

On December 15, 2019, the Cyberspace Administration of China promulgated the Provisions of Ecological Governance of Internet Information Content, which came into effect on March 1, 2020. Under this Provisions, an internet information content platform shall set up the mechanism of ecological governance of internet information content, develop the detailed rules for ecological governance of the internet information content on the platform and improve the systems of user registration, account management, information release and examination, etc. The platform shall set up the person in charge of the ecological governance of internet information content, equip itself with the professional personnel commensurate with the business scope and service scale, strengthen training and examination and improve the quality of practitioners, set up convenient channels for filing complaints and reports in prominent places and publish the ways of filing complaints and reports, and compile an annual report on the ecological governance of network information content. If an internet information content platform violates the provisions, the cyberspace authorities shall hold interviews, give warnings, order it to suspend information update, take measures including restricting it from engaging in internet information services, and impose online behavior restrictions and industry bans.

Information Security and Censorship

Internet content in China is regulated and restricted from a state security standpoint. Internet companies in China are required to complete security filing procedures and regularly update information security and censorship systems for their websites with local public security bureau. The PRC Law on Preservation of State Secrets, which became effective on October 1, 2010 requires an internet information services providers to discontinue disseminating any information that may be deemed to be leaked state secrets and to report such incidents in a timely manner to the state security and public security authorities. Failure to do so in a timely and adequate manner may subject the internet information services providers to liability and certain penalties given by the Ministry of State Security, the Ministry of Public Security and/or the MIIT or their respective local branches.

On December 13, 2005, the Ministry of Public Security promulgated Provisions on Technological Measures for Internet Security Protection, or the Internet Protection Measures, which took effect on March 1, 2006. The Internet Protection Measures requires all internet information services operators to take proper measures including anti-virus, data back-up and other related measures, and keep records of certain information about their users (including user registration information, log-in and log-out time, IP address, content and time of posts by users) for at least 60 days and submit the above information as required by laws and regulations.

On June 22, 2017, the Ministry of Public Security, the State Secrecy Bureau, the State Cipher Code Administration and the Information Office of the State Council jointly promulgated the Circular on Printing and Distributing the Administrative Measures for the Graded Protection of Information Security. According to the Circular, the security protection grade of an information system may be classified into five grades. To newly build an information system of Grade II or above, its operator or user shall, within 30 days after it is put into operation, handle the record-filing procedures at the local public security organ at the level of municipality divided into districts or above of its locality.

The Internet Security Law of the People’s Republic of China, issued by the Standing Committee of the National People’s Congress on November 7, 2016 and became effective on June 1, 2017, emphasizes the implementation of classified protection with respect to Internet security. According to the Internet Security Law, Internet operators shall fulfill relevant mandatory security protection obligations.

The Administration Measures on the Security Protection of Computer Information Network with Internationally Connections, which was issued by the Ministry of Public Security in December 1997, and amended on January 8, 2011, prohibits using the internet in ways which, among others, result in a leakage of state secrets or a spread of socially destabilizing content. The Ministry of Public Security has supervision and inspection powers in this regard, and relevant local security bureaus may also have jurisdiction. If an ICP license holder violates these measures, the PRC government may revoke its ICP license and shut down its websites.

On December 28, 2012, the Standing Committee of the National People's Congress reiterated relevant rules on the protection of internet information by issuing the Decision on Strengthening the Protection of Network Information, or the 2012 Decision. The 2012 Decision distinctly clarified certain relevant obligations of the internet information service provider. Once it discovers any transmission or disclosure of information prohibited by the relevant laws and regulations, the internet information service provider shall stop transmission of such information, take measures such as elimination, keeping relevant record, and reporting to relevant authorities.

To comply with the above laws and regulations, we have established an internet information security department to implement measures on information filtering. For example, we have adopted a voice monitor system, and installed on our platforms various alerts on sensitive words or abnormal activities of users, channels or groups. We also have a dedicated team that maintains 24-hour surveillance on the information posted on our platforms, with different categories for monitoring purposes, according to subject and content. We have also established and follow a strict review process and storage system of relevant records which, in combination with various information security measures, have effectively prevented the public dissemination of statutory prohibited information through our websites in the past. We intend to continue to further update our measurements and system and work closely with relevant authorities to avoid any violation of relevant laws and regulations in the future.

Privacy Protection

Pursuant to the Decision on Strengthening the Protection of Online Information issued by the Standing Committee of the National People's Congress on December 28, 2012 and the Order for the Protection of Telecommunication and Internet User Personal Information issued by the MIIT on July 16, 2013 and became effective on September 1, 2013, any collection and use of user personal information must be subject to the consent of the user, abide by the principles of legality, rationality and necessity and be within the specified purposes, methods and scopes. An Internet information service provider must also keep such information strictly confidential, and is further prohibited from divulging, tampering or destroying any such information, or selling or providing such information to other parties. An Internet information service provider is required to take technical and other measures to prevent the collected personal information from any unauthorized disclosure, damage or loss. Any violation of these laws and regulations may subject the Internet information service provider to warnings, fines, confiscation of illegal gains, revocation of licenses, cancellation of filings, closedown of websites or even criminal liabilities.

Pursuant to the Interpretation of the Supreme People's Court and the Supreme People's Procuratorate on Several Issues regarding Legal Application in Criminal Cases Infringing upon the Personal Information of Citizens, which was issued on May 8, 2017 and took effect on June 1, 2017, the following activities may constitute the crime of infringing upon a citizen's personal information: (i) providing a citizen's personal information to specified persons or releasing a citizen's personal information online or through other methods in violation of relevant national provisions; (ii) providing legitimately collected information relating to a citizen to others without such citizen's consent (unless the information is processed, not traceable to a specific person and not recoverable); (iii) collecting a citizen's personal information in violation of applicable rules and regulations when performing a duty or providing services; or (iv) collecting a citizen's personal information by purchasing, accepting or exchanging such information in violation of applicable rules and regulations.

In addition, according to the General Provisions of the PRC Civil Code, promulgated by the National People's Congress of the People's Republic of China on May 28, 2020, which became effective on January 1, 2021, the personal information of a natural person shall be protected. Any organization or individual needing to obtain the personal information of others shall legally obtain and ensure the security of such information, and shall not illegally collect, use, process, or transmit the personal information of other persons, nor illegally buy, sell, provide, or publish the personal information of other persons.

We require our users to accept a user agreement whereby they agree to provide certain personal information to us. PRC laws and regulations prohibit internet content providers from disclosing any information transmitted by users through their networks to any third parties without their authorization unless otherwise permitted by law. If an internet content provider violates these regulations, the MIIT or its local bureaus may impose penalties and the internet content provider may be liable for damages caused to its users.

Anti-Monopoly Matters related to Internet Platform Companies

The PRC Anti-monopoly Law, which took effect on August 1, 2008, prohibits monopolistic conduct such as entering into monopoly agreements, abusing market dominance and concentration of undertakings that may have the effect of eliminating or restricting competition. On February 7, 2021, the Anti-monopoly Commission of the State Council officially promulgated the Guidelines to Anti-Monopoly in the Field of Internet Platforms, or the Anti-Monopoly Guidelines for Internet Platforms. Pursuant to an official interpretation from the Anti-monopoly Commission of the State Council, the Anti-Monopoly Guidelines for Internet Platforms mainly covers five aspects, including general provisions, monopoly agreements, abusing market dominance, concentration of undertakings, and abusion of administrative powers eliminating or restricting competition. The Anti-Monopoly Guidelines for Internet Platforms prohibits certain monopolistic acts of internet platforms operated in China so as to protect market competition and safeguard interests of users and undertakings participating in internet platform economy, including without limitation, prohibiting platforms with dominant position from abusing their market dominance (such as discriminating customers in terms of pricing and other transactional conditions using big data and analytics, coercing counterparties into exclusivity arrangements, using technology means to block competitors' interface, favorable positioning in search results of goods displays, using bundle services to sell services or products, compulsory collection of unnecessary user data). In addition, the Anti-monopoly Guidelines for Internet Platforms also reinforces antitrust merger review for internet platform related transactions to safeguard market competition.

Regulation of Foreign Currency Exchange and Dividend Distribution

Foreign Currency Exchange. The core regulations governing foreign currency exchange in China are the Foreign Exchange Administration Regulations, as amended in August 2008, or the FEA Regulations. Under the FEA Regulations, the Renminbi is freely convertible for current account items, including the distribution of dividends, interest payments, trade- and service-related foreign exchange transactions, but not for capital account items, such as direct investments, loans, repatriation of investments and investments in securities outside of China, unless the prior approval of the SAFE is obtained and prior registration with the SAFE is made.

On March 30, 2015, SAFE issued the Circular on the Reforming of the Management Method of the Settlement of Foreign Currency Capital of Foreign-Invested Enterprises, or SAFE Circular 19, which took effect on June 1, 2015. Under SAFE Circular 19, a foreign-invested enterprise, within the scope of business, may also choose to convert its registered capital from foreign currency to RMB on a discretionary basis, and the RMB capital so converted can be used for equity investments within PRC, which will be regarded as the reinvestment of foreign-invested enterprise.

SAFE promulgated the Notice of the State Administration of Foreign Exchange on Reforming and Standardizing the Foreign Exchange Settlement Management Policy of Capital Account, or Circular 16, effective on June 9, 2016. Circular 16 provides that discretionary foreign exchange settlement applies to foreign exchange capital, foreign debt offering proceeds and remitted foreign listing proceeds, and the corresponding RMB capital converted from foreign exchange are not restricted from extending loans to related parties or repaying the inter-company loans (including advances by third parties).

In January 2017, SAFE promulgated the Circular on Further Improving Reform of Foreign Exchange Administration and Optimizing Genuineness and Compliance Verification, or Circular 3, which stipulates several capital control measures with respect to the outbound remittance of profit from domestic entities to offshore entities, including (i) under the principle of genuine transaction, banks shall check board resolutions regarding profit distribution, the original version of tax filing records and audited financial statements; and (ii) domestic entities shall hold income to account for previous years' losses before remitting the profits. Moreover, pursuant to Circular 3, domestic entities shall make detailed explanations of the sources of capital and utilization arrangements, and provide board resolutions, contracts and other proof when completing the registration procedures in connection with an outbound investment.

Dividend Distribution. The principal regulations governing distribution of dividends paid by wholly foreign-invested enterprises include the PRC Company Law, promulgated in 1993 and amended in 2004, 2005, 2013 and 2018, and the New Foreign Investment Law and its Implementation Rules.

Under these regulations, a wholly foreign-invested enterprise in China, or a WFOE, may pay dividends only out of its accumulated profits, if any, determined in accordance with PRC accounting standards and regulations. In addition, a WFOE is required to allocate at least 10% of its accumulated profits each year, if any, to statutory reserve funds unless its reserves have reached 50% of the registered capital of the enterprises. These reserves are not distributable as cash dividends. The proportional ratio for withdrawal of rewards and welfare funds for employees shall be determined at the discretion of the WFOE. Profits of a WFOE shall not be distributed before the losses thereof before the previous accounting years have been made up. Any undistributed profit for the previous accounting years may be distributed together with the distributable profit for the current accounting year.

Circular 37. Pursuant to SAFE's Notice on Relevant Issues Relating to Domestic Residents' Investment and Financing and Round-Trip Investment through Special Purpose Vehicles, or SAFE Circular 37, issued and effective on July 4, 2014, and its appendixes, PRC residents, including PRC institutions and individuals, must register with local branches of SAFE in connection with their direct establishment or indirect control of an offshore entity, for the purpose of overseas investment and financing, with such PRC residents' legally owned assets or equity interest in domestic enterprises or offshore assets or interests, referred to in SAFE Circular 37 as a "special purpose vehicle." SAFE Circular 37 further requires amendment to the registration in the event of any significant changes with respect to the special purpose vehicle, such as increase or decrease of capital contributed by PRC individuals, share transfer or exchange, merger, division or other material event. SAFE promulgated the Notice on Further Simplifying and Improving the Administration of the Foreign Exchange Concerning Direct Investment in February 2015, which took effect on June 1, 2015, which amended SAFE Circular 37 requiring PRC residents or entities to register with qualified banks rather than SAFE or its local branch in connection with their establishment or control of an offshore entity established for the purpose of overseas investment or financing.

In the event that a PRC shareholder holding interests in a special purpose vehicle fails to fulfill the required SAFE registration, the PRC subsidiaries of that special purpose vehicle may be prohibited from making distributions of profit to the offshore parent and from carrying out subsequent cross-border foreign exchange activities and the special purpose vehicle may be restricted in their ability to contribute additional capital into its PRC subsidiary. Further, failure to comply with the various SAFE registration requirements described above could result in liability under PRC law for foreign exchange evasion. These regulations apply to our direct and indirect shareholders who are PRC residents and may apply to any offshore acquisitions and share transfer that we make in the future if our shares are issued to PRC residents. See "Item 3. Key Information—D. Risk Factors—Risks Related to Doing Business in Jurisdictions We Operate—PRC regulations relating to offshore investment activities by PRC residents may limit our PRC subsidiaries' ability to increase their registered capital or distribute profits to us or otherwise expose us to liability and penalties under PRC law."

We have completed the foreign exchange registration of PRC resident shareholders of Guangzhou Huaduo, as required by SAFE Circular 37, for our financings that were completed before the end of 2010. The SAFE Circular 37 registration in relation to the issuance of common shares to Tiger Global Six YY Holdings was completed on February 6, 2012. Our PRC resident shareholders further updated their SAFE Circular 37 registrations in March 2015 to reflect shareholding changes in our company resulting from our initial public offering.

Stock Option Rules. The Administration Measures on Individual Foreign Exchange Control were promulgated by the PBOC on December 25, 2006, and their Implementation Rules, issued by the SAFE on January 5, 2007, became effective on February 1, 2007 and amended on May 29, 2016. Under these regulations, all foreign exchange matters involved in employee stock ownership plans and stock option plans participated in by onshore individuals, among others, require approval from the SAFE or its authorized branch. Furthermore, the Notices on Issues concerning the Foreign Exchange Administration for Domestic Individuals Participating in Stock Incentive Plans of Overseas Publicly-Listed Companies, or the Stock Option Rules, were promulgated by SAFE on February 15, 2012, that replaced the Application Procedures of Foreign Exchange Administration for Domestic Individuals Participating in Employee Stock Ownership Plans or Stock Option Plans of Overseas Publicly-Listed Companies issued by SAFE on March 28, 2007. Pursuant to the Stock Option Rules, PRC residents who are granted shares or stock options by companies listed on overseas stock exchanges based on the stock incentive plans are required to register with SAFE or its local branches, and PRC residents participating in the stock incentive plans of overseas listed companies shall retain a qualified PRC agent, which could be a PRC subsidiary of such overseas publicly-listed company or another qualified institution selected by such PRC subsidiary, to conduct the SAFE registration and other procedures with respect to the stock incentive plans on behalf of these participants. Such participants must also retain an overseas entrusted institution to handle matters in connection with their exercise of stock options, purchase and sale of corresponding stocks or interests, and fund transfer. In addition, the PRC agents are required to amend the SAFE registration with respect to the stock incentive plan if there is any material change to the stock incentive plan, the PRC agents or the overseas entrusted institution or other material changes. The PRC agents shall, on behalf of the PRC residents who have the right to exercise the employee share options, apply to SAFE or its local branches for an annual quota for the payment of foreign currencies in connection with the PRC residents' exercise of the employee share options. The foreign exchange proceeds received by the PRC residents from the sale of shares under the stock incentive plans granted and dividends distributed by the overseas listed companies must be remitted into the bank accounts in the PRC opened by the PRC agents before distribution to such PRC residents. In addition, the PRC agents shall file each quarter the form for record-filing of information of the Domestic Individuals Participating in the Stock Incentive Plans of Overseas Listed Companies with SAFE or its local branches.

We and our PRC citizen employees who have been granted share options, restricted shares or restricted share units, or PRC optionees, are subject to the Stock Option Rules. If we or our PRC optionees fail to comply with the Individual Foreign Exchange Rule and the Stock Option Rules, we and/or our PRC optionees may be subject to fines and other legal sanctions. See "D. Risk Factors—Risks Related to Doing Business in Jurisdictions We Operate—PRC regulations relating to offshore investment activities by PRC residents may limit our PRC subsidiaries' ability to increase their registered capital or distribute profits to us or otherwise expose us to liability and penalties under PRC law."

In addition, the State Administration for Taxation has issued circulars concerning employee share options, under which our employees working in the PRC who exercise share options will be subject to PRC individual income tax. Our PRC subsidiaries have obligations to file documents related to employee share options with relevant tax authorities and to withhold individual income taxes of those employees who exercise their share options. If our employees fail to pay or if we fail to withhold their income taxes as required by relevant laws and regulations, we may face sanctions imposed by the PRC tax authorities or other PRC government authorities.

Regulation on Tax

PRC Enterprise Income Tax

The PRC enterprise income tax is calculated based on the taxable income determined under the applicable the PRC Enterprise Income Tax Law, or the New EIT Law and its implementation rules. On March 16, 2007, the National People's Congress of China enacted the New EIT Law, which became effective on January 1, 2008 and subsequently amended on February 24, 2017 and on December 29, 2018. On December 6, 2007, the State Council promulgated the implementation rules to the New EIT Law, which also became effective on January 1, 2008 and amended on April 23, 2019. The New EIT Law imposes a uniform enterprise income tax rate of 25% on all resident enterprises in China, including foreign-invested enterprises and domestic enterprises, unless they qualify for certain exceptions, and terminates most of the tax exemptions, reductions and preferential treatment available under the previous tax laws and regulations. According to the New EIT Law and relevant regulations, subject to the approval of competent tax authorities, the income tax of an enterprise that has been determined to be a high and new technology enterprise shall be reduced to a preferential rate of 15%.

Moreover, under the New EIT Law, enterprises organized under the laws of jurisdictions outside China with their "de facto management bodies" located within China may be considered PRC resident enterprises and are therefore subject to PRC enterprise income tax at the rate of 25% on their worldwide income. Though the implementation rules of the New EIT Law define "de facto management bodies" as "establishments that carry out substantial and overall management and control over the manufacturing and business operations, personnel, accounting, properties, etc. of an enterprise," the main guidance currently available for the definition of "de facto management body" as well as the determination of offshore incorporated PRC tax resident status and its administration are set forth in the Notice Regarding the Determination of Chinese-Controlled Overseas Incorporated Enterprises as PRC Tax Resident Enterprise on the Basis of De Facto Management Bodies, or Circular 82, and the Administrative Measures for Enterprise Income Tax of Chinese-Controlled Offshore Incorporated Resident Enterprises (Trial) or SAT Bulletin No. 45, both issued by the SAT, which provide main guidance on the administration as well as determination of the tax residency status of a Chinese-controlled offshore-incorporated enterprise, defined as an enterprise that is incorporated under the law of a foreign country or territory and that has a PRC company or PRC corporate group as its primary controlling shareholder.

According to Circular 82, a Chinese-controlled offshore-incorporated enterprise will be regarded as a PRC tax resident by virtue of having its "de facto management body" in China and will be subject to PRC enterprise income tax on its global income only if certain conditions set forth in Circular 82 are met.

In addition, Bulletin No. 45 provides clarification on the resident status determination, post-determination administration, and competent tax authorities. It also specifies that when provided with a copy of PRC resident determination certificate from a resident Chinese-controlled offshore-incorporated enterprise, the payer should not withhold 10% income tax when paying certain PRC-sourced income such as dividends, interest and royalties to the Chinese-controlled offshore-incorporated enterprise.

Although we do not believe that our company should be treated as a PRC resident enterprise for PRC tax purposes, substantial uncertainty exists as to whether we will be deemed to be such by the relevant authorities. In the event that we are considered a PRC resident enterprise, we would be subject to the PRC enterprise income tax at the rate of 25% on our worldwide income. See "D. Risk Factors—Risks Related to Doing Business in Jurisdictions We Operate—Under the PRC enterprise income tax law, we may be classified as a PRC "resident enterprise," which could result in unfavorable tax consequences to us and our shareholders and have a material adverse effect on our results of operations and the value of your investment."

In addition, although the New EIT Law provides that dividend income between "qualified resident enterprises" is exempted income, and the Implementation Rules refer to "qualified resident enterprises" as enterprises with "direct equity interest," it is unclear whether dividends we receive from our PRC subsidiaries are eligible for exemption.

According to the Notice on Strengthening Administration of Enterprise Income Tax for Share Transfers by Non-PRC Resident Enterprises issued by the PRC State Administration of Taxation on December 10, 2009, with retroactive effect from January 1, 2008, or SAT Circular 698, and the Notice on Several Issues Concerning Enterprise Income Tax for Indirect Share Transfer by Non-PRC Resident Enterprises, issued by the PRC State Administration of Taxation on February 3, 2015, or SAT Circular 7, an "indirect transfer" of assets of a PRC resident enterprise, including equity interests in a PRC resident enterprise, by non-PRC resident enterprises may be re-characterized and treated as a direct transfer of PRC taxable properties, if such transaction arrangement lacks of reasonable commercial purpose and was established for the purpose of reducing, avoiding or deferring PRC enterprise income tax. As a result, gains derived from such indirect transfer may be subject to PRC enterprise income tax, and tax filing or withholding obligations may be triggered, depending on the nature of the PRC taxable properties being transferred. In respect of an indirect offshore transfer of assets of a PRC establishment or place of business of a foreign enterprise, the resulting gain is to be included with the annual enterprise filing of the PRC establishment or place of business being transferred, and would consequently be subject to PRC enterprise income tax at a rate of 25%. Where the underlying transfer relates to PRC real properties or to equity investments in a PRC resident enterprise, which is not related to a PRC establishment or place of business of a non-resident enterprise, a PRC enterprise income tax at 10% would apply, subject to available preferential tax treatment under applicable tax treaties or similar arrangements, and the party who is obligated to make the transfer payments has the withholding obligation. Where the payor fails to withhold any or sufficient tax, the transferor shall declare and pay such tax to the competent tax authority by itself within the statutory time limit. Late payment of applicable tax will subject the transferor to default interest. Currently, neither SAT Circular 698 nor SAT Circular 7 applies to transactions of sale of shares by investors through a public stock exchange where such shares were acquired from a transaction through a public stock exchange. In October 2017, SAT issued the Announcement on Issues Relating to Withholding at Source of Income Tax of Nonresident Enterprises, or SAT Circular 37, effective December 2017, superseded the Non-resident Enterprises Measures and SAT Circular 698 as a whole and partially amended some provisions in SAT Circular 7. Specifically, SAT Circular 37 provides that where the transfer income subject to withholding at source is derived by a non-PRC resident enterprise in instalments, the instalments may first be treated as recovery of costs of previous investments. Upon recovery of all costs, the tax amount to be withheld must then be computed and withheld.

We cannot assure you that the PRC tax authorities will not, at their discretion, adjust any capital gains and impose tax return filing and withholding or tax payment obligations on the transferors and transferees, while our PRC subsidiaries may be requested to assist in the filing. Any PRC tax imposed on a transfer of our shares or any adjustment of such gains would cause us to incur additional costs and may have a negative impact on the value of your investment in us.

Value Added Tax

On January 1, 2012, the State Administration of Taxation officially launched a pilot VAT reform program ("Pilot Program"), applicable to businesses in selected industries. Taxable income derived from the businesses in the Pilot Program is subject to VAT in lieu of business tax. The Pilot Program initially applied only to transportation industry and "modern service industries" ("Pilot Industries") in Shanghai in 2011 and expanded to eight trial regions (including Beijing and Guangdong province) and nationwide progressively from August to December 2012.

On March 23, 2016, the Ministry of Finance and the SAT issued the Notice of Taxation on Implementing the Pilot Program of Replacing Business Tax with Value-Added Tax in an All-round Manner, pursuant to which the pilot plan for the replacement of business tax with VAT was expanded to all regions and industries as of May 1, 2016.

Cultural Development Fee

According to applicable PRC tax regulations or rules, advertising service providers are generally required to pay a cultural development fee at the rate of 3% on the revenues (a) which are generated from providing advertising services and (b) which are also subject to VAT after the VAT reform program.

Dividends Withholding Tax

Pursuant to the New EIT Law and its implementation rules, dividends generated after January 1, 2008 and distributed to us by our PRC subsidiaries are subject to withholding tax at a rate of 10%, unless otherwise exempted or reduced according to treaties or arrangements between the PRC central government and governments of other countries or regions where the non-PRC-resident holding enterprises are incorporated.

As uncertainties remain regarding the interpretation and implementation of the New EIT Law and its implementation rules, we cannot assure you that, if we are deemed a PRC resident enterprise, any dividends to be distributed by us to our non-PRC shareholders and ADS holders would not be subject to any PRC withholding tax. See "D. Risk Factors—Risks Related to Doing Business in Jurisdictions We Operate—Under the PRC enterprise income tax law, we may be classified as a PRC "resident enterprise," which could result in unfavorable tax consequences to us and our shareholders and have a material adverse effect on our results of operations and the value of your investment."

Labor Laws and Social Insurance

The principle laws that govern employment include:

- Labor Law of the People's Republic of China, promulgated by the Standing Committee of the National People's Congress on July 5, 1994, effective since January 1, 1995 and amended on August 27, 2009 and on December 29, 2018, respectively; and

- Labor Contract Law of the People's Republic of China, promulgated by the Standing Committee of the National People's Congress on June 29, 2007 and amended on December 28, 2012.

According to the Labor Law and Labor Contract Law, employers must execute written labor contracts with full-time employees. All employers must compensate their employees with wages equal to at least the local minimum wage standards. All employers are required to establish a system for labor safety and sanitation, strictly comply with state rules and standards and provide employees with workplace safety training. Violations of the Labor Contract Law and the Labor Law may result in the imposition of fines and other administrative penalties. For serious violations, criminal liability may arise.

The Law on Social Insurance of the PRC, which was promulgated in October 28, 2010, effectively July 1, 2011 and amended on December 29, 2018, has consolidated pertinent provisions for basic pension insurance, unemployment insurance, maternity insurance, workplace injury insurance and basic medical insurance and has elaborated in detail the legal obligations and liabilities of employers who do not comply with relevant laws and regulations on social insurance. Pursuant to the Reform Plan for Collection and Management System of National and Local Taxes released by General Office of the Communist Party of China and the State Council on July 20, 2018, all social insurance premiums, such as basic pension insurance premium, basic medical insurance premium, unemployment insurance premium, work-related injury insurance premium and maternity insurance premium, shall be collected uniformly by the relevant tax authorities starting from January 1, 2019.

We have caused all of our full-time employees to enter into written labor contracts with us and have provided and currently provide our employees with the proper welfare and employment benefits.

New M&A Regulations and Overseas Listings

On August 8, 2006, six PRC governmental agencies jointly promulgated the Regulations on Mergers and Acquisitions of Domestic Enterprises by Foreign Investors, or the New M&A Rule, which became effective on September 8, 2006, and amended on June 22, 2009. The New M&A Rule requires offshore special purpose vehicles formed to pursue overseas listing of equity interests in PRC companies and controlled directly or indirectly by PRC companies or individuals to obtain the approval of the Chinese Securities Regulatory Commission, or the CSRC, prior to the listing and trading of such special purpose vehicle's securities on any stock exchange overseas.

The application of the M&A Rules remains unclear. Based on the understanding on the current PRC laws, rules and regulations and the M&A Rules of our PRC Counsel, Fangda Partners, prior approval from the CSRC is not required under the M&A Rules for the listing and trading of our ADSs on the Nasdaq Global Select Market because (a) our PRC subsidiaries, Beijing Huanju Shidai and Guangzhou Huanju Shidai, are foreign-invested enterprises established by foreign enterprises, (b) we did not acquire any equity interest or assets of a PRC domestic company owned by PRC companies or individuals as defined under the M&A Rules, and (c) there is no provision that clearly classifies the contractual arrangements among our PRC subsidiary, Beijing Huanju Shidai, our PRC consolidated affiliated entities and their shareholders as a transaction regulated by the M&A Rules. However, as there has been no official interpretation or clarification of the M&A Rules, we are also advised by our PRC counsel that there is uncertainty as to how this regulation will be interpreted or implemented.

Considering the uncertainties that exist with respect to the issuance of new laws, regulations or interpretation and implementing rules, the opinion of Fangda Partners, summarized above, is subject to change. If the CSRC or another PRC regulatory agency subsequently determines that prior CSRC approval was required, we may face regulatory actions or other sanctions from the CSRC or other PRC regulatory agencies.

Government Regulations

As our globalized operations evolve, we may, from time to time, be subject to government regulations. As the live streaming and short-form video businesses are still at an early stage of development in the jurisdictions where we have presence, new laws and regulations may be adopted from time to time to require new licenses and permits in addition to those we currently have. This section sets forth the most important laws and regulations that govern our current business activities in multiple jurisdictions across the globe, including European Union, India and Singapore.

Regulations on Data Privacy and Protection

General Data Protection Regulation – European Union

The General Data Protection Regulation, or GDPR, regulates the collection and use of personal data in the EU. The GDPR covers any business, regardless of its location, that provides goods or services to residents in the EU and, thus, could incorporate our activities in EU member states. The GDPR imposes strict requirements on controllers and processors of personal data, including special protections for "sensitive information," which includes health and genetic information of individuals residing in the EU. GDPR grants individuals the opportunity to object to the processing of their personal information, allows them to request deletion of personal information in certain circumstances, and provides the individual with an express right to seek legal remedies in the event the individual believes his or her rights have been violated. Further, the GDPR imposes strict rules on the transfer of personal data out of the EU to regions that have not been deemed to offer "adequate" privacy protections, such as the China. Failure to comply with the requirements of the GDPR and the related national data protection laws of the EU member states, which may deviate slightly from the GDPR, may result in warning letters, mandatory audits and financial penalties, including fines of up to 4 percent of global revenues, or €20,000,000, whichever is greater. As a result of the implementation of the GDPR, we may be required to put in place additional mechanisms ensuring compliance with the new data protection rules.

There is significant uncertainty related to the manner in which data protection authorities will seek to enforce compliance with GDPR. For example, it is unclear whether the authorities will conduct random audits of companies doing business in the EU, or act solely after complaints are filed claiming a violation of the GDPR. The lack of compliance standards and precedent, enforcement uncertainty and the costs associated with ensuring GDPR compliance may be onerous and adversely affect our business, financial condition, results of operations and prospects.

California Consumer Privacy Act – California, United States

The California Consumer Privacy Act, or CCPA, went into effect on January 1, 2020. The CCPA creates new transparency rules and individual privacy rights for consumers (as that word is broadly defined in the law) and places increased privacy and security obligations on entities handling personal data of consumers or households. The CCPA requires covered companies to provide new disclosures to California consumers, and provides such consumers new ways to opt-out of certain sales of personal information. The CCPA provides for civil penalties for violations, as well as a private right of action for data breaches that is expected to increase the likelihood and cost of data breach litigation. The potential effects of this legislation are far-reaching and may require us to modify our data processing practices and policies and incur substantial costs and expenses in compliance and potential ligation efforts. As some other state and federal legislative and regulatory bodies are considering similar legislation on how to handle personal data, some observers have noted that the CCPA could mark the beginning of a trend toward more stringent privacy legislation in the U.S., which could increase our potential liability and adversely affect our business.

Online Collection of Information from Children

The Children's Online Privacy Protection Act of 1998, or COPPA, governs the online collection of personal information from children under the age of 13. Under COPPA, a website or online service that knowingly collects information from children under 13 years old, or that in whole or in part is directed to children under 13 years old, must obtain verifiable parental consent before collecting, using and/or disclosing personal information from any child (including, but not limited to, first and last name, home address, email address, telephone number, Social Security number, image or likeness, mobile device identifier or other persistent identifier that would permit the physical or online contacting of a specific individual).

Websites or online services subject to COPPA must therefore obtain verifiable parental consent before engaging in online advertising that involves tracking of children under the age of 13. The website operator must also post and obtain parental consent to a clear online privacy policy that provides notice of what information is collected from children, how the information is used, and a list of third parties with which the operator may share or sell the child's information. The privacy policy must give parents the choice to determine whether the child's information can be shared with third parties, provide parents access to the child's information, and offer parents the opportunity to delete any collected information. If the company permits third party advertising networks to use persistent identifiers to serve advertisements, those advertising networks must be informed that the site or service is directed towards children and the company must ensure that parental consent covers such collection, sharing, and use. Moreover, the operator must establish and maintain reasonable procedures to protect the confidentiality, security and integrity of any personal information collected from children under 13 years of age. COPPA also prohibits conditioning a child's participation in a game on the child disclosing more personal information than is reasonably necessary to participate in such activity. COPPA authorizes the FTC and the State Attorneys General to bring actions against website operators to enforce the statute, and provides for penalties of up to US$42,530 per violation.

Information Technology Act 2000 – India

Information Technology Act 2000, or the IT Act, governs the data privacy regulations in India. The IT Act contains three provisions on data protection and privacy. Section 43A provides that we are subject to civil liability to compensate for wrongful loss or gain to any person arising from negligence in implementing and maintaining reasonable security practices and procedures with respect to sensitive personal data or information that we possess, deal with or handle in our computer systems, networks, databases and software. Section 72A provides for criminal punishment if, in the course of performing a contract, a service provider discloses personal information without the consent of the person concerned or in breach of a lawful contract and he or she does so with the intention to cause, or knowing he or she is likely to cause, wrongful loss or wrongful gain. Section 72 prescribes criminal punishment if a government official discloses records and information accessed by him or her in the course of his or her duties without the consent of the concerned person or unless permitted by other laws. India has also implemented privacy laws, including the Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules, 2011, which impose limitations and restrictions on the collection, use and disclosure of personal information.

Personal Data Protection Act 2012 (No. 26 of 2012) – Singapore

A non-governmental entity collecting, processing or using personal data is subject to the Personal Data Protection Act, or the "PDPA," as amended on December 30, 2015. Any information that may be used to directly or indirectly identify a natural person is considered "personal data," including the name of the data subject, date of birth, identity card number, passport number, characteristics, fingerprints, marital status, family, education, occupation, medical record, medical treatment, genetic information, sexual life, health examination, criminal record, contact information, financial conditions, and social activities.

When an entity collects personal data, it must inform the data subject of matters including the purpose of collection, how the data will be used, the rights of the data subject to review, duplicate, correct the personal data, and the right to request the entity to cease using the data. When such entity processes or uses any personal data collected by any third parties, it must further inform the data subject about the source of such data in addition to the requirements mentioned above. In principle, prior consent from the data subject is required in order to process and/or use his/her personal data. However, this requirement is exempted if the use relates to public interests or if the personal data is available from the public domain and the interest to be protected is more important than the privacy of the data subject. Furthermore, the competent authorities may impose restrictions on any overseas transmission of personal data if (i) such transmission is related to the interests of the nation, (ii) such restriction is imposed pursuant to an international treaty or agreement, (iii) the receiving country has no laws or regulations that are sufficient to protect personal data, or (iv) such transmission is made through a third nation/region for the purpose of avoiding the regulations of the PDPA.

Violation of the PDPA may lead to a criminal sentence if such violation is committed with the intent to gain profits, and may also lead to damage claims whether with such intent to gain profits or not, even if no actual damage can be proven. The competent authorities may request an entity to delete the data and prohibit the entity from further collecting, processing or using the data if the entity is perceived to have violated the PDPA. A victim may authorize certain public-interest associations to file a lawsuit against the violator on his/her behalf.

Regulations on Intellectual Property

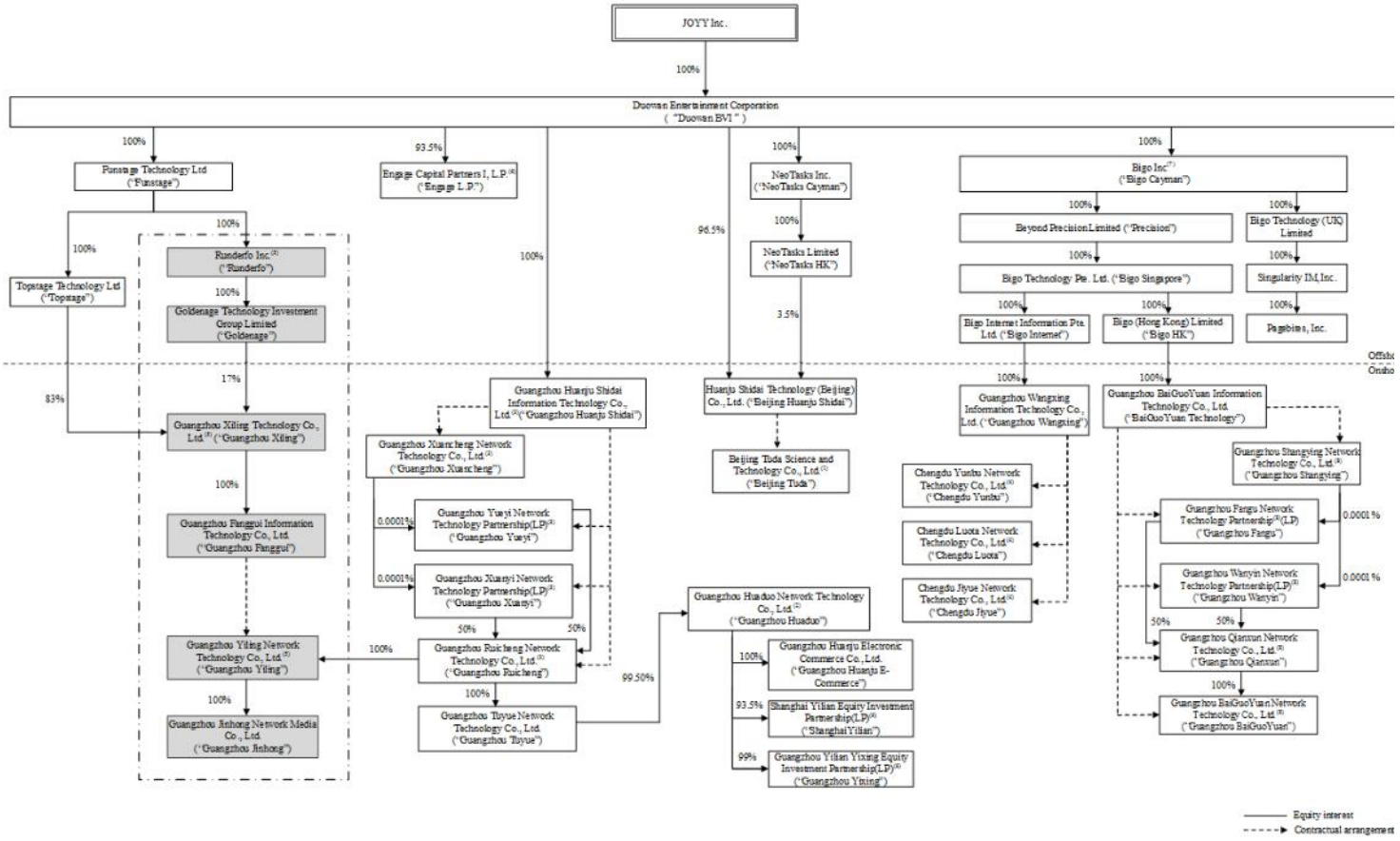
Copyright Act, 1957 – India

Copyright law in India is governed by the Copyright Act, 1957, which has been amended six times, with the last amendment in 2012. It is a comprehensive set of statutes providing for legal protection to copyright, moral rights and neighboring rights. Under the fair use provisions of the Act, section 52(1)(b) provides that transient or incidental storage of a work or performance purely in the technical process of electronic transmission or communication to the public does not constitute infringement of copyright. This provision provides safe harbor to internet service providers that may have incidentally stored infringing copies of a work for the purpose of transmission of data.

C. Organizational Structure

Corporate Structure

The following diagram illustrates our corporate structure as of the date of this annual report, including our principal subsidiaries and our variable interest entities and their principal subsidiaries:



(1) Beijing Tuda is our PRC consolidated affiliated entity. Mr. David Xueling Li, our co-founder, chairman and chief executive officer and director, owns 97.7% of Beijing Tuda's equity interests, and two individuals unaffiliated with us collectively own the remaining 2.3% of Beijing Tuda's equity interests, as of the date of this annual report. For a detailed description of the contractual arrangements, see "Item 7. Major Shareholders and Related Party Transactions—B. Related Party Transactions—Contractual Arrangements with Beijing Tuda."

(2) Guangzhou Huaduo is our PRC consolidated affiliated entity. Guangzhou Tuyue owns 99.50% of Guangzhou Huaduo's equity interests, and Mr. Jun Lei and two other unaffiliated individuals collectively own the remaining 0.50% equity interests of Guangzhou Huaduo, as of the date of this annual report. Guangzhou Tuyue are indirectly held by selected individuals of JOYY INC. (or the management) who are PRC citizens through PRC limited partnership jointly established by these individuals. Guangzhou Huaduo, and its direct and indirect shareholders, are both controlled by Guangzhou Huanju Shidai and Beijing Huanju Shidai through a series of contractual arrangements. For a detailed description of the contractual arrangements, see "Item 7. Major Shareholders and Related Party Transactions—B. Related Party Transactions—Contractual Arrangements with Guangzhou Huaduo."

(3) Each of Guangzhou Xuancheng, Guangzhou Yueyi, Guangzhou Xuanyi, and Guangzhou Ruicheng is our PRC consolidated affiliated entity, as of the date of this annual report. For a detailed description of the contractual arrangements, see "Item 7. Major Shareholders and Related Party Transactions—B. Related Party Transactions—Contractual Arrangements with Guangzhou Xuancheng, Guangzhou Yueyi, Guangzhou Xuanyi, and Guangzhou Ruicheng."

(4) Each of Chengdu Yunbu, Chengdu Luota and Chengdu Jiyue is our PRC consolidated affiliated entity, as of the date of this annual report. Two individuals from the senior management team of Bigo collectively own all equity interest of each of Chengdu Yunbu, Chengdu Luota and Chengdu Jiyue, respectively. For a detailed description of the contractual arrangements, see "Item 7. Major Shareholders and Related Party Transactions—B. Related Party Transactions—Contractual Arrangements with Chengdu Yunbu, Chengdu Luota and Chengdu Jiyue."

(5) On November 16, 2020, we entered into definitive agreements with Baidu, Inc., or Baidu, and made certain amendments to the share purchase agreement on February 7, 2021, pursuant to which Baidu agreed to acquire our PRC video-based entertainment live streaming business, or YY Live, including the YY mobile app, YY.com website, and PC YY, among others, for an aggregate purchase price of approximately US$3.6 billion in cash, subject to certain adjustments. The acquisition has been substantially completed, with certain customary matters remaining to be completed in the near future.

(6) Duowan BVI is the limited partner of Engage L.P., and Guangzhou Huaduo is the limited partner of Shanghai Yilian and Guangzhou Yixing.

(7) In March 2019, we completed the acquisition of the remaining 68.3% equity interest in Bigo from the other shareholders of Bigo. Upon the completion of the acquisition, we hold 100% shares of Bigo, and Bigo is our wholly owned subsidiary.

(8) Each of Guangzhou Shangying, Guangzhou Fangu, Guangzhou Wanyin, Guangzhou Qianxun, and Guangzhou BaiGuoYuan is our PRC consolidated affiliated entity, as of the date of this annual report. For a detailed description of the contractual arrangements, see "Item 7. Major Shareholders and Related Party Transactions—B. Related Party Transactions— Contractual Arrangements."

D. Property, Equipment and Land Use Right

Our corporate headquarters is located in 30 Pasir Panjang Road #15-31A Mapletree Business City, Singapore 117440, which comprise 1,310 square meters.

The corporate headquarters of Bigo are located in Singapore. As of the date of this annual report, Bigo has leased office space with an aggregate area of 58,395 square meters, of which 33,827 square meters are in Guangzhou and the remainder in other cities within and outside China. Bigo's physical servers are primarily hosted at internet data centers owned by major international internet data center providers hosted outside China.

Our corporate headquarter of PRC subsidiaries is located in Panyu District, Guangzhou, China, which comprises 37,548 square meters. In August 2015, we acquired the use right of a parcel of land located at Pazhou, Haizhu District, Guangzhou, China.We also acquired a building in Zhuhai in October 2017 as branch office, which comprises 27,206 square meters. As of the date of this annual report, we have leased office space with an aggregate area of 8,937 square meters within and outside China.

We believe that our existing facilities are sufficient for our current needs and we will obtain adequate facilities, principally through leasing, to accommodate our future expansion plans.

See Notes 13 and 14 to our financial statements for further information about our property and equipment and land use right.

ITEM 4.A. UNRESOLVED STAFF COMMENTS

None.

ITEM 5. OPERATING AND FINANCIAL REVIEW AND PROSPECTS

You should read the following discussion and analysis of our financial condition and results of operations in conjunction with our consolidated financial statements and the related notes included elsewhere in this annual report. This discussion contains forward-looking statements that involve risks and uncertainties. Our actual results and the timing of selected events could differ materially from those anticipated in these forward-looking statements as a result of various factors, including those set forth under "Item 3. Key Information—D. Risk Factors" and elsewhere in this annual report.

A. Operating Results

Overview

We operate leading global social media platforms, offering users around the world a uniquely engaging and immersive experience across various video-based content categories, such as live streaming, short-form video and video communication. Our global average mobile monthly active users reached 393.7 million in the fourth quarter of 2020, including 28.7 million of average monthly active users of Bigo Live, 120.1 million of average monthly active users of Likee, 16.5 million of average monthly active users of Hago, 186.3 million of average monthly active users of imo and 42.0 million of average monthly active users of YY Live (our discontinued PRC business).

With our pioneering business model in China, we have accumulated deep expertise in building and operating a vibrant video content ecosystem since our inception in 2005. Foreseeing the massive global opportunities, we began to expand our global business first by investing in Bigo, followed by the internationalization of *Hago*, and by acquiring Bigo in March 2019.

Our business model optimizes the seamless integration of traffic generation, user engagement and monetization. While the basic use of our platforms is currently free to attract traffic, we monetize our user base mainly through virtual tips for live streaming. We derive our revenues primarily from live streaming services, accounting for 43.6%, 85.4% and 94.7% of our total net revenues in 2018, 2019 and 2020, respectively. We have been exploring additional monetization opportunities and diversifying our revenue sources in order to capitalize on the large and highly engaged user base of our platforms. We generate other revenues mainly from advertising services, and to a lesser extent, our online game business, memberships and other services. Such other revenues accounted for 56.4%, 14.6% and 5.3% of our total net revenues in 2018, 2019 and 2020, respectively.

On April 3, 2020 and August 10, 2020, we transferred 16,523,819 and 30,000,000 Class B ordinary shares of Huya to Linen Investment Limited, a wholly-owned subsidiary of Tencent respectively. As a result of the closing of the share transfer, we would hold 38,374,463 Class B ordinary shares of Huya with Tencent becoming the controlling shareholder of Huya, and Tencent will consolidate financial statements of Huya. Starting from the second quarter of 2020, we no longer consolidate the operating results of Huya into our financial statements, and Huya's historical financial results are and will be reflected in our consolidated financial statements as discontinued operations accordingly.

On November 16, 2020, we entered into definitive agreements with Baidu, Inc., or Baidu, and made certain amendments to the share purchase agreement on February 7, 2021, pursuant to which Baidu agreed to acquire our PRC video-based entertainment live streaming business, or YY Live, including the YY mobile app, YY.com website, and PC YY, among others, for an aggregate purchase price of approximately US$3.6 billion in cash, subject to certain adjustments. Subsequently, the sale was substantially completed on February 8, 2021, with certain customary matters remaining to be completed in the near future. As a result, the historical results of YY Live are reflected in the Company's financial statements as discontinued operations accordingly.

The COVID-19 outbreak may have some impact on our results of operations, and the full extent of the impact will depend on future developments that are highly uncertain and cannot be predicted.

Discussion of Selected Statements of Operations Items

Revenues

Our live streaming revenues are primarily comprised of revenues from Bigo Live, Likee and Hago. Other revenues primarily include advertising revenues, and to a lesser extent revenues from online games, membership, online education, and financing income. Starting from the second quarter of 2020, we no longer consolidate the results of operations of Huya. The historical results of YY Live are reflected in the Company's financial statements as discontinued operations

The following table sets forth the principal components of our total net revenues by amount and as a percentage of our total net revenues for the periods presented.

	For the Year Ended December 31,						
	2018		2019		2020		
	RMB	% of total net revenues	RMB	% of total net revenues	RMB	US$	% of total net revenues
	(in thousands, except for percentages)						
Live streaming	361,475	43.6	5,330,790	85.4	12,524,825	1,919,513	94.7
Others	468,001	56.4	908,519	14.6	706,120	108,218	5.3
Total net revenues [1]	829,476	100.0	6,239,309	100.0	13,230,945	2,027,731	100.0

(1) Revenues are presented net of rebates and discounts.

Live streaming revenues. We generate live streaming revenues from the sales of in-channel virtual items used on our live streaming platforms. Users access content on our platforms free of charge, but are charged for purchases of virtual items.

The most significant factors that directly affect our live streaming revenues include the number of our paying users and ARPU. Our management regularly monitor these operating metrics, which are important and direct performance indicators, in managing our live streaming business and in making relevant operational and production decisions.

- *The number of paying users.* In 2020, Bigo (including Bigo Live, Likee and imo) had 3.4 million paying users for our livestreaming services. We calculate the number of paying users during a given period as the cumulative number of registered user accounts that have purchased virtual items or other products and services on the above mentioned platforms at least once during the relevant period.

- *ARPU.* In 2020, Bigo's (including Bigo Live, Likee and imo) ARPU for live streaming was USD 416. ARPU is calculated by dividing our total revenues from live streaming on the above mentioned platforms during a given period by the number of paying users for our live streaming services on the above mentioned platforms for that period. As we begin to generate revenues from an increasing variety of live streaming services, our ARPU may fluctuate from period to period due to the mix of live streaming services purchased by our paying users.

Other significant factors that directly or indirectly affect our live streaming revenues include:

- our ability to increase our popularity by offering new and attractive contents, products and services that allow us to monetize our live streaming platform;

- our ability to attract and retain a large and engaged user base; and

- our ability to attract and retain certain popular performers, channel owners, professional game playing team and commentators.

We create and offer to users virtual items that can be used on various channels. Users can purchase consumable virtual items from us to show support for their favorite performers or time-based virtual items that provide users with recognized status, such as priority speaking rights or special symbols on the music and entertainment channels.

Other revenues. We generate other revenues mainly from advertising services, and to a lesser extent, our online game business, memberships and other services.

(i) Advertising revenues. Advertising revenues were generated from sales of various forms of advertising and provision of promotion campaigns on our live streaming platforms.

(ii) Online games revenues. We generate online games revenues from the sales of in-game virtual items used for games developed by us or by third parties under revenue-sharing arrangements on our platforms. Users play online games free of charge, but are charged for purchases of virtual items. The online games we currently offer are primarily web games that can be run from an internet browser and require an internet connection to play.

(iii) Membership revenues. We generated membership revenues from the membership subscription fees paid by our users. In our membership program, users pay a flat monthly subscription fee in order to become members, and in exchange, we give them access to various privileges and enhanced features on our channels, including virtual items exclusively available to members, dedicated customer services and priority entrance to certain live performances.

(iv) Others. We generated other revenues from our online education, e-commerce, and financing business. Online education service consists of vocational training, language training and K-12 afterschool education courses and we generated revenue from course fee. Our e-commerce business offers e-commerce service solutions for merchants based on our core live-streaming technology. We also generated revenues from financing business, which we ceased to extend credit since the second half of 2019.

Cost of Revenues

Cost of revenues consists primarily of (i) revenue sharing fees and content costs including payments to various channel owners and performers, and content providers, (ii) bandwidth costs, (iii) payment handling costs, (iv) salary and welfare, (v) technical service fee, (vi) depreciation and amortization expense for servers, other equipment and intangibles directly related to operating the platform, (vii) share-based compensation, (viii) other taxes and surcharges, and (ix) other costs. Our cost of revenues generally increased in the past three years ended December 31, 2020, primarily due to the growth and expansion of our businesses, including the consolidation of Bigo in 2019.

Operating Expenses

Our operating expenses consist of (i) research and development expenses, (ii) sales and marketing expenses, and (iii) general and administrative expenses.

Research and Development Expenses

Research and development expenses consist primarily of (i) salary and welfare for research and development personnel, (ii) share-based compensation for research and development personnel, (iii) depreciation of office premise and servers utilized by research and development personnel, and (iv) rental expenses. Costs incurred during the research stage are expensed as incurred. Research and development expenses generally increased in the past three years ended December 31, 2020, due to the need for additional research and development personnel to accommodate the growth of our business, as well as the consolidation of Bigo in 2019.

Sales and Marketing Expenses

Sales and marketing expenses consist primarily of (i) advertising and promotion expenses, (ii) amortization of intangible assets from business acquisition, and (iii) salary and welfare for sales and marketing personnel. Our sales and marketing expenses generally increased over the past three years ended December 31, 2020, primarily reflecting increased marketing and promotional activities as well as the consolidation of Bigo in 2019.

General and Administrative Expenses

General and administrative expenses consist primarily of (i) salary and welfare for general and administrative personnel, (ii) share-based compensation for management and administrative personnel, (iii) impairment charge, and (iv) professional service fees. Our general and administrative expenses generally increased over the past three years ended December 31, 2020 as a result of our business growth and expansion including the consolidation of Bigo in 2019.

Share-based Compensation Expenses

Our operating expenses include share-based compensation expenses as follows:

	For the Year Ended December 31,			
	2018	2019	2020	
	RMB	RMB	RMB	US$
	(in thousands, except for percentages)			
Research and development expenses	96,585	362,441	295,289	45,256
Sales and marketing expenses	1,418	5,000	9,018	1,382
General and administrative expenses	83,758	117,629	291,759	44,714
Total	181,761	485,070	596,066	91,352

We grant stock-based award such as, but not limited to, share options, restricted shares, restricted share units and warrants to eligible employees, officers, directors, and non-employee consultants. Awards granted to employees, officers, and directors are initially accounted for as equity-classified awards, which are measured at the grant date fair value of the award and are recognized using the graded vesting method, net of estimated forfeitures, over the requisite service period, which is generally the vesting period. Awards granted to non-employees are initially measured at fair value on the grant date and periodically re-measured thereafter until the earlier of the performance commitment date or the date the service is completed and recognized over the period in which the service is provided.

Operating Income

Gain on deconsolidation of business

In December 2019, we disposed our online game business, and recognized an income of RMB82.7 million.

Other income

Other income primarily consists of government grants in connection with our contributions to technology development, tax refund and investments in local business districts. These grants may not be recurring in nature.

Taxation

Cayman Islands

According to our Cayman Islands counsel, Maples and Calder (Hong Kong) LLP, the Cayman Islands currently levies no taxes on individuals or corporations based upon profits, income, gains or appreciations and there is no taxation in the nature of inheritance tax or estate duty. There are no other taxes likely to be material to us levied by the government of the Cayman Islands except for stamp duties which may be applicable on instruments executed in, or after execution brought within the jurisdiction of, the Cayman Islands. There are no exchange control regulations or currency restrictions in the Cayman Islands.

The Cayman Islands is not party to any double tax treaties that are applicable to any payments made to or by our company.

Pursuant to Section 6 of the Tax Concessions Law (1999 Revision) of the Cayman Islands, we have obtained an undertaking from the Governor-in-Cabinet:

(1) that no law which is enacted in the Cayman Islands imposing any tax to be levied on profits or income or gains or appreciations shall apply to us or our operations; and

(2) that the aforesaid tax or any tax in the nature of estate duty or inheritance tax shall not be payable (i) on or in respect of our shares, debentures or other obligations, or (ii) by way of withholding in whole or in part of any relevant payment as defined in section 6(3) of the Tax Concessions Law (1999 Revision).

The undertaking is for a period of twenty years from August 2, 2011.

British Virgin Islands

Duowan BVI is our wholly owned subsidiary.

As Duowan BVI is a BVI business company subject to the provisions of the BVI Business Companies Act (As Revised), it is exempt from all provisions of the Income Tax Act of the BVI (including with respect to all dividends, interests, rents, royalties, compensation and other amounts payable by Duowan BVI to persons who are not persons resident in the BVI).

Capital gains realized with respect to any shares, debt obligations or other securities of Duowan BVI by persons who are not persons resident in the BVI are also exempt from all provisions of the Income Tax Act of the BVI.

No estate, inheritance, succession or gift tax, rate, duty, levy or other charge is payable by persons who are not persons resident in the BVI with respect to any shares, debt obligations or other securities of Duowan BVI, save for interest payable to or for the benefit of an individual resident in the European Union.

Hong Kong

Our subsidiary registered in Hong Kong is subject to Hong Kong Profits Tax on the taxable income as reported in its respective statutory financial statements adjusted in accordance with relevant Hong Kong tax laws. The applicable tax rate is 16.5% in Hong Kong.

Singapore

According to the Development and Expansion Incentive, or the Incentive, pursuant to the provisions of Part IIIB of the Economic Expansion Incentives (Relief from Income Tax) Act, Chapter 86, corporations engaging in new high-value-added projects, expanding or upgrading their operations, or undertaking incremental activities after their pioneer period may apply for their profits to be taxed at a reduced rate of not less than 5% for an initial period of up to ten years. The total tax relief period for each qualifying project or activity is subject to a maximum of 40 years (inclusive of the post-pioneer relief period previously granted, if applicable).

Bigo Singapore applied for the Incentive and received approval in October 2018. Bigo Singapore is entitled to enjoy the beneficial tax rate of 5% as the Incentive for the years 2018 through 2022, and will need to re-apply for the Incentive qualification renewal in 2023. Other subsidiaries incorporated in Singapore were subject to 17% of their taxable income.

PRC

Current taxation primarily represented the provision for a state and local corporate income tax, or EIT, for subsidiaries and consolidated affiliated entities operating in the PRC. On March 16, 2007, the PRC National People's Congress promulgated the New EIT Law, which became effective on January 1, 2008 and was amended on February 24, 2017 and December 29, 2018. These subsidiaries and VIEs are subject to new EIT on their taxable income as reported in their respective statutory financial statements adjusted in accordance with the relevant tax laws and regulations in the PRC. All our PRC entities are subject to EIT at a rate of 25%, with the exception of any preferential treatments they may receive, such as the 15% preferential tax rate that Guangzhou Huaduo can enjoy for the periods reported as a result of its qualification as a high and new technology enterprise.

According to a policy promulgated by the state tax bureau of the PRC and effective from 2008 onwards, enterprises engaged in research and development activities are entitled to claim 150% of the research and development expenses before 2018 so incurred in a year as tax deductible expenses in determining its tax assessable profits for that year, or Super Deduction. The additional tax deducting amount of the qualified research and development expenses have been increased from 50% to 75%, and 100% for manufacturing companies since 2018. Certain subsidiaries and VIEs have claimed such Super Deduction for the period reported.

In addition, according to the New EIT Law and its implementation rules, foreign enterprises, which have no establishment or place in the PRC but derive dividends, interest, rents, royalties and other income (including capital gains) from sources in the PRC is subject to PRC withholding tax, or WHT, at 10% (a further reduced WHT rate may be available according to the applicable double tax treaty or arrangement). The 10% WHT is applicable to any dividends to be distributed from our PRC subsidiaries and consolidated affiliated entities to us and our subsidiaries outside the PRC. In 2017, Guangzhou Huanju Shidai declared and distributed a cash dividend of part of its stand-alone 2014-2016 earnings, totaling to US$15 million, to its direct oversea parent company, Duowan BVI. As a result, Guangzhou Huanju Shidai paid a withholding tax in the amount of US$1.5 million in 2017. We do not have any present plan to pay out the retained earnings in the PRC subsidiaries and PRC consolidated affiliated entities in the foreseeable future. Accordingly, no further WHT has been accrued.

Our PRC subsidiaries and PRC consolidated affiliated entities are subject to value added tax and related surcharges. Our live streaming revenues are subject to VAT at a rate of 6% for the years ended December 31, 2018, 2019 and 2020. Other revenues are subject to VAT at a rate of 6%, 9% or 13% for the years ended December 31, 2018, 2019 and 2020. We also subject to surcharges of VAT, which are calculated based on 12% of the VAT paid for the years ended December 31, 2018, 2019 and 2020. Business taxes and related surcharges during 2018, 2019 and 2020 were RMB2.8 million, RMB9.6 million and RMB10.1 million (US$1.5 million), respectively.

For more information on PRC tax regulations, see “PRC Regulation—Regulation on Tax.”

Critical Accounting Policies

We prepare our financial statements in conformity with U.S. GAAP, which requires us to make estimates and assumptions that affect our reporting of, among other things, assets and liabilities, revenues and expenses. We regularly evaluate these estimates and assumptions based on the most recently available information, our own historical experiences and other factors that we believe to be relevant under the circumstances. Since our financial reporting process inherently relies on the use of estimates and assumptions, our actual results could differ from these estimates. This is especially true with some accounting policies that require higher degrees of judgment than others in their application. We consider the policies discussed below to be critical to an understanding of our audited consolidated financial statements because they involve the greatest reliance on our management’s judgment.

Revenue Recognition and Deferred Revenue

On January 1, 2018, we adopted ASC 606, “Revenue from Contracts with Customers” using the modified retrospective method applied to those contracts which were not completed as of January 1, 2018. Results for reporting periods beginning after January 1, 2018 are presented under Topic 606, while prior period amounts are not adjusted and continue to be reported in accordance with our historic accounting under Topic 605. Based on our assessment, the adoption of ASC 606 did not result in any adjustment on our consolidated financial statements, and there were no material differences between our adoption of ASC 606 and our historic accounting under ASC 605.

Revenues are recognized when control of the promised virtual items or services is transferred to our customers, in an amount that reflects the consideration we expect to be entitled to in exchange for those virtual items or services.

We have a recharge system for users to purchase our virtual currency. Users can recharge via various online payment platforms provided by third parties. Virtual currency is non-refundable and without expiry. As the virtual currency is often consumed soon after it is purchased based on history of turnover, we consider the impact of the breakage amount for virtual currency coupons is insignificant. Unconsumed virtual currency is recorded as deferred revenue. Virtual currencies used to purchase virtual items are recognized as revenue according to the prescribed revenue recognition policies of virtual items addressed below unless otherwise stated.

Live Streaming

We generate our live streaming revenue from sales of virtual items on our live streaming platforms. Our users can access the platforms and view the live streaming content for free. We share a portion of the sales proceeds of virtual items ("revenue sharing fee") with performers and talent agencies in accordance with their revenue sharing arrangements. Those performers who do not have revenue sharing arrangements with us are not entitled to any revenue sharing fee.

We evaluate and determine that we are the principal and streaming users to be our customers. We report live streaming revenues on a gross basis. Accordingly, the amounts billed to users are recorded as revenues and revenue sharing fee paid to performers and talent agencies are recorded as cost of revenues. Where we are the principal, we control the virtual items before they are transferred to users. Our control is evidenced by our sole ability to monetize the virtual items before they are transferred to users, and is further supported by us being primarily responsible to users and having a level of discretion in establishing pricing.

We design, create and offer various virtual items for sales to users with pre-determined selling price. Sales proceeds are recorded as deferred revenue and recognized as revenue based on the consumption of the virtual items. Virtual items are categorized as consumable and time-based items. Consumable items are consumed upon purchase and use while time-based items could be used for a fixed period of time. Users can purchase and present consumable items to performers to show support for their favorite performers, or purchase time-based virtual items for one or multiple months for a monthly fee, which provide users with recognized status, such as priority speaking rights or special symbols over a period of time. Accordingly, live streaming revenue is recognized immediately when the consumable virtual item is used, or in the case of time-based virtual items, revenue is recognized ratably over the fixed period on a straight-line basis. We do not have further obligations to the user after the virtual items are consumed immediately or after the stated period of time for time-based items.

We may also enter into contracts that can include various combinations of virtual items, which are generally capable of being distinct and accounted for as separate performance obligations, such as noble member program. Judgments are required as follow: 1) determining whether those virtual items are considered distinct performance obligations that should be accounted for separately versus together, 2) determining the standalone selling price for each distinct performance obligation, and 3) allocating of the arrangement consideration to the separate accounting of each distinct performance obligation based on their relative standalone selling prices. Certain virtual items are provided to customers over time and have the same pattern of transfer to customers. We exercises judgement in determining the number of distinct performance obligations by accounting for services that have the same pattern of transfer to customers as a single performance obligation. In instances where standalone selling price is not directly observable as we do not sell the virtual item separately, we determine the standalone selling price based on pricing strategies, market factors and strategic objectives. We recognize revenue for each of the distinct performance obligations identified in accordance with the applicable revenue recognition method relevant for that obligation.

As our live streaming virtual items are generally sold without right of return and we do not provide any other credit and incentive to its users, therefore accounting of variable consideration when estimating the amount of revenue to recognize is not applicable to the our live streaming business.

Others

Other revenues mainly generated from online games, membership, online education, advertising and finance business.

Online games revenues

We generate revenues from offering virtual items in online games developed by third parties or our self-developed online games to game players. Historically, the majority of online games revenues for the three years ended December 31, 2018, 2019 and 2020 were derived from third party-developed games.

Users play games through our platforms free of charge and are charged for purchases of virtual items including consumable and perpetual items, which can be utilized in the online games to enhance their game-playing experience. Consumable items represent virtual items that can be consumed by a specific user within a specified period of time. Perpetual items represent virtual items that are accessible to the users' accounts over the life of the online games.

Pursuant to contracts signed between the game developers and us, game developers own the games' copyrights and other intellectual property, and take primary responsibilities of game development and game operation, including designing, developing and updating of the games related to game content, pricing of virtual items, providing ongoing updates of new contents and bug fixing. Our responsibilities under the agreements with the game developers to offer certain standard promotions that include providing access to the platform, announcing the new games to users on the platform, and occasional advertising on our platforms. Accordingly, we record online games revenues derived from third party developed games, on a net basis, net of the amount paid to game developers.

Given that third party developed games are managed and administered by the third party game developers, we do not have access to the data on the consumption details such as when the game token is spent on the virtual items or the types of virtual items (consumable or perpetual items) purchased by each individual game player. However, we maintain historical data on timing of the conversion of its virtual currency into game specific tokens and the amount of purchases of game tokens. We believe that our responsibility to the game developers correspond to the game developers' services to the users. We have adopted a policy to recognize revenues relating to game tokens for third party developed games over the estimated user relationship period with us on a game-by-game basis, which is approximately one to six months for the periods presented. Future usage patterns may differ from historical usage patterns and therefore the estimated user relationship period with us may change in the future.

The estimated user relationship period is based on data collected from those users who have acquired game tokens. To estimate the user relationship period, we maintain a system that captures the following information for each user: (a) the frequency that users log into each game via our platforms, and (b) the amount and the timing of when the users convert or charge his or her game tokens. We estimate the user relationship period for a particular game to be the date a player purchases or converts from virtual currency to a game token through the date we estimate the user plays the game for the last time. This computation is performed on a user by user basis. Then, the results for all analyzed users are averaged to determine an estimated end user relationship period for each game. Revenues from in-game payments of each month are recognized over the user relationship period estimated for that game.

The consideration of user relationship period with each online game is based on our best estimate that takes into account all known and relevant information at the time of assessment. We assess the estimated user relationships period for each game on a quarterly basis. Any adjustments arising from changes in the user relationship period as a result of new information will be accounted as a change in accounting estimate in accordance with ASC 250 Accounting Changes and Error Corrections.

Membership

We operate a membership subscription program where subscription members can have enhanced user privileges. The membership fee is collected up-front from subscribers. The receipt of the revenue is initially recorded as deferred revenue and revenue is recognized ratably over the period of the subscription when services are rendered. Unrecognized portion beyond 12 months from balance sheet date is classified as long-term deferred revenue.

Online education revenues

Educational programs and services consist of vocational training, language training courses and K-12 afterschool education courses. The course fee is generally paid in advance and is initially recorded as deferred revenue. Revenue for regular courses is recognized proportionately as the classes are attended, and is reported net of scholarships and course fee refunds. Students are entitled to one trial class of the purchased course and course fee is fully refundable if a student decides not to take the remaining course after the trial class. No refund will be provided to a student who withdraws from a course after the trial period, and revenue is recognized for the amount collected. Course fee refunds were insignificant over the period presented.

In addition to regular courses, we also provide a package of several regular courses to students, which have individual fair value in the market. Pursuant to the applicable accounting guidance, we have accounted for these course packages as a multiple-element arrangement because each individual course qualifies as a single unit of accounting, and allocated the course fee from the course package to each individual course in the package based on its standalone selling price. We recognize revenue equal to the fair value allocated to individual courses proportionately as the classes are delivered.

Students are granted a right to retake the courses at a substantial discount in the circumstances where the students fail to achieve certain score targets for some specific courses. The discount arrangement has a stand-alone value and qualifies as a separate unit of accounting under U.S. GAAP. Therefore, we have accounted for those courses as a multiple-element arrangement and allocated a portion of the initial course fee to the substantial discount based on a breakage rate. The breakage rate is determined based on our historical data. The amount allocated to the substantial discount is deferred and recognized as revenue upon the expiration of the retaking right, which is generally six months after the end of the initial course term.

We also sell pre-paid cards primarily to distributors. Pre-paid card sales represent prepaid service fees received from students for online courses. The prepaid service fee is recorded as deferred revenue upon receiving the upfront cash payment. Revenue is recognized on a gross basis based on the selling price of the distributors to the students and is recognized over the period upon the online course is available to the students, which generally is from the enrolment date to the completion of the relevant professional examination date.

Advertising revenues

We primarily generate advertising revenues from sales of various forms of advertising and provision of promotion campaigns on the live streaming platforms by way of advertisement display or integrated promotion activities in shows and programs on the live streaming platforms. Advertisements on our platforms are generally charged on the basis of duration, and advertising contracts are signed to establish the fixed price and the advertising services to be provided. Where the service is transferred to our customers, advertising revenues from advertising contracts are recognized ratably over the contract period of display.

We enter into advertising contracts directly with advertisers or third-party advertising agencies that represent advertisers. Payment terms and conditions vary by contract type, although the terms generally include a requirement of payment within 1 to 3 months. Both third-party advertising agencies and direct advertisers are generally billed at the end of the display period and payments are due usually within 3 months. In instances where the timing of revenue recognition differs from the timing of billing, we have determined the advertising contracts generally do not include a significant financing component. The primary purpose of the credits terms is to provide customers with simplified and predictable ways of purchasing our advertising services, not to receive financing from our customers or to provide customers with financing.

Certain customers may receive sales incentives in the forms of discounts and rebates to advertisers or advertising agencies based on purchase volume, which is accounted for as variable consideration. We estimate these amounts based on the expected amount to be provided to customers considering the contracted rebate rates and estimated sales volume based on historical experience, and reduce revenues recognized. We believe that there will not be significant changes to its estimates of variable consideration.

Financing revenues

We generate revenues from micro-credit personal loans provided to individual borrowers and corporate loans to corporate customers. We have ceased to extend credit in our PRC internet micro-financing business since the second half of 2019. We recognize financing income related to those services over the life of the underlying financing using the effective interest method on unpaid principal amounts after net of loan origination cost.

We do not accrue financing revenues when a financing receivables is placed on non-accrual status. Financing revenues will be recognized when cash is received on a cash basis cost recovery method by applying first to reduce principal and then to interests thereafter.

Advances from customers and deferred revenue

Advances from customers primarily consist of prepayments from users in the form of our virtual currency that are not yet consumed or converted into game tokens, and upon the consumption or conversion, are recognized as revenue according to the prescribed revenue recognition policies described above. Deferred revenue primarily consists of the unamortized game tokens, prepaid subscriptions under the membership program and unamortized revenue from virtual items in our various channels on our platforms, where there is still an implied obligation to be provided by us which will be recognized as revenue when all of the revenue recognition criteria are met.

Accounts receivable

Accounts receivable are presented net of allowance for doubtful accounts. We use specific identification in providing for bad debts when facts and circumstances indicate that collection is doubtful and a loss is probable and estimable. If the financial condition of its customers were to deteriorate, resulting in an impairment of their ability to make payments, additional allowance would be required.

We maintain an allowance for doubtful accounts which reflects our best estimate of amounts that potentially will not be collected. We determine the allowance for doubtful accounts on an individual basis taking into consideration various factors, including, but not limited to, historical collection experience, creditworthiness of the debtors and the age of the individual receivables balance. Additionally, we make specific bad debt provisions based on any specific knowledge we have acquired that might indicate that an account is uncollectible. The facts and circumstances of each account may require us to use substantial judgment in assessing its collectability.

Adoption of Accounting Standards Update ("ASU") 2016-13

In June 2016, the FASB issued ASU 2016-13: Financial Instruments-Credit Losses (Topic 326), which requires entities to measure all expected credit losses for financial assets held at the reporting date based on historical experience, current conditions, and reasonable and supportable forecasts. This replaces the existing incurred loss model and is applicable to the measurement of credit losses on financial assets measured at amortized cost. We adopted ASU 2016-13 from January 1, 2020 using modified-retrospective transition approach with a cumulative-effect adjustment to shareholders' equity amounting to RMB12.1 million recognized as of January 1, 2020.

Financing receivables

Financing receivables represent receivables derived from finance business, including micro-credit personal loans and corporate loans. Financing receivables are recorded at amortized cost, reduced by a valuation allowance estimated as of the balance sheet date. The amortized cost is equal to the unpaid principal amount, accrued interest receivables and net deferred origination costs. The origination costs are the direct costs attributable to originating the financing charged by third-party companies. The cash flows related to the principal of finance business are included in the investing activities category in the consolidated statement of cash flows.

Micro-credit personal loans

We provide micro loans to qualified individual borrowers. The micro loan periods granted to the borrowers generally range from one month to twelve months. We have ceased to extend credit in our PRC internet micro-financing business since the second half of 2019.

Corporate loans

We provide loans to corporate borrowers mainly through sales-and-leaseback model. Under the sales-and-leaseback arrangement, we, as lender, purchase machinery and equipment from lessees, who are the borrowers, and lease the purchased equipment back to the lessees for a number of years. In a sales-and-leaseback arrangement, the transaction is in substance a collateral financing.

Allowance for financing receivables

We assess the allowance for financing receivables either on an individual or collective basis. We estimate and evaluate the allowance amounts and whether such amounts are adequate to cover potential losses, and periodic reviews are performed to ensure such amounts continue to reflect the best estimate of the losses inherent in the outstanding portfolio of debts. The estimate is based on a pooled basis due to the composition of homogeneous financing with similar size and general credit risk characteristics for similar finance businesses. We consider the credit worthiness of the individuals and the companies receiving financing, aging of the outstanding financing receivables, value of the collateral assets and other specific circumstances related to the financing when determining the allowance for financing receivables.

Financing receivables are placed on non-accrual status upon reaching 90 days past due or when reasonable doubt exists in timely collection of the financing receivables. When a financing receivable is placed on non-accrual status, we stop accruing financing income. Financing receivable is returned to accrual status if the related individual or company has performed in accordance with the contractual terms for a reasonable period of time and, in our judgment, will continue to make period principal and financing income payments as scheduled.

Investments

ASU 2016-01, Recognition and Measurement of Financial Assets and Financial Liabilities amends certain aspects of recognition, measurement, presentation and disclosure of financial instruments. The main provisions require equity investments (except those accounted for under the equity method of accounting or those that result in consolidation of the investee) to be measured at fair value through earnings, unless they qualify for a measurement alternative. The new guidance requires modified retrospective application to all outstanding instruments beginning January 1, 2018, with a cumulative effect adjustment recorded to opening accumulated deficit as of the beginning of the first period in which the guidance becomes effective. However, changes to the accounting for equity securities without a readily determinable fair value would be applied prospectively. We adopted the new financial instruments accounting standard from January 1, 2018. Following the adoption of this guidance, accumulated fair value gain, amounting to RMB87.8 million, was reclassified from accumulated other comprehensive loss to retained earnings as of January 1, 2018.

Equity Investments with Readily Determinable Fair Values

Equity investments with readily determinable fair values are measured and recorded at fair value using the market approach based on the quoted prices in active markets at the reporting date. We classify the valuation techniques that use these inputs as Level 1 of fair value measurements.

Equity Investments without Readily Determinable Fair Values

After the adoption of this new accounting standard, we elected to record equity investments without readily determinable fair values and not accounted for under the equity method at cost, less impairment, adjusted for subsequent observable price changes on a nonrecurring basis, and report changes in the carrying value of the equity investments in current earnings. Changes in the carrying value of the equity investments are required to be made whenever there are observable price changes in orderly transactions for the identical or similar investment of the same issuer. The implementation guidance notes that an entity should make a “reasonable effort” to identify price changes that are known or that can reasonably be known.

Equity Investments Accounted for Using the Equity Method

We account for its equity investment over which it has significant influence but does not own a majority equity interest or otherwise control using the equity method. We adjust the carrying amount of the investment and recognizes investment income or loss for share of the earnings or loss of the investee after the date of investment. We assess its equity investment for other-than-temporary impairment by considering factors including, but not limited to, current economic and market conditions, operating performance of the entities, including current earnings trends and undiscounted cash flows, and other entity-specific information. The fair value determination, particularly for investment in privately held entities, requires judgment to determine appropriate estimates and assumptions. Changes in these estimates and assumptions could affect the calculation of the fair value of the investment and determination of whether any identified impairment is other-than-temporary.

Available-for-sale debt investments

Available-for-sale debt investment of the Group is convertible bond issued by a private company that is redeemable at the Group's option, which is measured at fair value. Interest income is recognized in earnings. All other changes in the carrying amount of this debt investment are recognized in other comprehensive income (loss).

Consolidation

Our consolidated financial statements include the financial statements of our company, our subsidiaries, variable interest entities, or VIEs, for which we or our subsidiaries are the primary beneficiaries. All transactions and balances among our company, subsidiaries and VIEs have been eliminated upon consolidation.

A subsidiary is an entity in which our company, directly or indirectly, controls more than one half of the voting power, has the power to appoint or remove the majority of the members of the board of directors or to cast a majority vote at each meeting of directors, or has the power to govern the financial and operating policies of the investee under a statute or agreement among the entity's shareholders or equity holders.

A VIE is an entity in which we, or our subsidiary, through contractual agreements, bears the risks of, and enjoys the rewards normally associated with ownership of the entity, and therefore the Company or its subsidiary is the primary beneficiary of the entity. In determining whether we or our subsidiaries are the primary beneficiary, we considered whether it has the power to direct activities that are significant to the VIEs' economic performance, and also our obligation to absorb losses of the VIEs that could potentially be significant to the VIEs or the right to receive benefits from the VIEs that could potentially be significant to the VIEs. Guangzhou Xiling, Guangzhou Huanju Shidai, Beijing Huanju Shidai, 100 Edu Technology, BaiGuoYuan Technology and Guangzhou Wangxing and ultimately we hold all the variable interests of the VIEs and have been determined to be the primary beneficiary of the VIEs. As a result of the share transfer to Tencent on April 3, 2020, we no longer consolidate the results of operations of Huya.

We deconsolidates our subsidiaries in accordance with ASC 810 as of the date we cease to have a controlling financial interest in our subsidiaries.

We account for the deconsolidation of our subsidiaries by recognizing a gain or loss in net income/loss attributable to us in accordance with ASC 810. This gain or loss is measured at the date our subsidiaries are deconsolidated as the difference between (a) the aggregate of the fair value of any consideration received, the fair value of any retained non-controlling interest in our subsidiaries being deconsolidated, and the carrying amount of any non-controlling interest in our subsidiaries being deconsolidated, including any accumulated other comprehensive income/loss attributable to the non-controlling interest, and (b) the carrying amount of the assets and liabilities of our subsidiaries being deconsolidated.

Share-based compensation

We awarded a number of share-based compensation to our employees and non-employees (such as consultants), which include share options, restricted shares, restricted share units of the Company, share option, restricted share units and ordinary shares of the Company's subsidiaries granted to employees and non-employees. The details of these share-based awards and the respective terms and conditions are described in "Share-based compensation" in Note 26 to our audited consolidated financial statements for the years ended December 31, 2018, 2019 and 2020, which are included elsewhere in this annual report on Form 20-F.

Awards granted to employees, officers, and directors are initially accounted for as equity-classified awards. The related share-based compensation expenses are measured at the grant date fair value of the award and are recognized using the graded vesting method, net of estimated forfeiture rates, over the requisite service period, which is generally the vesting period. Forfeitures are estimated at the time of grant based on historical forfeiture rates and will be revised in the subsequent periods if actual forfeitures differ from those estimates. We also granted share options, restricted shares and restricted share units to non-employees, which are also initially accounted for as equity-classified awards. Awards granted to non-employees are initially measured at fair value on the grant date and periodically remeasured thereafter until the earlier of the performance commitment date or the date the service is completed and recognized over the period the service is provided. Awards are remeasured at each reporting date using the fair value as at each period end until the measurement date, generally when the services are completed and share-based awards are vested. Changes in fair value between the interim reporting dates are recorded in consistent with the method used in recognizing the original compensation costs.

For an award with a performance and/or service condition that affects vesting, the performance and/or service condition is not considered in determining the award's fair value on the grant date. Performance and service conditions should be considered when we are estimating the quantity of awards that will vest. Compensation cost will reflect the number of awards that are expected to vest and will be adjusted to reflect those awards that do ultimately vest. We recognize compensation cost for awards with performance conditions if and when we conclude that it is probable that the performance condition will be achieved, net of an estimate of pre-vesting forfeitures over the requisite service period. We reassess the probability of vesting at each reporting period for awards with performance conditions and adjusts compensation cost based on its probability assessment, unless on certain situations, we may not be able to determine that it is probable that a performance condition will be satisfied until the event occurs.

Share options

In determining the fair value of share options granted, a binomial option-pricing model is applied. The determination of the fair value is affected by the stock price of JOYY on the Nasdaq Stock Market, as well as assumptions regarding a number of complex and subjective variables, including risk-free interest rates, exercise multiples, expected forfeiture rates, the expected share price volatility rates, and expected dividends.

During the years ended December 31, 2018, 2019 and 2020, we granted share options to employees of nil, 438,100 and nil respectively pursuant to the 2011 Share Incentive Plan.

Restricted share units

In determining the fair value of restricted share units granted, the fair value of the underlying shares of JOYY on the grant dates is applied. The grant date fair value of restricted share units is based on stock price of JOYY on the Nasdaq Stock Market.

For the years ended December 31, 2018, 2019 and 2020, 11,977,794, 16,114,095 and 62,770,405 restricted share units of JOYY was granted to our employees respectively pursuant to the 2011 Share Incentive Plan.

Restricted shares

In connection with the acquisition of Bigo in March 2019, we issued common shares to replace Bigo's share incentive scheme.

In determining the fair value of restricted shares granted, the fair value of the underlying shares of JOYY on the grant dates is applied. The grant date fair value of restricted share units is based on stock price of JOYY on the Nasdaq Stock Market.

For the years ended December 31, 2019 and 2020, 16,041,327 and 4,541,086 restricted shares of JOYY were granted to our employees respectively.

Acquisition

We apply the purchase method of accounting to account for our acquisitions. We determine the acquisition date based on the date at which all required licenses are transferred to us and we obtained control of the acquiree.

Purchase consideration generally consists of cash, contingent consideration and equity securities. In estimating the fair value of equity compensation, we consider both income and market approach and select the methodology that is most indicative of our fair value in an orderly transaction between market participants as of the measurement date. Under the market approach, we utilize publicly-traded comparable company information to determine the revenue and earnings multiples that are used to value our equity securities. Under the income approach, we determine the fair value of our equity securities based on the estimated future cash flow discounted by an estimated weighted-average cost of capital, which reflects the overall level of inherent risk and the rate of return an outside investor would expect to earn. We base the cash flow projections on forecasted cash flows derived from the most recent annual financial forecast using a terminal value based on the perpetuity growth model.

We estimated the fair value of acquired trademark using the relief from royalty method. The value is estimated as the present value of the after-tax cost savings at an appropriate discount rate. In terms of the fair value of the acquired user base, the excess earnings method was used. The value is estimated as the present value of the revenues calculated at an appropriate discount rate. Our determination of the fair values of acquired trademark and user base acquired involved the use of estimates and assumptions related to revenue growth rates, royalty rates, discount rates and attrition rates.

In estimating the fair value of the contingent consideration recognized on the acquisition date, we consider the trinomial tree model. Under this model, we perform a scenario analysis and calculate the fair value of the contingent consideration based on the net present value of the total contingent payments under each scenario and the expected probability of each scenario.

The identifiable assets acquired and liabilities and contingent liabilities assumed in a business acquisition are measured initially at the fair value at the acquisition date. The excess of the cost of acquisition over the fair value of the identifiable net assets acquired is recorded as goodwill.

We are responsible for determining the fair value of the equity issued, assets acquired, liabilities assumed and intangibles identified as of the relevant acquisition date. Post-acquisition expenses are charged to general and administrative expenses directly.

Goodwill

Goodwill represents the excess of the purchase price over the amounts assigned to the fair value of the assets acquired and the liabilities assumed of an acquired business.

Goodwill assessment for impairment is performed on at least an annual basis in the fourth quarter or whenever events or changes in circumstances indicate that the carrying value of the asset may not be recoverable. The Group performs a two-step goodwill impairment test. The first step compares the fair values of each reporting unit to its carrying amount, including goodwill. If the fair value of a reporting unit exceeds its carrying amount, goodwill is not considered impaired and the second step will not be required. If the carrying amount of a reporting unit exceeds its fair value, the second step compares the implied fair value of the affected reporting unit’s goodwill to the carrying value of that goodwill. The implied fair value of goodwill is determined in a manner similar to accounting for a business combination with the allocation of the assessed fair value determined in the first step to the assets and liabilities of the reporting unit. The excess of the fair value of the reporting unit over the amounts assigned to the assets and liabilities is the implied fair value of goodwill. This allocation process is only performed for purposes of evaluating goodwill impairment and does not result in an entry to adjust the value of any assets or liabilities. An impairment loss is recognized for any excess in the carrying value of goodwill over the implied fair value of goodwill. The judgment in estimating the fair value of reporting units includes estimating future cash flows, determining appropriate discount rates and making other assumptions. Changes in these estimates and assumptions could materially affect the determination of the fair value of each reporting unit.

We perform annual goodwill impairment test of each reporting unit in the fourth quarter, or more frequently, if certain events or circumstances warrant. Events or changes in circumstances which might indicate potential impairment in goodwill include the entity-specific factors, including, but not limited to, stock price volatility, market capitalization relative to net book value, and projected revenue, market growth and operating results.

We have performed a goodwill impairment analysis in the fourth quarter of 2019 and 2020. When determining the fair value of Bigo reporting unit, we used the income approach. The income approach determines fair value based on discounted cash flow models derived from the reporting units' long-term forecasts which included a five-year future cash flow projection and an estimated terminal value. The discounted cash flow model included a number of significant unobservable inputs. Key assumptions used to determine the estimated fair value include: (a) the five-year future cash flows forecasts including expected revenue growth, (b) an estimated terminal value using a terminal year long-term future growth rate determined based on the growth prospects of the reporting units; and (c) a discount rate that reflects the weighted-average cost of capital adjusted for the relevant risk associated with each reporting unit's operations and the uncertainty inherent in our internally developed forecasts. These key assumptions are subject to uncertainties and actual results may not be the same as the forecasted amounts. For example, our efforts to attract more paying users and increase the spending level of paying users may not be as successful as forecasted and therefore the actual revenue growth may not be as high as forecasted. Based on our assessment, the fair value of Bigo segment reporting units exceeded their carrying value by around 10% of their carrying value of the Bigo reporting unit as of December 31, 2020. Therefore, no impairment for goodwill was recognized for the year ended December 31, 2020.

Intangible assets

Intangible assets that are acquired in business acquisitions are recognized apart from goodwill if the intangible assets arise from contractual or other legal rights, or are separately identifiable if the intangible assets do not arise from contractual or other legal rights.

The costs of determinable-lived intangible assets are amortized to expense over their estimated life and stated at cost (fair value at acquisition) less accumulated amortization. The value of indefinite-lived intangible assets is not amortized, but tested for impairment annually in the fourth quarter of each year, or whenever events or changes in circumstances indicate that the carrying value of the assets may not be recoverable. We reassess indefinite-lived intangible assets at each reporting period to determine whether events or circumstances continue to support an indefinite useful life.

Impairment of investment, long-lived assets and intangible assets

The carrying amounts of investment, long-lived assets and intangible assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is evaluated by a comparison of the carrying amount of assets to future undiscounted net cash flows expected to be generated by the assets. Such assets are considered to be impaired if the sum of the expected undiscounted cash flow is less than carrying amount of the assets. The impairment to be recognized is measured by the amount by which the carrying amounts of the assets exceed the fair value of the assets. Impairment of investments of RMB35.3 million, RMB62.3 million and RMB43.9 million (US$6.7 million) was recognized for the year ended December 31, 2018, 2019 and 2020, respectively.

Taxation and uncertain tax positions

Current income tax is provided on the basis of income for financial reporting purposes, adjusted for income and expense items which are not assessable or deductible for income tax purposes. In accordance with the regulations of the relevant tax jurisdictions, deferred income taxes are accounted for using an asset and liability method. Under this method, deferred income taxes are recognized for the tax consequences of temporary differences by applying enacted statutory rates applicable to future years to differences between the financial statement carrying amounts and the tax bases of existing assets and liabilities. The tax base of an asset or liability is the amount attributed to that asset or liability for tax purpose. The effect on deferred taxes of a change in tax rates is recognized in statement of operations and comprehensive income in the period of change. A valuation allowance is provided to reduce the amount of deferred tax assets if it is considered more likely than not that some portion of, or all of the deferred tax assets will not be realized.

We currently have deferred tax assets resulting from net operating loss carryforwards and deductible temporary differences, all of which are available to reduce future tax payable in our significant tax jurisdictions. The largest component of our deferred assets are the temporary differences generated by our PRC subsidiary and VIE due to recognition of the deferred revenue. In assessing whether such deferred tax assets can be realized in the future, we need to make judgments and estimates on the ability of each of our PRC subsidiary and VIE to generate taxable income in the future years. To the extent that we believe it is more likely than not that some portion or the entire amount of deferred tax assets will not be realized, we established a total valuation allowance to offset the deferred tax assets. As of December 31, 2018, 2019 and 2020, a total valuation allowance of RMB169.2 million, RMB607.7 million and RMB980.4 million (US$150.3 million), respectively, was recognized against deferred tax assets. If we subsequently determine that all or a portion of the temporary differences are more like than not to be realized, the valuation allowance will be released, which will result in a tax benefit in our consolidated statements of operations.

We adopted the guidance on accounting for uncertainty in income taxes on January 1, 2008 using a modified retrospective transition method. The guidance prescribes a more likely than not threshold for financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. Guidance was also provided on derecognition of income tax assets and liabilities, classification of current and deferred income tax assets and liabilities, accounting for interest and penalties associated with tax positions, accounting for income taxes in interim periods, and income tax disclosures. Significant judgment is required in evaluating our uncertain tax positions and determining the relevant provision for income taxes. The adjustment to the opening balance of retained earnings as of January 1, 2008 as a result of the implementation of the guidance was zero. We did not recognize any significant interest and penalties associated with tax positions for the years ended December 31, 2018, 2019 and 2020. As of December 31, 2018, 2019 and 2020, we had no significant unrecognized uncertain tax positions.

Foreign currency

We use Renminbi as our reporting currency. The functional currency of our Company and our subsidiaries incorporated in the Cayman Islands, British Virgin Islands, Hong Kong, Singapore, United States, India, Egypt and other regions is U.S. dollar or their respective local currency, while the functional currency of the other subsidiaries incorporated in PRC is RMB. In the consolidated financial statements, the financial information of our Company and our subsidiaries, which use U.S. dollar or their respective local currency as their functional currency, have been translated into RMB. Assets and liabilities are translated at the exchange rates on the balance sheet date, equity amounts are translated at historical exchange rates, and revenues, expenses, gains and losses are translated using the average rate for the period. Translation adjustments arising from these are reported as foreign currency translation adjustments and are shown as a component of other comprehensive income or loss in the statement of operations and comprehensive income.

Foreign currency transactions denominated in currencies other than functional currency are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are re-measured at the applicable rates of exchange in effect at that date. Foreign exchange gains and losses resulting from the settlement of such transactions and from re-measurement at year-end are recognized in foreign currency exchange gains (losses), net in the consolidated statements of operations and comprehensive income.

Convertible Bonds

We determine the appropriate accounting treatment of our convertible bonds in accordance with the terms in relation to the conversion feature, call and put options, and beneficial conversion feature. After considering the impact of such features, we may account for such instrument as a liability in its entirety, or separate the instrument into debt and equity components following the respective guidance described under ASC 815 Derivatives and Hedging and ASC 470 Debt. The debt discount, if any, together with related issuance cost are subsequently amortized as interest expense, using the effective interest method, from the issuance date to the earliest conversion date. Interest expenses are recognized in the statement of comprehensive income in the period in which they are incurred.

Impact of COVID-19 On Our Operations

Our results of operations have been, and could continue to be adversely, and may be materially, affected, to the extent that the COVID-19 or any other epidemic harms the Chinese and global economy in general. Any potential impact to our results will depend on, to a large extent, future developments and new information that may emerge regarding the duration and severity of the COVID-19 and the actions taken by government authorities and other entities to contain the COVID-19 or treat its impact, almost all of which are beyond our control.

We believe that the global epidemic contributed to the increase in demand for premium online entertainment content and authentic social engagement, as the Company’s global business continues to grow and has achieved solid operational performance even encountered with the ongoing uncertainties. Our global average mobile MAUs increased by 27.2% and 21.0% in the first and second quarter of 2020, and decreased by 4.0% and 7.1% in the third and fourth quarter of 2020, respectively, as compared to the corresponding periods of 2019, among which the average mobile MAUs of YY Live increased by 21.7%, 6.0%, 3.4% and 1.9% in the first, second, third and fourth quarter of 2020, respectively, as compared to the corresponding periods of 2019. The increases in the global average mobile MAUs in the first and second quarters of 2020, and the increases in the average mobile MAUs of YY Live in each quarter of 2020 were primarily due to (i) the increase in online leisure time for online entertainment, attributable to the restrictive measures imposed on travelling and offline entertainment activities, and (ii) the enriched and diversified content offerings and effective operating strategies of our platforms to attract active users.

As many countries have implemented strict indoor and insulation policy, we witnessed greater user traffic of, user time spent on as well as the user retention rate of our live streaming and short-form video platform. Specifically, we stick to our global dual-engine growth strategy, and committed to fuel our global expansion together with our local operations, improved our edge in video content and services, and enhanced our monetization capability of our various platforms. Even as the COVID-19 pandemic reemerged and regional geopolitical risks drive uncertainty throughout the global economy, our platforms remains the trend in gaining user attraction, usage and engagement in 2020. In the first, second and third quarter of 2020 typically, our total revenues grew by 249.0%, 116.6% and 97.6% year over year. In particular, the Bigo segment’s revenue grew by 140.6% year over year compared to 2019, mostly driven by live streaming revenue growth.

The global outbreak of the COVID-19 pandemic also caused a significant amount of macroeconomic uncertainties in most markets, and adversely affected the willingness of some users to purchase virtual items or other products or services on some of our platforms, esp. YY Live, our discontinued PRC business. Due to the impact of the COVID-19, the total number of paying users of YY Live decreased by 3.6%, 2.2%, 4.7% and 1.1% in the first, second, third and fourth quarters of 2020, respectively, as compared with the corresponding periods in 2019, primarily due to the negative impacts of COVID-19 on the income and personal financial conditions of some of its existing and prospective paying users, which decreased their discretionary spending on online entertainment. As an effort to contain the spread of COVID-19, China took precautionary measures that reduced economic activities, including temporary closure of corporate offices, retail outlets and other business facilities, as well as strict implementation of quarantine measures. These measures adversely impacted the macroeconomic environment of China as well as the income and personal financial condition of many individuals. Such impact in turn adversely affected the willingness of some YY Live users to purchase virtual items or other products or services on the live streaming platforms of YY Live, contributing to the decreases in the paying users of YY Live in each quarter of 2020.

Our operations are primarily financed through cash flows from operating activities, the proceeds from our public offerings, the proceeds from our following convertible senior notes offering and other financing activities. As of December 31, 2020, our cash and cash equivalents, restricted cash and cash equivalents, short-term deposits, restricted short-term deposits, as well as short-term investments were RMB23.5 billion (US$3.6 billion). We believe this level of liquidity is sufficient to meet our anticipated working capital requirements and capital expenditures needs for the next 12 months, and our abundant cash reserves, efficient operations and prudent investment approach will successfully navigate an extended period of uncertainty. See also “Item 5. Operating and Financial Review and Prospects — B. Liquidity and Capital Resources.”

However, there remain significant uncertainties surrounding COVID-19 and its further development as a global pandemic. Hence, the extent of the business disruption and the related impact on our financial results and outlook cannot be reasonably estimated at this time. The extent to which the COVID-19 pandemic impacts our long-term results remains uncertain, and we are closely monitoring its impact on us. See also “Item 3. Key Information — D. Risk Factors—Risks Related to Our Business and Industry—Our business and results of operations have been and may continue to be materially adversely affected by the outbreak of COVID-19.”

Results of Operations

The following table sets forth a summary of our consolidated results of operations for the years indicated. Our business has grown rapidly since our inception, and our limited operating history makes it difficult to predict future operating results. We believe that period-to-period comparisons of results of operations should not be relied upon as indicative of future performance. Starting from April 3, 2020, we no longer consolidate the operating results of Huya into our financial statements. As a result of the definitive agreements entered into with Baidu on the sale of YY Live, which has been substantially completed with certain customary matters to be completed in the near future, the historical financial results of YY Live are reflected in the Company's consolidated financial statements as discontinued operations accordingly. The discontinued operations of the Company's consolidated financial statements also include the results of Huya from January 1, 2020 to April 3, 2020.

	For the Year Ended December 31,						
	2018		2019		2020		
	RMB	% of total net revenues	RMB	% of total net revenues	RMB	US$	% of total net revenues
Total net revenues [1]	829,476	100.0	6,239,309	100.0	13,230,945	2,027,731	100.0
Live streaming	361,475	43.6	5,330,790	85.4	12,524,825	1,919,513	94.7
Others	468,001	56.4	908,519	14.6	706,120	108,218	5.3
Cost of revenues	(725,701)	(87.5)	(4,552,658)	(73.0)	(9,509,589)	(1,457,408)	(71.9)
Gross profit	103,775	12.5	1,686,651	27.0	3,721,356	570,323	28.1
Research and development expenses	(514,854)	(62.1)	(1,633,668)	(26.2)	(2,096,796)	(321,348)	(15.8)
Sales and marketing expenses	(463,953)	(55.9)	(2,794,724)	(44.8)	(3,484,814)	(534,071)	(26.3)
General and administrative expenses	(391,837)	(47.2)	(938,219)	(15.0)	(1,016,544)	(155,792)	(7.7)
Total operating expenses	(1,370,644)	(165.2)	(5,366,611)	(86.0)	(6,598,154)	(1,011,211)	(49.9)
Gain on disposal of business	—	—	82,699	1.3	—	—	—
Other income	11,904	1.4	39,306	0.6	56,111	8,599	0.4
Operating loss	(1,254,965)	(151.3)	(3,557,955)	(57.0)	(2,820,687)	(432,289)	(21.3)
Gain on deemed disposal and disposal of investments	16,178	2.0	—	—	1,897,128	290,748	14.3
Fair value loss on derivative liabilities	—	—	(16,011)	(0.3)	(42,320)	(6,486)	(0.3)
Gain on fair value changes of investments	1,487,405	179.3	2,679,312	42.9	1,127,714	172,830	8.5
Foreign currency exchange (losses)/gains, net	(565)	(0.1)	8,639	0.1	(118,859)	(18,216)	(0.9)
Interest expense	(8,616)	(1.0)	(266,517)	(4.3)	(522,015)	(80,002)	(3.9)
Interest income and investment income	327,438	39.5	426,631	6.8	614,014	94,102	4.6
Other non-operating expense	(2,000)	(0.2)	—	—	(17,257)	(2,645)	(0.1)
Income (loss) before income tax expenses	564,875	68.1	(725,901)	(11.6)	117,718	18,042	0.9
Income tax (expenses) benefits	(67,800)	(8.2)	141,108	2.3	(192,337)	(29,477)	(1.5)
Income (loss) before share of income (loss) in equity method investments, net of income taxes	497,075	59.9	(584,793)	(9.4)	(74,619)	(11,435)	(0.6)
Share of income (loss) in equity method investments, net of income taxes	120,636	14.5	41,315	0.7	(51,759)	(7,932)	(0.4)
Net income (loss) from continuing operations	617,711	74.5	(543,478)	(8.7)	(126,378)	(19,367)	(1.0)
Net income from discontinued operations	1,497,986	180.6	4,243,507	68.0	9,849,538	1,509,507	74.4
Net income	2,115,697	255.1	3,700,029	59.3	9,723,160	1,490,140	73.5
Less: Net (loss) income attributable to the non-controlling interest shareholders and the mezzanine equity classified non-controlling interest shareholders	(93,310)	(11.2)	254,794	4.1	48,129	7,376	0.4
Net income attributable to controlling interest of the Company	2,209,007	266.3	3,445,235	55.2	9,675,031	1,482,764	73.1
Including: Net income (loss) from continuing operations attributable to controlling interest of the Company	625,319	75.4	(516,703)	(8.3)	(105,112)	(16,109)	(0.8)
Net income from discontinued operations attributable to controlling interest of the Company	1,583,688	190.9	3,961,938	63.5	9,780,143	1,498,873	73.9
Less: Accretion of subsidiaries' redeemable convertible preferred shares to redemption value	73,159	8.8	38,346	0.6	38,474	5,896	0.3
Cumulative dividend on subsidiary's Series A Preferred Shares	4,606	0.6	27,559	0.4	27,651	4,238	0.2
Deemed dividend to subsidiary's Series A Preferred Shareholders	489,284	59.0	—	—	—	—	—
Net income attributable to common shareholders of the Company	1,641,958	198.0	3,379,330	54.2	9,608,906	1,472,630	72.6
Including: Net income (loss) from continuing operations attributable to common shareholders of the Company	614,630	74.1	(582,608)	(9.3)	(171,237)	(26,243)	(1.3)
Net income from discontinued operations attributable to common shareholders of the Company	1,027,328	123.9	3,961,938	63.5	9,780,143	1,498,873	73.9

(1) Net of rebates and discounts.

Year Ended December 31, 2020 Compared to Year Ended December 31, 2019

Net revenues. Our net revenues increased by 112.1 % from RMB6,239.3 million in 2019 to RMB13,230.9 million (US$2,027.7 million) in 2020. This increase was primarily driven by the increase in live streaming revenues and the contribution from Bigo segment.

Live streaming revenues. Our live streaming revenues increased by 135.0 % from RMB5,330.8 million in 2019 to RMB12,524.8 million (US$1,919.5 million) in 2020. The overall increase was primarily caused by the continued live streaming revenues growth in Bigo segment, amounting to RMB11,447.2 million (US$1,754.4 million), as a result of Bigo's successful global expansion in 2020.

Other revenues. Other revenues decreased by 22.3 % from RMB908.5 million in 2019 to RMB706.1 million (US$108.2 million) in 2020, which was mainly due to the decrease in revenues from all other segment as we continued to focus on our main strategy, and we exited certain business not closely related to our core focus areas.

Cost of revenues. Our cost of revenues increased by 108.9 % from RMB4,552.7 million in 2019 to RMB9,509.6 million (US$1,457.4 million) in 2020. The increase was mainly due to an increase in our revenue sharing fees and content costs, which increased by 164.4 % from RMB2,118.5 million in 2019 to RMB5,601.4 million (US$858.5 million) in 2020. This increase in revenue sharing fees and content costs was in line with the increase in live streaming revenues in Bigo. Bandwidth costs increased 18.1% from RMB706.5 million in 2019 to RMB834.1 million (US$127.8 million) in 2020, as the global user base and time spent continued to expand following the consolidation of Bigo. Payment handling costs increased from RMB652.5 million in 2019 to RMB1,317.2 million (US$201.9 million) in 2020, primarily due to the higher charge rate of payment systems as we expanded our global operations.

Operating expenses. Our operating expenses increased by 22.9% from RMB5,366.6 million in 2019 to RMB6,598.2 million (US$1,011.2 million) in 2020, primarily due to an increase in sales and marketing expenses, particularly in relation to sales and marketing activities in the global market, and research and development expenses, which was associated with our commitment to research and development and the advancements in our technology development, as well as general and administrative expenses.

Research and development expenses. Our research and development expenses increased by 28.3% from RMB1,633.7 million in 2019 to RMB2,096.8 million (US$321.3 million) in 2020. This increase was primarily due to the increase in salary of research and development staff by RMB491.8 million (US$75.4 million) and the decrease in share-based compensation by RMB67.2 million (US$10.3 million) from 2019 to 2020, which were mainly related to the increased spending on personnel costs for research and development personnel.

Sales and marketing expenses. Our sales and marketing expenses increased by 24.7% from RMB2,794.7 million in 2019 to RMB3,484.8 million (US$534.1 million) in 2020. This increase was primarily due to our increased efforts in sales and marketing activities as we expand our global operations.

General and administrative expenses. Our general and administrative expenses increased by 8.3% from RMB938.2 million in 2019 to RMB1,016.5 million (US$155.8 million) in 2020. This increase was associated with the general growth of our business and the decrease in the impairment charge.

Foreign currency exchange gains (losses). We had net foreign currency exchange losses of RMB118.9 million (US$18.2 million) in 2020, compared to a net foreign currency exchange gains of RMB8.6 million in 2019. During 2020, RMB generally appreciated against US$, which was opposite to the trend in 2019, leading to the change in foreign currency exchange gains (losses) during the two years.

Interest income and investment income. Our interest income and investment income increased from RMB426.6 million in 2019 to RMB614.0 million (US$94.1 million) in 2020. This increase was primarily due to proceeds from disposal of equity interest in Huya in 2020.

Income tax expenses. We recorded income tax expenses of RMB192.3 million (US$29.5 million) in 2020 compared to tax benefits of RMB141.1 million in 2019. The effective tax rates of 2020 and 2019 were 163.4% and 19.4%, respectively. The effective tax rate of 2020 was significantly impacted by the valuation allowances provided against deferred tax assets which were more likely that would not be realised.

Net loss from continuing operations. As a result of the foregoing, we had a net loss from continuing operations attributable to common shareholders of the Company of RMB171.2 million (US$26.2 million) in 2020 as compared to RMB582.6 million in 2019.

Net income from discontinued operations. We had net income from discontinued operations attributable to common shareholders of the Company of RMB9,780.1 million (US$1,498.9 million) in 2020 as compared to RMB3,961.9 million in 2019. This increase was primarily due to gain on disposal of Huya amounted to around RMB6.4 billion was reported as part of the net income from discontinued operations in the second quarter of 2020.

Year Ended December 31, 2019 Compared to Year Ended December 31, 2018

Net revenues. Our net revenues increased by 652.2% from RMB829.5 million in 2018 to RMB6,239.3 million in 2019. This increase was primarily driven by the increase in live streaming revenues and the contribution from Bigo's consolidation starting from March 2019.

Live streaming revenues. Our live streaming revenues increased by 1,374.6% from RMB361.5 million in 2018 to RMB5,330.8 million in 2019. This increase was primarily driven by the increase in live streaming revenues and the contribution from Bigo's consolidation.

Other revenues. Other revenues increased by 94.1% from RMB468.0 million in 2018 to RMB908.5 million in 2019, primarily due to the increase in advertising revenues from Bigo.

Cost of revenues. Our cost of revenues increased by 527.4% from RMB725.7million in 2018 to RMB4,552.7 million in 2019. The increase was mainly due to an increase in our revenue sharing fees and content costs, which increased by 637.6% from RMB287.2 million in 2018 to RMB2,118.5 million in 2019. This increase in revenue sharing fees and content costs was in line with the increase in live streaming revenues and mainly due to the consolidation of Bigo. Bandwidth costs increased 418.0% from RMB136.4 million in 2018 to RMB706.5 million in 2019, as the global user base and time spent continued to expand following the consolidation of Bigo. Payment handling costs increased from RMB17.7 million in 2018 to RMB652.5 million in 2019, primarily due to the consolidation of Bigo and the higher charge rate of payment systems as we expanded our global operations.

Operating expenses. Our operating expenses increased by 291.6% from RMB1,370.6 million in 2018 to RMB5,366.6 million in 2019, primarily due to an increase in sales and marketing expenses, particularly in relation to sales and marketing activities in multiple regions across the globe, and research and development expenses, which was associated with our commitment to research and development and the advancements in our technology development, as well as general and administrative expenses. The increases in the expenses were also a result of the consolidation of Bigo in 2019.

Research and development expenses. Our research and development expenses increased by 217.3% from RMB514.9 million in 2018 to RMB1,633.7 million in 2019. This increase was mainly related to the consolidation of Bigo by RMB979.2 million, as well as increased spending on personnel costs for research and development personnel.

Sales and marketing expenses. Our sales and marketing expenses increased by 502.3% from RMB464.0 million in 2018 to RMB2,794.7 million in 2019. This increase was primarily due to our increased efforts in sales and marketing activities in multiple regions across the globe and the impact of depreciation and amortization related to the consolidation of Bigo.

General and administrative expenses. Our general and administrative expenses increased by 139.5% from RMB391.8 million in 2018 to RMB938.2 million in 2019. This increase was primarily due to the consolidation of Bigo by RMB331.5 million and the impairment change by RMB149.7 million mainly for our financing business which we ceased to extend credit since the second half of 2019.

Foreign currency exchange gains (losses). We had net foreign currency exchange gains of RMB8.6 million in 2019, compared to a net foreign currency exchange losses of RMB0.6 million in 2018. Exchange rate between RMB and US$ in 2019 experienced different trend compared to 2018, leading to the change in foreign currency exchange gains (losses) during the two years.

Interest income and investment income. Our interest income and investment income increased from RMB327.4 million in 2018 to RMB426.6 million in 2019. This increase was primarily due to the initial public offering in 2018 and the follow-on offering of HUYA Inc. in 2019, and the issuance of convertible senior notes in 2019.

Income tax expenses. We recorded income tax benefits of RMB141.1 million in 2019 compared to income tax expenses of RMB67.8 million in 2018. The effective tax rates of 2019 and 2018 were 19.4% and 12.0%, respectively.

Net loss from continuing operations. As a result of the foregoing, we had a net loss from continuing operations attributable to common shareholders of the Company of RMB582.6 million in 2019 as compared to a net income attributable to common shareholders of the Company of RMB614.6 million in 2018.

Net income from discontinued operations. We had net income from discontinued operations attributable to common shareholders of the Company of RMB3,961.9 million in 2019 as compared to RMB1,027.3 million in 2018. This increase was primarily attributable to the continued growth in Huya in 2019.

Segment Revenues

The following table sets forth our revenues by segment for the periods indicated:

	Year ended December 31,			
	2018	2019	2020	
	RMB	RMB	RMB	US$
	(in thousands, except percentages)			
Net Revenues:				
Bigo	N/A	4,968,316	11,954,283	1,832,074
All other	829,476	1,270,993	1,276,662	195,657

Bigo

2020 compared to 2019. Bigo revenues increased by 140.6% from RMB4,968.3 million in 2019 after we consolidated Bigo's financial information to RMB11,954.3 million (US$1,832.1 million) in 2020, which primarily attributable to continued user base growth and enhanced monetization capabilities of BIGO.

2019 compared to 2018. After our acquisition of Bigo in March 2019, we consolidated its financial information into ours. Bigo revenues after this consolidation was RMB4,968.3 million in 2019, which mainly included revenue from live streaming services.

All other

2020 compared to 2019. Revenues of All other segment increased from RMB1,271.0 million in 2019 to RMB1,276.7 million (US$195.7 million) in 2020, primarily due to the revenue growth in Hago, largely offset by the decrease resulting from the disposal of online game business in 2019.

2019 compared to 2018. Revenues of All other segment increased from RMB829.5 million in 2018 to RMB1,271.0 million in 2019, primarily driven by the increase in the number of paying user on Hago.

Segment Operating Costs and Expenses

The following table sets forth our operating costs and expenses by segment for the periods indicated:

	Year ended December 31,			
	2018	2019	2020	
	RMB	RMB	RMB	US$
	(in thousands, except percentages)			
Operating Costs and Expenses:				
Bigo	N/A	(6,877,899)	(13,345,627)	(2,045,306)
All other	(2,096,345)	(3,041,370)	(2,762,116)	(423,313)

Bigo

Operating costs and expenses of Bigo mainly consist of revenue sharing, salaries and benefits, marketing and promotion expenses, bandwidth costs, depreciation and amortization, payment handling costs and other costs.

Cost of revenues.

2020 compared to 2019. The cost of revenues of Bigo increased by 137.4% from RMB3,508.5 million in 2019 after we consolidated Bigo's financial information to RMB8,330.3 million (US$1,276.7 million) in 2020, which was in line with the increase in revenue.

2019 compared to 2018. The cost of revenues of Bigo in 2019 after we consolidated Bigo's financial information was RMB3,508.5 million, which consisted primarily of (i) revenue sharing fees and content costs, (ii) bandwidth costs, (iii) payment handling cost, (iv) salary and welfare, (v) technical service fee, and (vi) depreciation and amortization expense for servers.

Research and development expenses.

2020 compared to 2019. The research and development expenses of Bigo increased by 37.2% from RMB979.2 million in 2019 after we consolidated Bigo's financial information to RMB1,343.9 million (US$206.0 million) in 2020, which due to the increase in the salaries, welfare and shared-based compensation expenses of research and development personnel.

2019 compared to 2018. The research and development expenses of Bigo in 2019 after we consolidated Bigo's financial information were RMB979.2 million, which consisted primarily of salary and welfare, and share-based compensation for research and development personnel.

Sales and marketing expenses.

2020 compared to 2019. The sales and marketing expenses of Bigo increased by 49.5% from RMB2,058.8 million in 2019 after we consolidated Bigo's financial information to RMB3,078.2 million (US$471.8 million) in 2020, which was primarily due to our increased efforts in sales and marketing activities as we expand our global business.

2019 compared to 2018. The sales and marketing expenses of Bigo in 2019 after we consolidated Bigo's financial information were RMB2,058.8 million, which consisted primarily of advertising and market promotion expenses, and amortization of intangible assets from consolidation of Bigo.

General and administrative expenses.

2020 compared to 2019. The general and administrative expenses of Bigo increased by 78.9% from RMB331.5 million in 2019 after we consolidated Bigo's financial information to RMB593.2 million (US$90.9 million) in 2020, which was primarily due to the increase in share-based compensation expenses related to the share awards newly granted.

2019 compared to 2018. The general and administrative expenses of Bigo in 2019 after we consolidated Bigo's financial information were RMB331.5 million, which consisted primarily of (i) share-based compensation for management and administrative personnel, (ii) salary and welfare for general and administrative personnel, and (iii) professional service fees.

All other

Operating costs and expenses of All other segment mainly consist of revenue sharing fees and content costs, salaries and benefits, marketing and promotion expenses, bandwidth costs, depreciation and amortization, impairment charge and other costs.

Cost of revenues

2020 compared to 2019. The cost of revenues of All other segment increased by 12.9% from RMB1,044.2 million in 2019 to RMB1,179.3 million (US$180.7 million) in 2020, which was due to the continued investment in content enrichment.

2019 compared to 2018. The cost of revenues of All other segment increased by 43.9% from RMB725.7 million in 2018 to RMB1,044.2 million in 2019, which was in line with the increase in revenue.

Research and development expense

2020 compared to 2019. The research and development expenses of All other segment increased by 15.0% from RMB654.5 million in 2019 to RMB752.9 million (US$115.4 million) in 2020, primarily due to increase in staff related expenses for research and development personnel.

2019 compared to 2018. The research and development expenses of All other segment increased by 27.1% from RMB514.9 million in 2018 to RMB654.5 million in 2019, primarily due to increase in staff related expenses for research and development personnel.

Sales and marketing expenses

2020 compared to 2019. The sales and marketing expenses of All other segment decreased by 44.7% from RMB735.9 million in 2019 to RMB406.6 million (US$62.3 million) in 2020, primarily due to Hago's decreased sales and marketing activities in global markets due to the COVID-19 outbreak, as well as Hago's decreased sales and marketing activities in India after Indian government's measures to block certain Chinese mobile apps in late June 2020.

2019 compared to 2018. The sales and marketing expenses increased by 58.6% from RMB464.0 million in 2018 to RMB735.9 million in 2019, primarily due to Hago's increased efforts in global expansion.

General and administrative expense

2020 compared to 2019. The general and administrative expenses of All other segment decreased by 30.2% from RMB606.8 million in 2019 to RMB423.3 million (US$64.9 million) in 2020, primarily attributable to a decrease in provision for loss allowances of receivables.

2019 compared to 2018. The general and administrative expenses of All other segment increased by 54.9% from RMB391.8 million in 2018 to RMB606.8 million in 2019, primarily due to increase in staff related expenses and impairment charge for financing business and equity investments.

Recently Issued Accounting Pronouncements

The recently issued accounting pronouncements that are relevant to us are included in note 2(nn) to our audited consolidated financial statements, which are included in this annual report.

B. Liquidity and Capital Resources

Cash Flows and Working Capital

In recent years, we have financed our operations primarily through cash flows from operations, the proceeds from our follow-on offering in August 2017 and the proceeds from our convertible senior notes offering in June 2019. We expect to require cash to fund our ongoing operational needs, particularly our revenue sharing fees and content costs, salaries and benefits, bandwidth costs and potential acquisitions or strategic investments. We believe that our current cash and cash equivalents and the anticipated cash flow from operations will be sufficient to meet our anticipated working capital requirements and capital expenditures needs for the next 12 months. However, we may require additional cash resources due to changing business conditions or other future developments, including any investments or acquisitions we may decide to selectively pursue. If our existing cash resources are insufficient to meet our requirements, we may seek to sell equity or equity-linked securities, debt securities or borrow from banks.

In March 2014, we issued an aggregate of US$400.0 million 2.25% convertible senior notes due in 2019. The net proceeds from the sale of the notes were US$390.8 million. The notes bore interest at a rate of 2.25% per year, payable semiannually in arrears on April 1 and October 1 of each year, and such notes matured on April 1, 2019. On April 1, 2017, we repurchased for cash the notes of an aggregate principal amount of US$399.0 million. As of the date of this annual report, no principal amount of the notes remain outstanding.

On May 16, 2017, HUYA Inc. entered into a series A preferred shares subscription agreement with its series A investors and pursuant to which, HUYA Inc. issued 22,058,823 series A preferred shares of HUYA Inc. at a price of US$3.4 per share for an aggregate consideration of US$75 million (equivalent to RMB509.7 million as of the issuance date). The issuance of the series A preferred shares was completed on July 10, 2017.

On August 21, 2017, we completed a secondary offering and received US$442.2 million in net proceeds, after deducting commissions and offering expenses.

On March 8, 2018, HUYA Inc. issued 64,488,235 shares of Series B-2 redeemable convertible preferred shares at a price of US$7.16 per share for cash consideration of US$461.6 million to Linen Investment Limited, a wholly owned subsidiary of Tencent Holdings Limited.

In May 2018, HUYA Inc. successfully completed its initial public offering of 17,250,000 ADSs at a price of US$12.0 per ADS, including 2,250,000 ADSs offered pursuant to the underwriters' full exercise of their over-allotment options. Each HUYA Inc. ADS represents one Class A ordinary share of HUYA Inc. HUYA Inc. received net proceeds of US$190.1 million.

In June 2018, we invested US$272 million in the Series D round of financing of Bigo as the lead investor. We were then an existing shareholder of Bigo and had become its largest shareholder after the Series D financing.

In March 2019, we completed the acquisition of the remaining 68.3% of equity interest in Bigo from the other shareholders of Bigo, including Mr. David Xueling Li, our chairman of the board of directors and chief executive officer. Pursuant to the agreement, we paid US$343.1 million in cash and resulted in issuance of 38,326,579 Class B common shares to Mr. David Xueling Li and 305,127,046 outstanding Class A common shares to Mr. David Xueling Li and other selling shareholders of Bigo.

In April 2019, HUYA Inc. successfully completed a follow-on public offering, issuing 13,600,000 ADSs at a price of US$24.00 per ADS. We, as a selling shareholder, participated in the follow-on public offering and offered 4,800,000 ADSs. Huya and we raised from such public offering approximately US$313.8 million in net proceeds after deducting underwriting commissions and the offering expenses payable.

In June 2019, we issued an aggregate of US$500.0 million convertible senior notes due in 2025 and an aggregate of US$500.0 million convertible senior notes due in 2026. The total net proceeds from the sale of the notes were US$982.4 million. The 2025 Notes will bear interest at a rate of 0.75% per year, and the 2026 Notes at a rate of 1.375% per year. Interest on the notes will accrue from, and including, June 24, 2019 and will be payable semiannually in arrears on June 15 and December 15 of each year, beginning on December 15, 2019. The 2025 Notes will mature on June 15, 2025 and the 2026 Notes will mature on June 15, 2026, unless repurchased, redeemed or converted in accordance with their terms prior to such date. On March 25, 2020, we announced a convertible notes repurchase plan under which we may repurchase up to an aggregate of US$200 million of the 2025 Notes and 2026 Notes over the next 12 months.

In April 2020, we transferred 16,523,819 Class B ordinary shares of Huya to Linen Investment Limited, a wholly-owned subsidiary of Tencent for an aggregate purchase price of approximately US$262.6 million in cash. In August 2020, we entered into a definitive share transfer agreement with Linen Investment Limited, pursuant to which we would transfer 30,000,000 Class B ordinary shares of Huya to Tencent for an aggregate purchase price of US$810.0 million in cash.

As of December 31, 2018, 2019 and 2020, we had RMB5,247.0 million, RMB3,367.2 million and RMB11,666.3 million (US$1,787.9 million), respectively, in cash, cash equivalents, restricted cash, and restricted short-term deposits of continuing operation.

As of December 31, 2020, our subsidiaries, VIEs, and VIE’s subsidiaries located in the PRC held cash and cash equivalents in the amount of RMB2,738.4 million (US$419.7 million). Aggregate undistributed earnings and reserves of our subsidiaries, VIEs, and VIE’s subsidiaries located in the PRC that are available for distribution to our company as of December 31, 2020 were RMB17,011.7 million (US$2,607.2 million). We would need to accrue and pay withholding taxes if we were to distribute funds from our subsidiaries in the PRC to our offshore subsidiaries. We do not intend to repatriate such funds in the foreseeable future, as we plan to use existing cash balance in the PRC for general corporate purposes.

The following table sets forth a summary of our cash flows for the years indicated:

	For the Year Ended December 31,			
	2018	2019	2020	
	RMB	RMB	RMB	US$
	(in thousands)			
Net cash used in continuing operating activities	(162,317)	(1,231,228)	(18,785)	(2,879)
Net cash (used in) provided by continuing investing activities	(1,798,680)	(11,732,148)	4,771,080	731,200
Net cash provided by (used in) continuing financing activities	40,409	7,346,374	(945,220)	(144,862)
Net increase/(decrease) in cash, cash equivalents and restricted cash	2,336,698	(1,558,303)	7,902,414	1,211,097
Cash, cash equivalents and restricted cash at the beginning of the year	3,617,432	6,004,231	4,551,464	697,542
Effect of exchange rate changes on cash, cash equivalents and restricted cash	50,101	105,536	(581,358)	(89,097)
Cash, cash equivalents and restricted cash at the end of the year	6,004,231	4,551,464	11,872,520	1,819,542
Less: Cash, cash equivalents and restricted cash of held for sales at the end of the year	757,257	1,184,307	206,191	31,600
Cash, cash equivalents and restricted cash of continuing operations at the end of the year	5,246,974	3,367,157	11,666,329	1,787,942

Operating Activities

Net cash used in continuing operating activities consists primarily of our net income with certain adjustments, such as gain on disposal and deemed disposal of investments, and gain on fair value changes of investments, and mitigated by non-cash adjustments, such as share-based compensation, depreciation of property and equipment, and amortization of acquired intangible assets and land use rights.

Net cash used in continuing operating activities amounted to RMB18.8 million (US$2.9 million) for the year ended December 31, 2020. In 2020, the difference between our net cash used in continuing operating activities and our net loss from continuing operations of RMB126.4 million (US$19.4 million) was primarily due to an increase in accrued liabilities and other current liabilities of RMB743.9 million (US$114.0 million) as a result of an increase in accrued revenue sharing fees, accrued salaries and welfare, and value added taxes and other taxes payable, a non-cash item adjustment in share-based compensation of RMB636.0 million (US$97.5 million), a non-cash item adjustment in amortization of acquired intangible assets and land use rights of RMB756.4 million (US$115.9 million), a non-cash item adjustment in depreciation of property and equipment of RMB535.5 million (US$82.1 million), partially offset by a non-cash item adjustment in gain on fair value change of investments of RMB1,127.7 million (US$172.8 million), and an adjustment in gain on disposal and deemed disposal of investments of RMB1,897.1 (US$290.7 million).

Net cash used in continuing operating activities amounted to RMB1,231.2 million for the year ended December 31, 2019. In 2019, the difference between our net cash used in continuing operating activities and our net loss from continuing operations of RMB543.5 million was primarily due to a non-cash item adjustment in gain on fair value change of investments of RMB2,679.3 million, partially offset by an increase in accrued liabilities and other current liabilities of RMB786.5 million, a non-cash item adjustment in share-based compensation of RMB526.1 million, and a non-cash item adjustment in amortization of acquired intangible assets and land use rights of RMB699.2 million.

Net cash used in continuing operating activities amounted to RMB162.3 million for the year ended December 31, 2018. In 2018, the difference between our net cash used in continuing operating activities and our net income from continuing operations of RMB617.7 million was primarily due to a non-cash item adjustment in gain on fair value change of investments of RMB1,487.4 million, partially offset by an increase in accrued liabilities and other current liabilities of RMB353.6 million, and a non-cash item adjustment in share-based compensation of RMB228.1 million.

Investing Activities

Net cash used in continuing investing activities largely reflects placements of short-term deposits, placements of short-term investments, purchases of property and equipment and other non-current assets in connection with the expansion and upgrade of our technology infrastructure, and our acquisitions of and investments in certain companies.

Net cash provided by continuing investing activities largely reflects maturities of short-term deposits, maturities of short-term investments, and cash received from disposal of investments.

Net cash provided by continuing investing activities amounted to RMB4,771.1 million (US$731.2 million) in the year ended December 31, 2020. Net cash provided by continuing investing activities primarily resulted from the maturities of short-term deposits and short-term investments in various banks in the amount of RMB15,799.3 million (US$2,421.3 million), and cash received from disposal of investments of RMB5,715.2 million (US$875.9 million), partially offset by the placement of short-term deposits and short-term investments in various banks in the amount of RMB14,541.3 million (US$2,228.6 million), cash paid for certain acquisitions and strategic investments of RMB1,460.2 million (US$223.8 million), and payments of RMB1,043.6 million (US$159.9 million) for purchase of property and equipment.

Net cash used in continuing investing activities amounted to RMB11,732.1 million in the year ended December 31, 2019. Net cash used in continuing investing activities primarily resulted from the placements of short-term deposits of RMB11,086.3 million, the placements of short-term investments of RMB4,829.2 million, cash paid for certain acquisitions and strategic investments of RMB2,205.5 million, and payments of RMB779.4 million to originate financing receivables, partially offset by the maturities of short-term deposits and short-term investments in various banks in the amount of RMB6,621.7 million, and principal collection from financing receivables of RMB1,489.1 million.

Net cash used in continuing investing activities amounted to RMB1,798.7 million in the year ended December 31, 2018. Net cash used in continuing investing activities primarily resulted from the placements of short-term deposits of RMB3,730.9 million, the placements of short-term investments of RMB2,641.3 million, the placements of long-term deposits of RMB1,000.0 million, payments of RMB232.0 million for the purchase of property and equipment, which mainly consisted of the purchase of servers, cash paid for certain strategic investments of RMB2,354.3 million, and payments to originate financing receivables of RMB1,458.0 million, partially offset by the maturities of short-term deposits and short-term investments in various banks in the amount of RMB8,974.9 million.

Financing Activities

Net cash used in continuing financing activities was RMB945.2 million (US$144.9 million) in 2020, primarily attributable to dividends paid to shareholders of RMB446.3 million (US$68.4 million), cash paid for share repurchase of RMB732.9 million (US$112.3 million), the proceeds of RMB1,076.4 million (US$165.0 million) from bank borrowings, and RMB918.4 million (US$140.7 million) repayment of bank borrowings.

Net cash provided by continuing financing activities was RMB7,346.4 million in 2019, primarily attributable to the proceeds of RMB6,209.6 million from issuance of our issuance of convertible bonds, net of issuance costs, the proceeds of RMB1,550.5 million from bank borrowings, and RMB1,014.5 million repayment of bank borrowings.

Net cash provided by continuing financing activities was RMB40.4 million in 2018, primarily attributable to the proceeds of RMB312.1 million from capital contributions of mezzanine equity holders, the proceeds of RMB378.5 million from partial disposal of Huya's interests to non-controlling interest shareholders, the proceeds of RMB691.6 million from bank borrowings, and RMB1,308.1 million repayment of bank borrowings.

Capital Expenditures

We made capital expenditures of RMB238.3 million, RMB1,033.5 million and RMB1,057.3 million (US$162.0 million) in 2018, 2019 and 2020, respectively. Our capital expenditures are primarily used to purchase office space, computers, servers, office furniture, operating rights, domain names and other assets.

C. Research and Development, Patents and Licenses, Etc.

In order to support the kind of multi-user, real-time online voice and video communications on a scale necessary for our platforms, we build and develop our own network infrastructure. See "Item 4. Information on the Company—B. Business Overview—Research and Development" for a description of the research and development aspect of our business and "Item 4. Information on the Company—B. Business Overview—Intellectual Property" for a description of the protection of our intellectual property.

Research and development expenses consist primarily of salaries and benefits for research and development personnel and rental and depreciation of office premises and servers utilized by the research and development personnel. Research and development expenses increased in the past three years ended December 31, 2020, due to the need for additional research and development personnel to accommodate the rapid growth of our business. We incurred RMB514.9 million, RMB1,633.7 million and RMB2,096.8 million (US$321.3 million) of research and development expenses in 2018, 2019 and 2020, respectively.

D. Trend Information

Other than as disclosed elsewhere in this annual report, we are not aware of any trends, uncertainties, demands, commitments or events since the beginning of our fiscal year 2020 that are reasonably likely to have a material effect on our net revenues, income from operations, profitability, liquidity or capital resources, or that would cause the disclosed financial information to be not necessarily indicative of future operating results or financial condition.

E. Off-Balance Sheet Arrangements

We have not entered into any financial guarantees or other commitments to guarantee the payment obligations of any third parties. We have not entered into any derivative contracts that are indexed to our shares and classified as shareholders' (deficit)/equity, or that are not reflected in our consolidated financial statements. Furthermore, we do not have any retained or contingent interest in assets transferred to an unconsolidated entity that serves as credit, liquidity or market risk support to such entity. We do not have any variable interest in any unconsolidated entity that provides financing, liquidity, market risk or credit support to us or engages in leasing, hedging or research and development services with us.

F. Tabular Disclosure of Contractual Obligations

The following table sets forth our contractual obligations as of December 31, 2020:

	Payment Due by Period				
	Total	Less than 1 year	1-2 years	3-5 years	More than 5 years
			(in thousands)		
Operating lease commitments [1] (in RMB)	177,383	111,639	50,686	15,058	—
Capital commitment [2] (in RMB)	932,898	643,945	103,015	185,938	—
Short-term loans(in RMB)	738,808	738,808	—	—	—
Convertible senior notes[3] (in US$)	1,054,688	10,625	10,625	530,000	503,438

(1) Operating lease commitments refer to the lease of offices under operating lease agreements, where a significant portion of the risks and rewards of ownership are retained by the lessor. Payments made under operating leases are charged to the consolidated statements of operations on a straight-line basis over the period of the lease, including any free lease periods. Operating lease obligations presented in this table reflected undiscounted cash payments of both leases recognized as lease liabilities on the audited consolidated balance sheet and lease commitments not recognized as lease liabilities.

(2) Capital commitment refers to capital expenditures related to properties and additional investments in equity investments.

(3) Convertible senior notes refer to the 2025 Notes and the 2026 Notes issued in June 2019, The 2025 Notes will bear interest at a rate of 0.75% per year, and the 2026 Notes at a rate of 1.375% per year. Interest on the notes will accrue from, and including, June 24, 2019 and will be payable semiannually in arrears on June 15 and December 15 of each year, beginning on December 15, 2019. The 2025 Notes will mature on June 15, 2025 and the 2026 Notes will mature on June 15, 2026, unless repurchased, redeemed or converted in accordance with their terms prior to such date.

Our operating lease obligations decreased from December 31, 2019 to December 31, 2020 primarily because we ceased to renew certain leases for office spaces when they expired in 2020.

Other than the obligations set forth above, we did not have any significant operating lease obligations, purchase obligations or other long-term obligations as of December 31, 2020.

G. Safe Harbor

See “Forward-Looking Statements” on page 1 of this annual report.

ITEM 6. DIRECTORS, SENIOR MANAGEMENT AND EMPLOYEES

A. Directors and Senior Management

The following table sets forth information regarding our directors and executive officers as of the date of this annual report. There are no family relationships among any of the directors or executive officers of our company.

Directors and Executive Officers	Age	Position/Title
David Xueling Li	46	Chairman of the Board and Director, Chief Executive Officer
Qin Liu	48	Independent Director
Peter Andrew Schloss	60	Independent Director
Richard Weidong Ji	53	Independent Director
David Tang	66	Independent Director
Bing Jin	43	Chief Financial Officer
Ting Li	38	Chief Operating Officer

Mr. David Xueling Li is our co-founder and has been our chairman since August 2016. Mr. Li served as our chief executive officer since our inception to August 2016 and as our acting chief executive officer from May 2017 to April 2019. Currently, Mr. Li serves as our chief executive officer, focusing on broader corporate strategy and the development of new and emerging applications and products. Mr. Li also heads our international business, overseeing the business operations and development strategy of Bigo. Before founding our company, Mr. Li worked at Netease.com, Inc. from July 2003 to April 2005 and served as its chief editor. In 2000, Mr. Li founded CFP.cn, a website that provided a copyright trading platform for journalists and amateur photographers. Mr. Li received a bachelor’s degree in philosophy from Renmin University of China in 1997.

Mr. Qin Liu has served as our director since June 2008. Mr. Liu has served as managing director of 5Y Capital (formerly known as Morningside Venture Capital) since June 2007 and Evolution Capital Management Limited, or ECML, since August 2018. 5Y Capital and ECML provide advisory service to various funds and Mr. Liu has served as a director in both public and non-public portfolio companies of such funds. Prior to that, Mr. Liu served in various roles, including as a business development director for investment at Morningside IT Management Services (Shanghai) Co., Ltd. Mr. Liu has also served as a director of Xiaomi Corporation (HKSE: 01810) since May 2010. Mr. Liu received a bachelor’s degree in industrial electrical automation from University of Science and Technology Beijing in July 1993, and a master’s degree in business administration from China Europe International Business School in April 2000.

Mr. Peter Andrew Schloss has served as our independent director since November 2012. Mr. Schloss is managing director and CEO of Castle Hill Partners. He is also an independent director and audit committee chairman of Bright Scholar Education Holdings (NYSE: BEDU). Previously Mr. Schloss was an independent director and audit committee chairman of Giant Interactive Group Inc., and an independent director of Zhaopin Limited. From 2008 to 2012, Mr. Schloss served as the chief executive officer of Allied Pacific Sports Network Limited, a leading internet and wireless provider of live and on-demand sports programs in Asia. Prior to joining Allied Pacific Sports Network Limited, Mr. Schloss worked at TOM Online Inc., serving as the chief financial officer from 2003 to 2005, as an executive director from 2004 to 2007 and as the chief legal officer from 2005 to 2007. Mr. Schloss received a bachelor’s degree in political science and a juris doctor degree from Tulane University.

Mr. Richard Weidong Ji has served as our independent director since May 2013. Mr. Ji is the cofounder and managing partner of All-Stars Investment Limited, which focuses on investing in Internet technology leaders, such as Didi, SenseTime, Lufax, Xiaomi and Grab. From 2005 to 2012, Mr. Ji served as managing director and head of Asia-Pacific Internet/media investment research at Morgan Stanley Asia Limited. During his time with Morgan Stanley, Mr. Ji was consistently rated as one of the top internet analysts covering the Chinese internet according to the Institutional Investor and Greenwich Associates' annual surveys. Over Mr. Ji's career, he has received many awards from reputable publications and research groups including the Financial Times, South China Morning Post, Asiamoney, Absolute Return & Alpha magazine and iResearch Consulting Group. Mr. Ji holds a doctor of sciences degree from Harvard University, an MBA from the Wharton School of Business at the University of Pennsylvania and a Bachelor of Science from Fudan University in China.

Mr. David Tang has served as our independent director since May 2013. Mr. Tang currently serves as a managing director of Nokia Growth Partners, a global venture capital firm that specializes in investing in mobile technologies and mobile businesses. From 2011 to 2012, Mr. Tang was the vice president of the European Union Chamber of Commerce in China, vice chairman of the China Association of Enterprises with Foreign Investments, and vice chairman of the Beijing International Chamber of Commerce. Mr. Tang has spent nearly a decade with the Nokia group, having served as the vice chairman of Nokia (China) Investment Co., Ltd. and chairman of Nokia Telecommunications Ltd. where he was responsible for government relations, strategic partnerships, corporate development, and sustainability. Prior to serving in those roles, he was the vice chairman and vice president of sales for Nokia in the greater China region from 2005 to 2009. Mr. Tang has also held executive positions in other leading global technology firms such as Apple, AMD, 3Com, DEC, and AST. Mr. Tang received his bachelor's degree in Computer Science and Engineering from California State University at Long Beach and a master's degree in Business from California State University at Fullerton.

Mr. Bing Jin has been our chief financial officer since May 2017. Prior to joining us, Mr. Jin served as the Head of China Technology, Investment Banking and Capital Markets, Asia Pacific, at Credit Suisse. During his tenure at Credit Suisse, Mr. Jin worked with many U.S. listed and private Chinese technology companies for various financing and M&A transactions. From 2010 to 2014, Mr. Jin worked in Citi's China Investment Banking department. Before his investment banking career, Mr. Jin worked in government services, consulting, and corporate banking. Mr. Jin received an MBA from the Wharton School, a master's degree in Pacific International Affairs from the University of California, San Diego, and a bachelor's degree in English from the Beijing Foreign Studies University. Mr. Jin will leave his position as our chief financial officer at the end of April 2021.

Ms. Ting Li has been our chief operating officer since 2016. Ms. Li has been focusing on our ecosystem development and the enrichment of our content and product offerings since she joined us in 2011. In 2017, Ms. Li was in charge of the updates and launch of YY Live 7.0, which for the first time in the industry observed and satisfied user demand for personalized interactions with live streaming hosts. Prior to joining us, Ms. Li served as product manager at Tencent from 2006 to 2011. Ms. Li received a bachelor's degree from South China University of Technology in 2006.

B. Compensation of Directors and Executive Officers

For the fiscal year ended December 31, 2020, we paid an aggregate of RMB15.5 million (US$2.4 million) in cash, including salaries and bonuses, to our directors and executive officers. For details on the share incentive grants to our directors and officers, see "—Share Incentive Plans." For the fiscal year ended December 31, 2020, we made contributions for our directors and executive officers for their pension insurance, medical insurance, housing fund, unemployment and other statutory benefits as required by PRC laws in an aggregate amount of RMB0.3 million (US$0.05 million). We did not set aside or accrue any other pension or retirement benefits for our directors and executive officers for the fiscal year ended December 31, 2020.

Employment Agreements

We have entered into employment agreements with our senior executive officers. We may terminate a senior executive officer's employment for cause at any time without remuneration for certain acts of the officer, such as being convicted of any criminal conduct, any act of gross or willful misconduct or any serious, willful, grossly negligent or persistent breach of any employment agreement provision, or engaging in any conduct which may make the continued employment of such officer detrimental to our company. We may also terminate a senior executive officer's employment by giving three months' prior written notice. A senior executive officer may terminate his or her employment at any time by giving three months' written notice, provided that such notice may only be given by the officer any time after the third anniversary of his or her employment.

Each senior executive officer has agreed to hold all information, know-how and records in any way connected with the business of our company, including, without limitation, all formulae, designs, specifications, drawings, data, operations and testing procedures, manuals and instructions and all customer and supplier lists, sales information, business plans and forecasts and all technical or other expertise and all computer software of our company, in strict confidence during and after his or her employment. Each officer also agrees that we shall own all the intellectual property developed by such officer during his or her employment.

Share Incentive Plans

We have adopted three share incentive plans, namely, the 2009 Scheme, the 2011 Plan and the 2019 Arrangement. The purpose of these share incentive plans is to attract and retain personnel by linking the personal interests of the members of the board, officers, employees and consultants to the success of our business and by providing such individuals with an incentive for outstanding performance.

As of March 31, 2021, options to purchase 9,680,600 common shares, 24,650,511 restricted shares and 74,229,440 restricted share units were outstanding under the 2009 Scheme, the 2011 Plan and the 2019 Arrangement.

2009 Employee Equity Incentive Scheme

We adopted the 2009 Scheme in December 2009. In September 2011, YY Inc. assumed all the rights and obligations of Duowan Entertainment Corporation under all share-based compensation previously issued by Duowan Entertainment Corporation, including under the relevant award agreement and under the 2009 Scheme, if applicable, and undertook to issue its own common shares upon the exercise of any share-based compensation awards previously issued by Duowan Entertainment Corporation, subject to compliance with the terms and conditions of the relevant award agreements and the 2009 Scheme, if applicable. The 2009 Scheme expired in December 2019. No further awards will be granted under the 2009 Scheme and the provisions under the 2009 Scheme will remain in effect to the extent necessary to effect the exercise of any options granted prior to the expiration or otherwise as may be required in accordance with the 2009 Scheme.

Under the 2009 Scheme, the maximum number of shares in respect of which options or restricted shares may be granted is 120,020,001.

The following paragraphs summarize the terms of the 2009 Scheme.

Types of Awards. The following briefly describe the principal features of the various awards that may be granted under the 2009 Scheme.

- Options. Options provide for the right to purchase a specified number of our common shares at a specified price and usually will become exercisable at the discretion of our plan administrator in one or more installments after the grant date. The option exercise price may be paid, subject to the discretion of the plan administrator, in cash or check, in our common shares which have been held by the option holder for such period of time as may be required to avoid adverse accounting consequences, in other property with value equal to the exercise price, through a broker-assisted cashless exercise, or by any combination of the foregoing.

- Restricted Shares. A restricted share award is the grant of our common shares which are subject to certain restrictions and may be subject to risk of forfeiture. Unless otherwise determined by our plan administrator, a restricted share is nontransferable and may be forfeited or repurchased by us upon termination of employment or service during a restricted period. Our plan administrator may also impose other restrictions on the restricted shares, such as limitations on the right to vote or the right to receive dividends.

Plan Administration. Our board or a committee of one or more members of our board duly authorized for the purpose of the 2009 Scheme can act as the plan administrator.

Award Agreement. Options or restricted shares granted under the 2009 Scheme are evidenced by an award agreement that sets forth the terms, conditions and limitations for each grant.

Option Exercise Price. The exercise price in respect of any option shall be fixed by reference to the date upon which the option (or the relevant part thereof) is granted, and shall be, at the election of the plan administrator, (a) the latest valuation price per share certified by a third party valuer prior to the date of grant of the relevant option (or relevant part thereof) or (b) the latest price per share at which we have issued any shares prior to the date of grant of the relevant option (or relevant part thereof).

Eligibility. We may grant awards to our employees, officers and directors or consultants to our members.

Term of the Awards. The 2009 Scheme shall be valid and effective for a period of ten years from the date of effectiveness. The term of each option or restricted share grant shall be ten years from the date of the grant.

Vesting Schedule. In general, the plan administrator determines the vesting schedule, which is set forth in the award agreement.

Transfer Restrictions. Awards for options or restricted shares may not be transferred in any manner by the award holders and may be exercised only by such holders, subject to limited exceptions. Restricted shares may not be transferred during the period of restriction.

Termination. The plan administrator may at any time terminate the operation of the 2009 Scheme.

Prior to the adoption of the 2009 Scheme, we granted certain share options to our employees pursuant to certain share option agreements which carried substantially the same terms and conditions with those stipulated in the 2009 Scheme.

2011 Share Incentive Plan

We adopted the 2011 Plan in September 2011.

Under the 2011 Plan, the maximum number of common shares reserved for issuance under the plan is 43,000,000, plus an annual increase of 20,000,000 on the first day of each fiscal year, beginning in 2013, or such smaller number of common shares as determined by our board of directors.

The following paragraphs summarize the terms of the 2011 Plan.

Types of Awards. The following briefly describe the principal features of the various awards that may be granted under the 2011 Plan.

- *Options*. Options provide for the right to purchase a specified number of our common shares at a specified price and usually will become exercisable at the discretion of our plan administrator in one or more installments after the grant date. The option exercise price may be paid, subject to the discretion of the plan administrator, in cash or check, in our common shares which have been held by the option holder for such period of time as may be required to avoid adverse accounting consequences, in other property with value equal to the exercise price, through a broker-assisted cashless exercise, or by any combination of the foregoing.

- *Restricted Shares*. A restricted share award is the grant of our common shares which are subject to certain restrictions and may be subject to risk of forfeiture. Unless otherwise determined by our plan administrator, a restricted share is nontransferable and may be forfeited or repurchased by us upon termination of employment or service during a restricted period. Our plan administrator may also impose other restrictions on the restricted shares, such as limitations on the right to vote or the right to receive dividends.

- *Restricted Share Units*. A restricted share unit award is the grant of the right to receive a common share at a future date and may be subject to forfeiture. Our plan administrator has the discretion to set performance objectives or other vesting criteria that will determine the number or value of restricted share units to be granted. Unless otherwise determined by our plan administrator, a restricted share unit is nontransferable and may be forfeited or repurchased by us upon termination of employment or service during a restricted period. Our plan administrator, at the time of grant, specifies the dates on which the restricted share units become fully vested.

Plan Administration. Our board or a committee of one or more members of our board duly authorized for the purpose of the 2011 Plan can act as the plan administrator.

Award Agreement. Options, restricted shares or restricted shares units granted under the 2011 Plan are evidenced by an award agreement that sets forth the terms, conditions and limitations for each grant.

Option Exercise Price. The exercise price in respect of any option shall be determined by the plan administrator and set forth in the award agreement which may be a fixed or variable price related to the fair market value of the shares. The exercise price per share subject to an option may be amended or adjusted in the absolute discretion of the plan administrator, the determination of which shall be final, binding and conclusive.

Eligibility. We may grant awards to our employees, consultants or directors.

Term of the Awards. The 2011 Plan shall be valid and effective for a period of ten years from the date of effectiveness. The term of each option grant shall not exceed ten years from the date of the grant.

Vesting Schedule. In general, the plan administrator determines the vesting schedule, which is set forth in the award agreement.

Transfer Restrictions. Awards for options, restricted shares or restricted share units may not be transferred in any manner by the award holders and may be exercised only by such holders, subject to limited exceptions. Restricted shares may not be transferred during the period of restriction.

Termination. The plan administrator may at any time terminate the operation of the 2011 Plan.

2019 Share Incentive Awards Arrangement

We adopted the 2019 Arrangement in March 2019, pursuant to which we can offer share-based awards to employees of Bigo. The 2019 Arrangement reserved 65,922,045 Class A common shares for incentive awards to be granted.

In the event of any dividend, share split, combination or exchange of common shares, amalgamation, arrangement or consolidation, spin-off, recapitalization or other distribution (other than normal cash dividends) of our assets to our shareholders, or any other change affecting the shares of common shares or the share price of a common share, the board of directors shall make such proportionate adjustments, if any, as the board of directors in its discretion may deem appropriate to reflect such change with respect to (a) the aggregate number and type of shares that may be issued under the 2019 Arrangement; (b) the terms and conditions of any outstanding awards (including, without limitation, any applicable performance targets or criteria with respect thereto); and (c) the grant or exercise price per share for any outstanding awards under the 2019 Arrangement.

Grants of Options

The following table summarizes, as of March 31, 2021, the outstanding options granted to our executive officers, directors and other individuals as a group under the 2011 Plan.

	Common Shares Underlying Options Awarded	Exercise Price (US$/Share)	Date of Grant	Date of Expiration
Ting Li	*	4.7025	June 30, 2018	June 30, 2026
	*	3.5350	June 30, 2018	June 30, 2025
	*	3.5350	June 30, 2019	June 30, 2025
Bing Jin	*	4.7025	July 20, 2018	June 30, 2026
	*	3.5350	July 20, 2018	June 30, 2024
	*	3.5350	July 20, 2018	August 2, 2023
Total	*			

* The aggregate number of common shares underlying the outstanding options held by this individual is less than 1% of our total outstanding shares.

Grants of Restricted Shares

As of March 31, 2021, the total amount of outstanding restricted shares granted to our executive officers, directors and other individuals as a group under the 2009 Scheme, the 2011 Plan and the 2019 Arrangement is 24,650,511, among which no restricted shares are granted to our directors or management team.

Grants of Restricted Share Units

The following table summarizes, as of March 31, 2021, the outstanding restricted share units granted to our executive officers, directors and other individuals as a group under the 2009 Scheme and the 2011 Plan.

Name	Common Shares Underlying Restricted Share Units Granted	Date of Grant
David Xueling Li	*	April 30, 2013
	*	June 20, 2014
Peter Andrew Schloss	*	November 7, 2012
	*	June 16, 2014
	*	November 7, 2015
Richard Weidong Ji	*	May 23, 2013
	*	June 16, 2014
David Tang	*	May 23, 2013
	*	June 16, 2014
Qin Liu	*	August 6, 2015
Ting Li	*	April 30, 2013
	*	June 20, 2014
	*	July 1, 2015
	*	June 30, 2018
	*	June 30, 2019
Bing Jin	*	August 2, 2017
Other Individuals as a Group	67,788,180	January 1, 2011 to March 31, 2021
Total	74,229,440	

* The aggregate number of common shares underlying the outstanding restricted share units, or RSUs, held by each of these individuals is less than 1% of our total outstanding shares.

C. Board Practices

Our board of directors currently consists of five directors. A director is not required to hold any shares in our company to qualify to serve as a director. A director may vote with respect to any contract, proposed contract, or arrangement in which he or she is materially interested. A director may exercise all the powers of the company to borrow money, mortgage its business, property and uncalled capital, and issue debentures or other securities whenever money is borrowed or as security for any obligation of the company or of any third party. See "Item 6. Directors, Senior Management and Employees—B. Compensation of Directors and Executive Officers" for a description of the employment agreements we have entered into with our senior executive officers.

Committees of the Board of Directors

We have established an audit committee, a compensation committee, a corporate governance and nominating committee and an investment committee under the board of directors. We have adopted a charter for each of the audit committee, compensation committee and the corporate governance and nominating committee. Each committee's members and functions are described below.

Audit Committee. Our audit committee consists of Mr. Peter Andrew Schloss, Mr. David Tang and Mr. Richard Weidong Ji, and is chaired by Mr. Schloss. We have determined that each of Mr. Schloss, Mr. Tang and Mr. Ji satisfies the "independence" requirements of Rule 5605(c)(2) of the Listing Rules of the Nasdaq Global Select Market and meet the independence standards under Rule 10A-3 under the Securities Exchange Act of 1934, as amended. We have determined that Mr. Schloss qualifies as an "audit committee financial expert." The audit committee oversees our accounting and financial reporting processes and the audits of the financial statements of our company. The audit committee is responsible for, among other things:

- selecting the independent registered public accounting firm and pre-approving all auditing and non-auditing services permitted to be performed by the independent registered public accounting firm;
- reviewing with the independent registered public accounting firm any audit problems or difficulties and management's response;
- reviewing and approving all proposed related party transactions, as defined in Item 404 of Regulation S-K under the Securities Act;
- discussing the annual audited financial statements with management and the independent registered public accounting firm;
- reviewing major issues as to the adequacy of our internal controls and any special audit steps adopted in light of any material control deficiencies;
- annually reviewing and reassessing the adequacy of our audit committee charter;
- meeting separately and periodically with management and the independent registered public accounting firm; and
- reporting regularly to the board.

Compensation Committee. Our compensation committee consists of Mr. David Xueling Li and Mr. David Tang, and is chaired by Mr. David Xueling Li. We have determined that Mr. Tang satisfies the "independence" requirements of Rule 5605(c)(2) of the Listing Rules of the Nasdaq Global Select Market. The compensation committee assists the board in reviewing and approving the compensation structure, including all forms of compensation, relating to our directors and executive officers. Our directors may not be present at any committee meeting during which their compensation is deliberated upon. The compensation committee is responsible for, among other things:

- reviewing the total compensation package for our executive officers and making recommendations to the board with respect to it;
- approving and overseeing the total compensation package for our executives other than the three most senior executives;

- reviewing the compensation of our directors and making recommendations to the board with respect to it;
- periodically reviewing and approving any long-term incentive compensation or equity plans, programs or similar arrangements, annual bonuses, and employee pension and welfare benefit plans; and
- selecting compensation consultant, legal counsel or other adviser only after taking into consideration all factors relevant to that person's independence from management.

Corporate Governance and Nominating Committee. Our nominating committee consists of Mr. David Tang, Mr. Qin Liu and Mr. Peter Andrew Schloss, and is chaired by Mr. Tang. We have determined that each of Mr. Tang and Mr. Schloss satisfies the "independence" requirements of Rule 5605(c)(2) of the Listing Rules of the Nasdaq Global Select Market. The nominating committee assists the board in selecting individuals qualified to become our directors and in determining the composition of the board and its committees. The nominating committee is responsible for, among other things:

- recommending nominees to the board for election or re-election to the board, or for appointment to fill any vacancy on the board;
- reviewing annually with the board the current composition of the board with regards to characteristics such as independence, age, skills, experience and availability of service to us;
- selecting and recommending to the board the names of directors to serve as members of the audit committee and the compensation committee, as well as of the nominating committee itself; and
- monitoring compliance with our code of business conduct and ethics, including reviewing the adequacy and effectiveness of our procedures to ensure proper compliance.

Investment Committee. Our investment committee consists of Mr. Xueling Li and Mr. Qin Liu. The investment committee is responsible for negotiating and determining the nature, timing, amount and other terms of an investment if such investment amount ranges from US$50 million to US$200 million.

Duties of Directors

Under Cayman Islands law, our directors owe fiduciary duties to our company including a duty of loyalty, a duty to act honestly, and a duty to act in what they consider in good faith to be in our best interests. Our directors also have a duty to exercise the care and diligence that a reasonably prudent person would exercise in comparable circumstances and a duty to exercise the skill they actually possess. It was previously considered that a director need not exhibit in the performance of his duties a greater degree of skill than may reasonably be expected from a person of his knowledge and experience. However, English and Commonwealth courts have moved towards an objective standard with regard to the required skill and care and these authorities are likely to be followed in the Cayman Islands. In fulfilling their duty of care to us, our directors must ensure compliance with our memorandum and articles of association and the class rights vested thereunder in the holders of the shares. Our company has the right to seek damages if a duty owed by our directors is breached. In limited exceptional circumstances, a shareholder may have the right to seek damages in our name if a duty owed by our directors is breached.

Terms of Directors and Officers

Our officers are elected by and serve at the discretion of the board. Our directors are not subject to a term of office and hold office until such time as they are removed from office by special resolution of all shareholders. A director will be removed from office automatically if, among other things, the director (1) becomes bankrupt or makes any arrangement or composition with his creditors; or (2) dies or is found by our company to be of unsound mind.

D. Employees

The following table sets forth the numbers of our employees, categorized by function, as of December 31, 2020:

Functions	Number of Employees	Percentage
Customer services and operations	3,657	46%
Research and development	3,451	44%
Sales and marketing	329	4%
General and administration	494	6%
Total	7,931	100%

We had a total of 4,325, 9,273 and 7,931 employees as of December 31, 2018, 2019 and 2020, respectively. The decrease of employees was primarily due to the deconsolidation of Huya. The number of employees as of December 31, 2020 includes employees of YY Live (our discontinued PRC business). We expect the total number of employees to be further decreased if the sale of YY Live is fully completed.

We have developed a corporate culture that encourages initiative, technical superiority and self-development. In addition, we periodically evaluate our employees' performance and provide them with training sessions tailored to each job function to enhance performance and service quality.

Even after the sale of YY Live, which was substantially completed though certain customary matters remaining to be completed in the near future, we would still have a substantial number of employees in China. As required by regulations in China, we participate in various employee social security plans that are organized by municipal and provincial governments, including pension, unemployment insurance, childbirth insurance, work-related injury insurance, medical insurance and housing insurance. We are required under PRC law to make contributions to employee benefit plans at specified percentages of the salaries, bonuses and certain allowances of our employees, up to a maximum amount specified by the local government from time to time. We believe that we maintain a good working relationship with our employees and we have not experienced any significant labor disputes.

E. Share Ownership

Class A Common Shares

As of March 31, 2021, we had 1,237,598,376 Class A common shares outstanding (excluding 78,982,488 outstanding restricted shares and treasury Class A common shares held by entities controlled by us).

Class B Common Shares

As of March 31, 2021, we had 326,509,555 Class B common shares outstanding.

Beneficial Ownership

The following table sets forth information concerning the beneficial ownership of our common shares as of March 31, 2021, by:

- each of our directors and executive officers; and
- each person known to us to beneficially own 5% or more of our common shares.

Beneficial ownership is determined in accordance with the rules and regulations of the SEC. In computing the number of shares beneficially owned by a person and the percentage ownership of that person, we have included shares that the person has the right to acquire or that would become unrestricted shares within 60 days after March 31, 2020, the most recent practicable date, including through the exercise of any option, warrant, or other right or the conversion of any other security. These shares, however, are not included in the computation of the percentage ownership of any other person.

The calculations in the table below assume that there were 1,237,598,376 Class A common shares outstanding (excluding 78,982,488 outstanding restricted shares and treasury Class A common shares held by entities controlled by us) and 326,509,555 Class B common shares as of March 31, 2021.

	Class A Common Shares Beneficially Owned[1]	Class B Common Shares Beneficially Owned[2]	Total Common Share Beneficially Owned		Total Voting Power[5]
	Number	Number	Number[3]	%[4]	%
Directors and Executive Officers:*					
David Xueling Li[6]	160,505,284	203,768,062	364,273,346	23.2	76.0
Qin Liu	**	—	**	**	**
Peter Andrew Schloss	**	—	**	**	—
Richard Weidong Ji	**	—	**	**	**
David Tang	**	—	**	**	—
Bing Jin	**	—	**	**	—
Ting Li	**	—	**	**	**
All directors and executive officers as a group	180,666,529	203,768,062	384,434,591	24.4	76.3
Principal Shareholders:					
Top Brand Holdings Limited [7]	—	122,741,483	122,741,483	7.8	—
YYME Limited [8]	156,340,804	203,768,062	360,108,866	23.0	48.7
Morgan Stanley [9]	98,861,101	—	98,861,101	6.3	2.2

Notes:

* Except for Mr. Peter Andrew Schloss, Mr. Richard Weidong Ji, Mr. David Tang and Mr. Qin Liu, the business address of our directors and executive officers is c/o 30 Pasir Panjang Road #15-31A Mapletree Business City, Singapore 117440. The business address of Mr. Qin Liu is Suite 905-6, 9th Floor, ICBC Tower, Three Garden Road, Hong Kong. The business address of Mr. Peter Andrew Schloss is 602 Silver Tower, No. 2 Dong San Huan Bei Lu, Chaoyang District, Beijing 100027, PRC. The business address of Mr. Richard Weidong Ji is Suite 2103, Two Exchange Square, 8 Connaught Place, Central, Hong Kong. The business address of Mr. David Tang is Room 710, Office Tower II, China World Trade Centre, No.1 Jianguomenwai Avenue, Beijing 100004, PRC.

** The aggregate number of common shares beneficially owned by each of these individuals is less than 1% of our total outstanding shares.

(1) For each person and group included in this column, percentage ownership is calculated by dividing the number of Class A common shares beneficially owned by such person or group, including shares that such person or group has the right to acquire within 60 days of March 31, 2021, by the sum of (i) 1,237,598,376, which is the total number of Class A common shares outstanding as of March 31, 2021 (excluding 78,982,488 outstanding restricted shares and treasury Class A common shares held by entities controlled by us), and (ii) the number of Class A common shares that such person or group has the right to acquire within 60 days after March 31, 2021.

(2) For each person and group included in this column, percentage ownership is calculated by dividing the number of Class B common shares beneficially owned by such person or group by 326,509,555, being the total number of Class B common shares outstanding as of March 31, 2021.

(3) Represents the sum of Class A and Class B common shares beneficially owned by such person or group.

(4) For each person and group included in this column, percentage ownership is calculated by dividing the number of total common shares beneficially owned by such person or group, by the sum of the number of common shares outstanding and the number of common shares such person or group has the right to acquire upon exercise of the stock options or warrants within 60 days after March 31, 2021.

(5) For each person or group included in this column, the percentage of total voting power represents voting power based on both Class A and Class B common shares held by such person or group with respect to all of our outstanding Class A and Class B common shares as one class. Each holder of Class A common shares is entitled to one vote per share. Each holder of our Class B common shares is entitled to ten votes per share on all matters requiring a shareholders' vote. Our Class B common shares are convertible at any time by the holder into Class A common shares on a one-for-one basis, whereas Class A common shares are not convertible into Class B common shares under any circumstances.

(6) Representing (i) 156,340,804 Class A common shares (including 17,800,000 Class A common shares in the form of ADSs) and 199,448,382 Class B common shares held by YY One Limited, a British Virgin Islands company, (ii) 4,319,680 Class B common shares held by New Wales Holdings Limited, a British Virgin Islands company, and (iii) 4,164,480 Class A common shares underlying options and restricted share units granted to Mr. David Xueling Li that have vested or will become vested within 60 days of March 31, 2021. Mr. David Xueling Li is the sole owner and director of YYME Limited. Each of YY One Limited and New Wales Holdings Limited is wholly-owned by YYME Limited. In August 2016, Mr. Jun Lei, who beneficially owned 122,741,483 Class B common shares as of March 31, 2021, delegated the voting rights of such shares to Mr. David Xueling Li.

(7) Representing 122,741,483 Class B common shares held by Top Brand Holdings Limited, a BVI company wholly owned and controlled by Mr. Jun Lei. The voting rights of such 122,741,483 Class B common shares were delegated to Mr. David Xueling Li in August 2016. The business address of Top Brand Holdings Limited is c/o Jun Lei, 19E, Huating Jiayuan, No.6 of Middle Beisihuan Road, Chaoyang District, Beijing 100102, PRC.

(8) Representing (i) 156,340,804 Class A common shares and 199,448,382 Class B common shares held by YY One Limited, a British Virgin Islands company, and (ii) 4,319,680 Class B common shares held by New Wales Holdings Limited, a British Virgin Islands company. Mr. David Xueling Li is the sole owner and director of YYME Limited. Each of YY One Limited and New Wales Holdings Limited is wholly owned by YYME Limited. The business address of YYME Limited is c/o David Xueling Li, 30 Pasir Panjang Road #15-31A Mapletree Business City, Singapore 117440.

(9) Representing 98,861,101 Class A common shares (or Class A common shares represented by ADSs) beneficially owned by Morgan Stanley, which include 96,338,440 Class A common shares (or Class A common shares represented by ADSs) of which are beneficially owned by Morgan Stanley Capital Services LLC, as reported in a Schedule 13G amendment jointly filed by Morgan Stanley and Morgan Stanley Capital Services LLC on February 11, 2021. The principal business office of both Morgan Stanley and Morgan Stanley Capital Services LLC is located at 1585 Broadway New York, NY 10036. According to item 7 of the Schedule 13 G amendment, the securities being reported on by Morgan Stanley as a parent holding company are owned, or may be deemed to be beneficially owned, by Morgan Stanley Capital Services LLC, a wholly-owned subsidiary of Morgan Stanley.

As of March 31, 2021, 1,564,107,931 of our common shares were issued and outstanding, including 326,509,555 Class B common shares and 1,237,598,376 Class A common shares (excluding 78,982,488 outstanding restricted shares and treasury Class A common shares held by entities controlled by us). Based on a review of the register of members maintained by our Cayman Islands corporate administrator, we believe that as of March 31, 2021, none of our total outstanding shares were held by record holder in the United States. The number of beneficial owners of our ADSs in the United States is likely to be much larger than the number of record holders of our common shares in the United States. None of our existing shareholders have different voting rights from other shareholders in the same class. See "Item 6. Directors, Senior Management and Employees—B. Compensation of Directors and Executive Officers—Employment Agreements" for a description of the employment agreements we have entered into with our senior executive officers.

Our common shares are divided into Class A common shares and Class B common shares. Holders of Class A common shares are entitled to one vote per share, while holders of Class B common shares are entitled to ten votes per share. We are not aware of any arrangement that may, at a subsequent date, result in a change of control of our company.

ITEM 7. MAJOR SHAREHOLDERS AND RELATED PARTY TRANSACTIONS

A. Major Shareholders

Please refer to "Item 6. Directors, Senior Management and Employees—E. Share Ownership."

B. Related Party Transactions

VIE Structure Enhancement

Overview

We are in the process of enhancing the structure we use to hold our variable interest entities so that we can better ensure the stability and proper governance of our variable interest entities as an integral part of our company, or the VIE Enhancement. The VIE Enhancement maintains the primary legal framework that we and many peer companies in our industry have adopted to operate businesses in which foreign investment is restricted or prohibited in the PRC. We are in the process of the VIE Enhancement for our major variable interest entities.

Upon the completion of the VIE Enhancement for each VIE, the equity interest of each variable interest entity will, instead of being held by a few individuals, be directly held by a PRC limited liability company, which in turn will be indirectly held (through a layer of PRC limited partnerships) by selected individuals of the Company or our management who are PRC citizens. For our major variable interest entities, these individuals are Ting Li, Lin Song, and Di Fu (with respect to each of Guangzhou Huaduo and Guangzhou BaiGuoYuan).

Compared with the existing VIE shareholder structure we and many peer companies in our industry have adopted, which uses natural persons to serve as direct or indirect equity holders of the variable interest entity, we have designed the VIE Enhancement to:

(1) reduce the key man and succession risks associated with natural person VIE equity holders, through a new structure that has widely dispersed interests among natural person interest holders;

(2) create a VIE ownership structure that is more stable and self-sustaining, by distancing the natural person interest holders with the VIE with multiple layers of legal entities, including a partnership structure; and

(3) further enhance our control over the VIEs through multiple layers of contractual arrangements.

VIE equity holders after the VIE Enhancement

Pursuant to the VIE Enhancement, a variable interest entity will typically be held by a PRC limited liability company. This PRC limited liability company will in turn be directly or indirectly owned by two PRC limited partnerships, each of which will hold 50% of the equity interest. Each of these partnerships is comprised of (i) a PRC limited liability company, as general partner (which is formed by a number of selected individuals of the Company and our management who are PRC citizens), and (ii) the same group of natural persons, as limited partners. We may also create additional holding structures in the future in connection with the VIE Enhancement.

Following the VIE Enhancement, the designated wholly-owned entity, on the one hand, and the corresponding VIE and the multiple layers of legal entities above the VIE, as well as the natural persons described above, on the other hand, enter into contractual arrangements, which are substantially similar to the contractual arrangements we have historically used for our variable interest entities. See “Agreements that provide us effective control over Beijing Tuda,” “Agreements that provide us effective control over Guangzhou Huaduo,” “Agreements that provide us effective control over Guangzhou BaiGuoYuan,” “Agreements that provide us effective control over Chengdu Yunbu, Chengdu Luota and Chengdu Jiyue,” “Agreements that provide us effective control over Sanrenxing” and “Agreements that transfer economic benefits to us” below.

Although we believe the VIE Enhancement will further improve our control over our variable interest entities, there continue to be risks associated with the VIE structure in general, as well as with the completion of the VIE Structure Enhancement. See “D. Risk Factors— Risks Related to Our Corporate Structure”.

The following is a summary of our certain typical contractual arrangements and VIE Enhancement agreements.

Contractual Arrangements

The PRC government extensively regulates foreign ownership of, and the licensing and permit requirements pertaining to, companies that provide internet-based services such as our platforms. To comply with these restrictions, we conduct our operations primarily through Beijing Huanju Shidai's contractual arrangements with Beijing Tuda and its shareholders, and a series of contractual arrangements among Guangzhou Huanju Shidai, Guangzhou Huaduo and its shareholders. Furthermore, we operate Bigo platform through a series of contractual arrangement among BaiGuoYuan Technology, Guangzhou BaiGuoYuan and its shareholders, as well as the contractual arrangements among Guangzhou Wangxing, Chengdu Yunbu, Chengdu Luota and Chengdu Jiyue and their shareholders.

Contractual Arrangements with Beijing Tuda

The following is a summary of the currently effective contracts among our subsidiary, Beijing Huanju Shidai, our PRC consolidated affiliated entity, Beijing Tuda, and the shareholders of Beijing Tuda.

Agreements that transfer economic benefits to us

Exclusive Business Cooperation Agreement

Under the exclusive business cooperation agreement between Beijing Huanju Shidai and Beijing Tuda, as amended, Beijing Huanju Shidai has the exclusive right to provide to Beijing Tuda technology support, business support and consulting services related to Beijing Tuda's business, the scope of which is to be determined by Beijing Huanju Shidai from time to time. Beijing Huanju Shidai owns the exclusive intellectual property rights created as a result of the performance of this agreement. The service fee payable by Beijing Tuda to Beijing Huanju Shidai is up to 100% of the net profit of Beijing Tuda, and the timing and amount of the fee payments shall be determined at the sole discretion of Beijing Huanju Shidai. The term of this agreement will expire in 2039 and may be extended with Beijing Huanju Shidai's written confirmation prior to the expiration date. Beijing Huanju Shidai has sole discretion to terminate the agreement at any time by providing 30 days' prior written notice to Beijing Tuda, while neither Beijing Tuda nor its shareholders are entitled to terminate the agreement.

Exclusive Technology Support and Technology Services Agreement

Under the exclusive technology support and technology services agreement between Beijing Huanju Shidai and Beijing Tuda, as amended, Beijing Huanju Shidai has the exclusive right to provide to Beijing Tuda technology support and technology services related to all technologies needed for its business. Beijing Huanju Shidai owns the exclusive intellectual property rights created as a result of the performance of this agreement. The service fee payable by Beijing Tuda to Beijing Huanju Shidai is 10% of Beijing Tuda's gross revenues. The term of this agreement will expire in 2029 and may be extended with Beijing Huanju Shidai's written confirmation prior to the expiration date. Beijing Huanju Shidai has sole discretion to terminate the agreement at any time by providing 30 days' prior written notice to Beijing Tuda, while neither Beijing Tuda nor its shareholders are entitled to terminate the agreement.

Agreements that provide us effective control over Beijing Tuda

Powers of Attorney

Under the irrevocable powers of attorney executed by each shareholder of Beijing Tuda, each such shareholder appointed Beijing Huanju Shidai as its attorney-in-fact to exercise such shareholders' rights in Beijing Tuda, including, without limitation, the power to vote on its behalf on all matters of Beijing Tuda requiring shareholder approval under PRC laws and regulations and the articles of association of Beijing Tuda. Each power of attorney will remain in force until the shareholder ceases to hold any equity interest in Beijing Tuda.

Exclusive Option Agreement

Under the exclusive option agreement between Beijing Huanju Shidai, each of the shareholders of Beijing Tuda and Beijing Tuda, each of the shareholders irrevocably granted Beijing Huanju Shidai or its designated representative(s) an exclusive option to purchase, to the extent permitted under PRC law, all or part of his or its equity interests in Beijing Tuda. Beijing Huanju Shidai or its designated representative(s) have sole discretion as to when to exercise such options, either in part or in full. Without Beijing Huanju Shidai's prior written consent, Beijing Tuda's shareholders shall not sell, transfer, mortgage or otherwise dispose their equity interests in Beijing Tuda. The term of this agreement is ten years and may be extended at Beijing Huanju Shidai's sole discretion.

Equity Interest Pledge Agreement

Under the equity interest pledge agreement between Beijing Huanju Shidai and the shareholders of Beijing Tuda, the shareholders of Beijing Tuda have pledged all of their equity interests in Beijing Tuda to Beijing Huanju Shidai to guarantee the performance by Beijing Tuda and its shareholders' performance of their respective obligations under the exclusive business cooperation agreement, exclusive option agreement, exclusive technology support and technology services agreement and powers of attorney. If Beijing Tuda or its shareholders breach their contractual obligations under those agreements, Beijing Huanju Shidai, as the pledgee, will be entitled to certain rights, including the right to sell the pledged equity interests. This pledge became effective on the date the pledged equity interests were registered with the competent administration for industry and commerce and will remain effective until the pledgors are no longer the shareholders of Beijing Tuda.

Contractual Arrangements with Guangzhou Huaduo

In 2018, 2019 and 2020, we received service fees of RMB190.5 million, RMB389.8 million and RMB222.2 million (US$34.1 million) from Guangzhou Huaduo, respectively.

In February 2021, Beijing Tuda and Mr. David Xueling Li transferred their respective equity interests in Guangzhou Huaduo to Guangzhou Tuyue. After such transaction, Guangzhou Tuyue owns 99.50% equity interests of Guangzhou Huaduo, Mr. Jun Lei and two other unaffiliated individual shareholders in total own 0.50% equity interests of Guangzhou Huaduo. Upon the effectiveness of the foregoing equity interests transfers, Beijing Tuda and Mr. David Xueling Li have terminated the contractual arrangements with Guangzhou Huaduo and Beijing Tuda, whereas Mr. Jun Lei and two other unaffiliated individual shareholders remain the contractual arrangements with Beijing Huaju Shidai. Subject to further changes the Company may have, following the completion of VIE Enhancement, Guangzhou Tuyue will further purchase the equity interests of Guangzhou Huaduo owned by Mr. Jun Lei and two other unaffiliated individual shareholders. Guangzhou Tuyue will hold 100% equity interests of Guangzhou Huaduo after the VIE Enhancement.

The following is a summary of the currently effective contracts among Beijing Huanju Shidai, Guangzhou Huaduo and Mr. Jun Lei and two other unaffiliated individuals as of the date of this annual report.

Agreements that transfer economic benefits to us

Exclusive Business Cooperation Agreement

Under the exclusive business cooperation agreement between Beijing Huanju Shidai and Guangzhou Huaduo, as amended, Beijing Huanju Shidai has the exclusive right to provide to Guangzhou Huaduo technology support, business support and consulting services related to Guangzhou Huaduo's business, the scope of which is to be determined by Beijing Huanju Shidai from time to time. Beijing Huanju Shidai owns the exclusive intellectual property rights created as a result of the performance of this agreement. The service fee payable by Guangzhou Huaduo to Beijing Huanju Shidai is up to 100% of the net profit of Guangzhou Huaduo, and the timing and amount of the fee payments will be determined at the sole discretion of Beijing Huanju Shidai. The term of this agreement will expire in 2038 and may be extended with Beijing Huanju Shidai's written confirmation prior to the expiration date. Beijing Huanju Shidai has sole discretion to terminate the agreement at any time by providing 30 days' prior written notice to Guangzhou Huaduo, while neither Guangzhou Huaduo nor its shareholders are entitled to terminate the agreement.

Exclusive Technology Support and Technology Services Agreement

Under the exclusive technology support and technology services agreement between Beijing Huanju Shidai and Guangzhou Huaduo, as amended, Beijing Huanju Shidai has the exclusive right to provide to Guangzhou Huaduo technology support and technology services related to all technologies needed for its business. Beijing Huanju Shidai owns the exclusive intellectual property rights created as a result of the performance of this agreement. The service fee payable by Guangzhou Huaduo to Beijing Huanju Shidai is 10% of Guangzhou Huaduo's gross revenues. The term of this agreement will expire in 2028 and may be extended with Beijing Huanju Shidai's written confirmation prior to the expiration date. Beijing Huanju Shidai has sole discretion to terminate the agreement at any time by providing 30 days' prior written notice to Guangzhou Huaduo, while neither Guangzhou Huaduo nor its shareholders are entitled to terminate the agreement.

Agreements that provide us effective control over Guangzhou Huaduo

Powers of Attorney

Under the irrevocable powers of attorney executed by each of Mr. Jun Lei and two other unaffiliated individuals of Guangzhou Huaduo, each such of Mr. Jun Lei and two other unaffiliated individual shareholders appointed Beijing Huanju Shidai as its attorney-in-fact to exercise such shareholders' rights in Guangzhou Huaduo, including, without limitation, the power to vote on its behalf on all matters of Guangzhou Huaduo requiring shareholder approval under PRC laws and regulations and the articles of association of Guangzhou Huaduo. Each power of attorney will remain in force until the shareholder ceases to hold any equity interest in Guangzhou Huaduo.

Exclusive Option Agreement

Under the exclusive option agreement between Beijing Huanju Shidai, each of Mr. Jun Lei and two other unaffiliated individual shareholders of Guangzhou Huaduo and Guangzhou Huaduo, each of such shareholders irrevocably granted Beijing Huanju Shidai or its designated representative(s) an exclusive option to purchase, to the extent permitted under PRC law, all or part of his or its equity interests in Guangzhou Huaduo. Beijing Huanju Shidai or its designated representative(s) have sole discretion as to when to exercise such options, either in part or in full. Without Beijing Huanju Shidai's prior written consent, Guangzhou Huaduo's such shareholders shall not sell, transfer, mortgage or otherwise dispose their equity interests in Guangzhou Huaduo. The term of this agreement is ten years and may be extended at Beijing Huanju Shidai's sole discretion.

Equity Interest Pledge Agreement

Under the equity interest pledge agreement between Beijing Huanju Shidai and Mr. Jun Lei and two other unaffiliated individual shareholders of Guangzhou Huaduo, such shareholders of Guangzhou Huaduo have pledged all of their equity interests in Guangzhou Huaduo to Beijing Huanju Shidai to guarantee the performance by Guangzhou Huaduo and its shareholders' performance of their respective obligations under the exclusive business cooperation agreement, exclusive option agreement, exclusive technology support and technology services agreement and powers of attorney. If Guangzhou Huaduo and/or such shareholders breach their contractual obligations under those agreements, Beijing Huanju Shidai, as the pledgee, will be entitled to certain rights, including the right to sell the pledged equity interests. The pledge became effective on the date the pledged equity interests were registered with the competent administration for industry and commerce and will remain effective until the pledgors are no longer the shareholders of Guangzhou Huaduo.

Guangzhou Tuyue are indirectly held by selected individuals from the senior management team of JOYY INC. who are PRC citizens through PRC limited partnership jointly established by these individuals. Guangzhou Tuyue, its direct and indirect shareholders and Guangzhou Huanju Shidai, have entered a series of contractual agreements. The following is a summary of the currently effective contracts among Guangzhou Tuyue, its direct and indirect shareholders and Guangzhou Huanju Shidai.

Agreements that transfer economic benefits to us

Exclusive Service Agreement

Under each of the Exclusive Service Agreements entered into by Guangzhou Tuyue's respective direct and indirect shareholders with Guangzhou Huanju Shidai dated December 9, 2020, Guangzhou Huanju Shidai has the right to exclusively provide relevant services to such shareholders, including without limitations, the licensing of software, technology support, training, research and business consulting services related to such shareholder's applicable business, the scope of which is to be determined by Guangzhou Huanju Shidai from time to time. The service scope and service fee payable by such shareholder to Guangzhou Huanju Shidai is determined at the sole discretion of Guangzhou Huanju Shidai. The term of each exclusive service agreement is 20 years and will be automatically extended year by year unless Guangzhou Huanju Shidai delivers prior written notice to such shareholder not to extend the term.

Agreements that provide us effective control over Guangzhou Huaduo

Proxy Agreement

Under each proxy agreement entered into by Guangzhou Tuyue's respective direct and indirect shareholders with Guangzhou Huanju Shidai dated December 9, 2020, each such shareholder irrevocably authorized Guangzhou Huanju Shidai or its designee(s) to act on their respective behalf as proxy attorney, including, but not limited to proposing to convene or attend shareholder meetings, voting at such meetings, appointing directors and senior management, disposal the equity interests under the respective Exclusive Service Agreement. The term of each proxy agreement is 20 years and will be automatically extended year by year unless Guangzhou Huanju Shidai delivers prior written notice to the relevant parties under the proxy agreement not to extend the term.

Exclusive Option Agreement

Under each exclusive option agreement entered into by Guangzhou Tuyue's respective direct and indirect shareholders with Guangzhou Huanju Shidai dated December 9, 2020, each such shareholder has irrevocably granted Guangzhou Huanju Shidai or its designee(s) an exclusive call option to purchase all or any part of its equity interests, all or any part of its assets, and an exclusive call option to request the capital increase into the relevant entity, to the extent permissible by the then-applicable PRC laws and regulations, at Guangzhou Huanju Shidai's sole discretion.

Equity Interest Pledge Agreement

Under the equity interest pledge agreement between Guangzhou Huanju Shidai and the direct and indirect shareholders of Guangzhou Tuyue, such shareholders of Guangzhou Tuyue have pledged all of their equity interests to Guangzhou Huanju Shidai to guarantee the performance by such shareholder's performance of their respective contractual obligations under the respective exclusive service agreement, exclusive option agreement, and proxy agreement to which such shareholder is a party. If such shareholder breach its contractual obligations under those agreements, Guangzho Huanju Shidai, as the pledgee, will be entitled to certain rights, including the right to dispose the pledged equity interests. We have completed the registration of the equity interest pledge under the equity interest pledge agreements with the relevant office of SAMR. The pledge will remain effective upon the contractual obligations have been fully performed or the secured debts have been fully paid.

Contractual Arrangements with Bilin Online

In August 2015, we acquired Bilin business, a mobile instant communication application and its relevant business line, by purchasing 55.05% of the equity interests in its holding company BiLin Cayman Islands. In March 2018, we acquired the remaining 44.95% of the equity interests in BiLin Cayman Islands. The Bilin entities had a complete VIE structure. Upon the consummation of the acquisition, Bilin Changxiang, Bilin Online and its shareholder entered into a series of agreements, which is similar to the contractual arrangements with Beijing Tuda and Beijing Huanju Shidai, to reestablish the VIE structure. The agreements and related instruments include an Exclusive Business Cooperation Agreement, a Powers of Attorney, an Exclusive Option Agreement, an Exclusive Assets Purchase Agreement, and an Equity Interest Pledge Agreement. This arrangement ensures the transfer of economic benefits to us, and our effective control over Bilin Online. In 2019 and 2020, we received service fees of RMB6.0 million and RMB nil from Bilin Online.

Contractual Arrangements with Guangzhou BaiGuoYuan

In 2020, we received service fees of RMB784.5 million (US$120.2 million) from Guangzhou BaiGuoYuan. On January 15, 2021, Mr. David Xueling Li and a senior management member of Guangzhou BaiGuoYuan have transferred in total 100% of the equity interests of Guangzhou BaiGuoYuan to Guangzhou Qianxun, and terminated the contractual arragements upon the effectiveness of the foregoing transfers. Guangzhou Qianxun is indirectly held by selected individuals of our senior management team who are PRC citizens through PRC limited partnership jointly established by these individuals. Guangzhou BaiGuo Yuan, and its direct and indirect shareholders, are controlled by BaiGuoYuan Technology through a series of contractual arrangements. The following is a summary of the currently effective contracts among our subsidiary, Guangzhou BaiGuoYuan Information Technology Co., Ltd., or BaiGuoYuan Technology, our PRC consolidated affiliated entity, Guangzhou BaiGuoYuan Network Technology Co., Ltd., or Guangzhou BaiGuoYuan, and the direct and indirect shareholders of Guangzhou BaiGuoYuan.

Agreements that transfer economic benefits to us

Exclusive Service Agreement

Under each of the exclusive service agreements entered into by Guangzhou BaiGuoYuan's respective direct and indirect shareholders with BaiGuoYuan Technology dated January 15, 2021, BaiGuoYuan Technology has the right to exclusively provide relevant services to such shareholders, including without limitations, the licensing of software, technology support, training, research and business consulting services related to such shareholder's applicable business, the scope of which is to be determined by BaiGuoYuan Technology from time to time. The service scope and service fee payable by such shareholder to BaiGuoYuan Technology is determined by the sole discretion of BaiGuoYuan Technology. The term of each exclusive service agreement is twenty years and will be automatically extended year by year unless BaiGuoYuan Technology delivers a prior written notice to such shareholder not to extend the term.

Agreements that provide us effective control over Guangzhou BaiGuoYuan

Shareholder Voting Rights Proxy Agreement

Proxy Agreement

Under each proxy agreement entered into by Guangzhou BaiGuoYuan's respective direct and indirect shareholders with BaiGuoYuan Technology dated December 9, 2020, each such shareholder irrevocably authorized BaiGuoYuan Technology or its designee(s) to act on their respective behalf as proxy attorney, including, but not limited to proposing to convene or attend shareholder meetings, voting at such meetings, appointing directors and senior management, disposal the equity interests under the respective exclusive service agreement. The term of each proxy agreement is 20 years and will be automatically extended year by year unless BaiGuoYuan Technology delivers prior written notice to the relevant parties under the proxy agreement not to extend the term.

Equity Interest Pledge Agreement

Under the equity interest pledge agreement between BaiGuoYuan Technology and the direct and indirect shareholders of Guangzhou BaiGuoYuan, such shareholders of Guangzhou BaiGuoYuan have pledged all of their equity interests to BaiGuoYuan Technology to guarantee the performance by such shareholder's performance of their respective contractual obligations under the respective exclusive service agreement, exclusive option agreement, and proxy agreement to which such shareholder is a party. If such shareholder breach its contractual obligations under those agreements, BaiGuoYuan Technology, as the pledgee, will be entitled to certain rights, including the right to dispose the pledged equity interests. We have completed the registration of the equity interest pledge under the equity interest pledge agreements with the relevant office of SAMR. The pledge will remain effective upon the contractual obligations have been fully performed or the secured debts have been fully paid.

Agreement that provide us with the option to purchase the equity interests in Guangzhou BaiGuoYuan

Exclusive Option Agreement

Under each exclusive option agreement entered into by Guangzhou BaiGuoYuan's respective direct and indirect shareholders with BaiGuoYuan Technology dated December 9, 2020, each such shareholder has irrevocably granted BaiGuoYuan Technology or its designee(s) an exclusive call option to purchase all or any part of its equity interests, all or any part of its assets, and an exclusive call option to request the capital increase into the relevant entity, to the extent permissible by the then-applicable PRC laws and regulations, at BaiGuoYuan Technology's sole discretion.

Contractual Arrangements with Chengdu Yunbu, Chengdu Luota and Chengdu Jiyue

The following is a summary of the currently effective contracts among our subsidiary, Guangzhou Wangxing Information Technology Co., Ltd., or Guangzhou Wangxing, our PRC consolidated affiliated entity, Chengdu Yunbu Internet Technology Co., Ltd., or Chengdu Yunbu, Chengdu Luota Internet Technology Co., Ltd., or Chengdu Luota, and Chengdu Jiyue Internet Technology Co., Ltd., or Chengdu Jiyue and their shareholders.

Agreements that transfer economic benefits to us

Exclusive Business Cooperation Agreement

On July 31, 2019, Guangzhou Wangxing entered into an exclusive business cooperation agreement respectively with Chengdu Yunbu, Chengdu Luota and Chengdu Jiyue. Under the exclusive business cooperation agreement, Guangzhou Wangxing has the exclusive right to provide Chengdu Yunbu, Chengdu Luota and Chengdu Jiyue with technology support, business support and consulting services related to their businesses, the scope of which is to be determined by Guangzhou Wangxing from time to time. Guangzhou Wangxing owns the exclusive intellectual property rights created as a result of the performance of this agreement. The service fee payable by Chengdu Yunbu, Chengdu Luota and Chengdu Jiyue to Guangzhou Wangxing shall be paid quarterly, and the amount is up to 100% of the quarterly net profit of Chengdu Yunbu, Chengdu Luota and Chengdu Jiyue after deducting the operating costs, taxes, and reasonable profits according to PRC tax principles and practices. The term of this agreement is in perpetuity from the execution date of this agreement, unless otherwise decided by Guangzhou Wangxing.

Agreements that provide us effective control over Chengdu Yunbu, Chengdu Luota and Chengdu Jiyue

Shareholder Voting Rights Proxy Agreement

On July 31, 2019, Guangzhou Wangxing, Chengdu Yunbu, Chengdu Luota and Chengdu Jiyue, and the shareholders of Chengdu Yunbu, Chengdu Luota and Chengdu Jiyue respectively entered into a voting rights proxy agreement. Under the voting rights proxy agreement, each of the shareholders of Chengdu Yunbu, Chengdu Luota and Chengdu Jiyue irrevocably executed a power of attorney and appointed Guangzhou Wangxing or its designated representatives as its attorney-in-fact to exercise such shareholders' rights in Chengdu Yunbu, Chengdu Luota and Chengdu Jiyue, including, without limitation, the power to vote on its behalf on all matters of Chengdu Yunbu, Chengdu Luota and Chengdu Jiyue requiring shareholder approval under PRC laws and regulations and the articles of association and their amendments from time to time of Chengdu Yunbu, Chengdu Luota and Chengdu Jiyue and rights to information relating to all business aspects of Chengdu Yunbu, Chengdu Luota and Chengdu Jiyue. The term of this agreement is in perpetuity from the execution date of this agreement, unless otherwise agreed upon by Guangzhou Wangxing, Chengdu Yunbu, Chengdu Luota and Chengdu Jiyue, and the shareholders of Chengdu Yunbu, Chengdu Luota and Chengdu Jiyue.

Equity Interest Pledge Agreement

On July 31, 2019, Guangzhou Wangxing entered into an equity interest pledge agreement respectively with, Chengdu Yunbu, Chengdu Luota and Chengdu Jiyue and the each of the shareholders of Chengdu Yunbu, Chengdu Luota and Chengdu Jiyue. Pursuant to the equity interest pledge agreement, the shareholders of Chengdu Yunbu, Chengdu Luota and Chengdu Jiyue have pledged all of their equity interests in Chengdu Yunbu, Chengdu Luota and Chengdu Jiyue to Guangzhou Wangxing to guarantee the performance by Chengdu Yunbu, Chengdu Luota and Chengdu Jiyue and their shareholders' performance of their respective obligations under the exclusive business cooperation agreement, exclusive option agreement, exclusive asset purchase agreement and shareholder voting rights proxy agreement. If Chengdu Yunbu, Chengdu Luota and Chengdu Jiyue or their shareholders breach their contractual obligations under those agreements, Guangzhou Wangxing, as the pledgee, will be entitled to certain rights, including the right to sell the pledged equity interests. This pledge will become effective on the date the pledged equity interests are recorded in the registry of shareholders of Chengdu Yunbu, Chengdu Luota and Chengdu Jiyue, and will remain effective until Chengdu Yunbu, Chengdu Luota and Chengdu Jiyue and the each of the shareholders of Chengdu Yunbu, Chengdu Luota and Chengdu Jiyue have fully performed their obligations under the exclusive business cooperation agreement, exclusive option agreement, exclusive asset purchase agreement, shareholder voting rights proxy agreement and equity interest pledge agreement.

Agreement that provide us with the option to purchase the equity interests in Chengdu Yunbu, Chengdu Luota and Chengdu Jiyue

Exclusive Option Agreement

On July 31, 2019, Guangzhou Wangxing, Chengdu Yunbu, Chengdu Luota and Chengdu Jiyue, and each of the shareholders of Chengdu Yunbu, Chengdu Luota and Chengdu Jiyue respectively entered into an exclusive option agreement. Under the exclusive option agreement, each of the shareholders of Chengdu Yunbu, Chengdu Luota and Chengdu Jiyue irrevocably granted Guangzhou Wangxing or its designated representatives an exclusive option to purchase, to the extent permitted under PRC law, all or part of his/her equity interests in Chengdu Yunbu, Chengdu Luota and Chengdu Jiyue. Guangzhou Wangxing or its designated representatives have sole discretion as to when to exercise such options, either in part or in full. Without Guangzhou Wangxing's prior written consent, shareholders of Chengdu Yunbu, Chengdu Luota and Chengdu Jiyue shall not, by any means, sell, transfer, mortgage or otherwise dispose or create any encumbrance on the pledged equity interests in Chengdu Yunbu, Chengdu Luota and Chengdu Jiyue. The term of this agreement is in perpetuity from the execution date of this agreement, unless the agreement is terminated by Guangzhou Wangxing upon thirty (30) days written notice to the other parties.

Contractual Arrangements with Sanrenxing

The following is a summary of the currently effective contracts among our subsidiary, Guangzhou 100-Education Technology Co., Ltd., or 100-Education Technology, our PRC consolidated affiliated entity, Guangzhou Sanrenxing 100-Education Technology Co., Ltd., or Sanrenxing, and the shareholders of Sanrenxing.

Agreements that transfer economic benefits to us

Exclusive Business Cooperation Agreement

On October 17, 2018, 100-Education Technology and Sanrenxing, entered into an exclusive business cooperation agreement. Under the exclusive business cooperation agreement, 100-Education Technology has the exclusive right to provide Sanrenxing with technology support, consulting services and other services related to Sanrenxing’s business. 100-Education Technology owns the exclusive intellectual property rights created as a result of the performance of this agreement. The service fee payable by Sanrenxing to 100-Education Technology shall be paid annually, and the amount shall be determined at the sole discretion of 100-Education Technology. The term of this agreement is thirty years from the execution date of this agreement and will be automatically extended for thirty more years, unless 100-Education Technology agrees terminating of this agreement prior to the expiration.

Agreements that provide us effective control over Sanrenxing

Shareholder Voting Rights Proxy Agreement

On October 17, 2018, 100-Education Technology, Sanrenxing, and the shareholders of Sanrenxing entered into a voting rights proxy agreement. Under the voting rights proxy agreements, each of the shareholders of Sanrenxing irrevocably executed a power of attorney and appointed 100-Education Technology or its designated representatives as its attorney-in-fact to exercise such shareholders' rights in Sanrenxing, including, without limitation, the power to vote on its behalf on all matters of Sanrenxing requiring shareholder approval under PRC laws and regulations and the articles of association of Sanrenxing and rights to information relating to all business aspects of Sanrenxing. The term of this agreement is thirty years from the execution date of this agreement and will be automatically extended for one more year, unless 100-Education Technology agrees terminating of this agreement with thirty days prior notice.

Equity Interest Pledge Agreement

On October 17, 2018, 100-Education Technology, Sanrenxing, and the shareholders of Sanrenxing entered into an equity interest pledge agreement. Pursuant to the equity interest pledge agreements, the shareholders of Sanrenxing have pledged all of their equity interests in Sanrenxing to 100-Education Technology to guarantee the performance by Sanrenxing and its shareholders' performance of their respective obligations under the exclusive business cooperation agreement, exclusive option agreement, voting rights proxy agreement and power of attorney. If Sanrenxing or its shareholders breach their contractual obligations under those agreements, 100-Education Technology, as the pledgee, will be entitled to certain rights, including the right to sell the pledged equity interests. This pledge will become effective on the date the pledged equity interests are registered with the competent administration for industry and commerce and will remain effective until all the contractual obligations have been fulfilled and all the secured debts have been paid up. We registered the pledged equity interests with the competent administration for industry and commerce on February 19, 2019.

Agreement that provide us with the option to purchase the equity interests in Sanrenxing

Exclusive Option Agreement

On October 17, 2018, 100-Education Technology, Sanrenxing, and the shareholders of Sanrenxing entered into an exclusive option agreement. Under the exclusive option agreements, each of the shareholders irrevocably granted 100-Education Technology or its designated representatives an exclusive option to purchase, to the extent permitted under PRC law, all or part of his or its equity interests in Sanrenxing. 100-Education Technology or its designated representatives have sole discretion as to when to exercise such options, either in part or in full. Without 100-Education Technology's prior written consent, Sanrenxing's shareholders shall not sell, transfer, mortgage or otherwise dispose their equity interests in Sanrenxing. This agreement becomes effective on the date of the execution of this agreement, and will be terminated when all the shares held by the shareholders of Sanrenxing or all the assets of Sanrenxing have been transferred to 100-Education Technology or its designated person.

Transactions with Affiliates

In 2010 and 2011, Guangzhou Huaduo and Guangzhou Sunhongs Corp., Ltd (formerly named as Guangzhou Shanghang Information Technical Co., Ltd.), or Guangzhou Sunhongs, entered into certain server co-location agreements, under which Guangzhou Sunhongs provides Guangzhou Huaduo with bandwidth and server co-location services in different cities in China. In addition, Guangzhou Huaduo and Guangzhou Sunhongs entered into two content delivery network acceleration service agreements, under which Guangzhou Sunhongs provides content delivery network acceleration services to Guangzhou Huaduo. Guangzhou Sunhongs is 19.5% owned by Mr. Jun Lei, our major shareholder and 5.1% owned by Shanghai Yilian, respectively. In the years ended December 31, 2018, 2019 and 2020, the bandwidth service that we received from Guangzhou Sunhongs amounted to RMB92.5 million, RMB92.6 million and RMB98.4 million (US$15.1 million), respectively.

Guangzhou Huaduo and Kingsoft Cloud Holdings Limited (Nasdaq: KC) ("Kingsoft Cloud") entered into certain cloud service agreements, under which Kingsoft Cloud provides Guangzhou Huaduo with bandwidth service. Mr. Jun Lei, our major shareholder, is also the major shareholder and Chairman of the Board of Directors of Kingsoft Cloud. In the years ended December 31, 2018, 2019 and 2020, the bandwidth service that we received from Kingsoft Cloud amounted to RMB2.1 million, RMB11.9 million and RMB14.7 million (US$2.3 million), respectively. We also purchased servers and equipments from Kingsoft Cloud. In the years ended December 31, 2019 and 2020, the fixed assets that we purchased from Kingsoft Cloud amounted to RMB16.8 million and RMB3.0 million (US$0.5 million).

See Note 28 to our financial statements for further information about our related party transactions.

Registration Rights Agreement with Huya

On April 3, 2020, Huya and we entered into a registration rights agreement. Under the agreement, Huya have granted us certain registration rights, including:

- *Demand registration rights.* So long as we hold 25% or more of the voting power of Huya outstanding shares, we have the right to request us effect a registration for their shares. Huya is not obligated to effect more than two demand registrations that have been declared and ordered effective.
- *Form F-3 registration rights.* If Huya qualifies for registration on Form F-3, we may request Huya to file a registration statement on Form F-3. Huya is not obligated to effect more than six registration statements on Form F-3 that have been declared and ordered effective.
- *Piggyback registration rights.* If Huya proposes to file a registration statement for a public offering of its securities, it must afford us an opportunity to participate in that offering. Huya has the right to terminate or withdraw any registration initiated by it under the piggyback registration rights prior to the effectiveness of such registration.

Employment Agreements

See "Item 6. Directors, Senior Management and Employees—B. Compensation of Directors and Executive Officers—Employment Agreements" for a description of the employment agreements we have entered into with our senior executive officers.

Share Incentives

See "Item 6. Directors, Senior Management and Employees—B. Compensation of Directors and Executive Officers" for a description of share-based compensation awards we have granted to our directors, officers and other individuals as a group.

C. Interests of Experts and Counsel

Not applicable.

ITEM 8. FINANCIAL INFORMATION

A. Consolidated Statements and Other Financial Information

See "Item 18. Financial Statements."

Legal Proceedings

Guangzhou NetEase Computer System Co., Ltd. has initiated a lawsuit against us in Guangzhou in October 2014, claiming infringement of its rights of reproduction concerning the online game of Fantasy Westward Journey in an amount of RMB100 million. In 2017, Guangzhou Intellectual Property Court ordered us to compensate NetEase in an amount of RMB20.0 million. In December 2019, the Higher People's Court of Guangdong Province rejected the appeal of NetEase and us, and upheld the judgement of the Guangzhou Intellectual Property Court. We have applied for adjudication supervision from the Supreme People's Court of PRC against the judgement in 2020, and we have applied for withdrawal of such adjudication supervision in April 2021.

On November 20, 2020, a putative securities class action complaint captioned Hershewe v. JOYY Inc. et al., No. 2:20-cv-10611 (C.D. Cal.) was filed in the United States District Court for Central District of California against the Company and certain of its current and former officers. The complaint asserts claims for violations of Sections 10(b) and 20(a) of the Securities Exchange Act of 1934 and Rule 10b-5 promulgated thereunder and seeks damages based on alleged material misrepresentations and omissions about the Company's revenue, component businesses, and acquisition of Bigo. The proposed class period is April 28, 2016, through November 18, 2020, inclusive. The Company cannot reasonably estimate a potential future loss.

Apart from the aforesaid lawsuit, we are not currently a party to any pending material litigation or other material legal proceeding and are not aware of any pending or threatened litigation or other legal proceeding that may have a material adverse impact on our business or operations. However, we may be subject to various legal proceedings and claims that are incidental to our ordinary course of business. Regardless of the outcome, legal or administrative proceedings or claims may have an adverse impact on us because of defense and settlement costs, diversion of management attention and other factors.

Dividend Policy

On August 11, 2020, our board of directors approved a quarterly dividend policy for the next three years commencing in the second quarter of 2020. Under the policy, total cash dividend amount expected to be paid will be approximately US$300 million and quarterly dividends will be set at approximately US$25 million in each fiscal quarter. On November 20, 2020, our board of directors approved an additional quarterly dividend policy for the next three years, under which the total cash dividend amount expected to be paid will be approximately US$200 million and quarterly dividend set at a fixed amount of approximately US$16.67 million in each fiscal quarter. As of March 31, 2021, we have paid dividends in an aggregate amount of US$67 million.

We are a holding company incorporated in the Cayman Islands. We may receive dividends from our PRC subsidiary for our cash requirements, including any payment of dividends to our shareholders. PRC regulations may restrict the ability of our PRC subsidiary to pay dividends to us. See "Item 3. Key information—D. Risk Factors—Risks Related to Our Corporate Structure—Our PRC subsidiaries and PRC consolidated affiliated entities are subject to restrictions on paying dividends or making other payments to us, which may restrict our ability to satisfy our liquidity requirements" and "Item 4. Information on the Company—B. Business Overview—PRC Regulation—Regulation of Foreign Currency Exchange and Dividend Distribution."

Our board of directors has complete discretion on whether to distribute dividends, subject to the approval of our shareholders. Even if our board of directors decides to pay dividends, the form, frequency and amount will depend upon our future operations and earnings, capital requirements and surplus, general financial condition, contractual restrictions and other factors that the board of directors may deem relevant. If we pay any dividends, we will pay our ADS holders to the same extent as holders of our Class A common shares, subject to the terms of the deposit agreement, including the fees and expenses payable thereunder. See "Item 12. Description of Securities Other than Equity Securities—D. American Depositary Shares." Cash dividends on our Class A common shares, if any, will be paid in U.S. dollars.

B. Significant Changes

Except as disclosed elsewhere in this annual report, we have not experienced any significant changes since the date of our audited consolidated financial statements included in this annual report.

ITEM 9. THE OFFER AND LISTING

A. Offering and Listing Details

See "—C. Markets" and "Item 12. Description of Securities other than Equity Securities—D. American Depositary Shares." We have a dual-class common share structure in which Class A common shares have different voting rights from Class B common shares. Class B common shares are each entitled to ten votes, whereas Class A common shares are each entitled to one vote. See "Item 3. Key Information—D. Risk Factors—Risks Related to Our ADSs—Our dual class common share structure with different voting rights will limit your ability to influence corporate matters and could discourage others from pursuing any change of control transactions that holders of our Class A common shares and ADSs may view as beneficial."

B. Plan of Distribution

Not applicable.

C. Markets

Our ADSs, each representing twenty Class A common shares, have been listed on the Nasdaq Global Select Market since November 21, 2012 and trade under the symbol "YY."

D. Selling Shareholders

Not applicable.

E. Dilution

Not applicable.

F. Expenses of the Issue

Not applicable.

ITEM 10. ADDITIONAL INFORMATION

A. Share Capital

Not applicable.

B. Memorandum and Articles of Association

We are a Cayman Islands exempted company and our affairs are governed by our memorandum and articles of association and the Companies Act (As Revised) of the Cayman Islands, referred to as the Companies Act below. The following are summaries of certain provisions of our memorandum and articles of association in effect as of the date of this annual report insofar as they relate to the material terms of our common shares.

Registered Office and Objects

Our registered office in the Cayman Islands is located at Conyers Trust Company (Cayman) Limited, Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KYI-1111, Cayman Islands. The memorandum of association provides, inter alia, that the liability of the members of our company is limited to the amount, if any, for the time being unpaid on the common shares. The objects for which our company is established are unrestricted (including acting as an investment company), and we shall have and be capable of exercising all the functions of a natural person of full capacity irrespective of corporate benefit, as provided in Section 27(2) of the Companies Act and in view of the fact that we are an exempted Company, we will not trade in the Cayman Islands with any person, firm or corporation except in furtherance of our business carried on outside the Cayman Islands.

Board of Directors

See "Item 6. Directors, Senior Management and Employees—C. Board Practices—Duties of Directors" and "—Terms of Directors and Officers."

Common Shares

General

Our common shares are divided into Class A common shares and Class B common shares. Holders of Class A common shares and Class B common shares will have the same rights except for voting and conversion rights. The holders of ADSs will not be treated as our shareholders and will be required to surrender their ADSs for cancellation and withdrawal from the depositary facility in which the Class A common shares are held in accordance with the provisions of the deposit agreement in order to exercise shareholders' rights in respect of the Class A common shares. The depositary will agree, so far as it is practical, to vote or cause to be voted the amount of underlying Class A common shares represented by ADSs in accordance with the non-discretionary written instructions of the holders of such ADSs.

All of our issued and outstanding common shares are fully paid and non-assessable. Our common shares are issued in registered form and are issued when registered in our register of members (shareholders). We may not issue shares to bearer. Our shareholders who are non-residents of the Cayman Islands may freely hold and vote their common shares.

Meetings

Under our articles of association, we are required to hold an annual general meeting of our Company at such time and place as may be determined by our board of directors. In addition, extraordinary general meetings of our shareholders may be convened by a majority of our board of directors or the chairman of our board of directors. Advance notice in writing of at least ten clear days is required for the convening of our annual general meeting and any other general meeting of our shareholders. A quorum required for a meeting of shareholders consists of at least one or more shareholders present in person or by proxy, or (in the case of a shareholder being a corporation) by its duly authorized representative representing not less than one-third in nominal value of the total issued voting shares in our company present throughout the meeting.

Notwithstanding that a meeting is called by shorter notice than that mentioned above, it will be deemed to have been duly called, if it is so agreed (a) in the case of a meeting called as an annual general meeting by all of our shareholders entitled to attend and vote at the meeting; and (b) in the case of any other meeting, by a majority in number of the shareholders having the right to attend and vote at the meeting, being a majority together holding not less than 95% in nominal value of the issued shares giving that right.

No business other than the appointment of a chairman may be transacted at any general meeting unless a quorum is present at the commencement of business. However, the absence of a quorum will not preclude the appointment of a chairman. If present, the chairman of our board of directors shall be the chairman presiding at any shareholders' meetings.

A corporation being a shareholder shall be deemed for the purpose of our articles of association to be present in person if represented by its duly authorized representative being the person appointed by resolution of the directors or other governing body of such corporation to act as its representative at the relevant general meeting or at any relevant general meeting of any class of our shareholders. Such duly authorized representative shall be entitled to exercise the same powers on behalf of the corporation that he represents as that corporation could exercise if it were our individual shareholder.

The quorum for a separate general meeting of the holders of a separate class of shares is described in "—Modification of Rights" below.

Our articles of association do not allow our shareholders to approve matters to be determined at shareholders' meetings by way of written resolutions without a meeting.

Voting Rights

In respect of all matters requiring a shareholders' vote, each Class A common share is entitled to one vote, and each Class B common share is entitled to ten votes, voting together as one class. At any shareholders' meeting, and subject to the voting rights attached to our Class A common shares and Class B common shares as described in this paragraph, on a show of hands, every shareholder present in person or by proxy (or, in the case of a shareholder being a corporation, by its duly authorized representative) shall have one vote and on a poll, every shareholder present in person or by proxy, or in the case of a shareholder being a corporation, by its duly authorized representative shall have one vote for each fully paid share of which such shareholder is the holder.

No shareholder shall, unless our board of directors otherwise determines, be entitled to vote or be reckoned in a quorum, in respect of any share, unless such shareholder is duly registered as our shareholder and all calls or installments due by such shareholder to us have been paid.

If a clearing house (or its nominee(s)) or a central depositary entity, being a corporation, is a shareholder, it may authorize such person or persons as it thinks fit to act as its representative(s) at any meeting or at any meeting of any class of shareholders, provided that the authorization shall specify the number and class of shares in respect of which each such person is so authorized. A person so authorized is entitled to exercise the same rights and powers on behalf of the clearing house or central depositary entity (or its nominee(s)) as if such person was the registered holder of our shares held by the clearing house or central depositary entity (or its nominee(s)) including the right to vote individually on a show of hands.

While there is nothing under the laws of the Cayman Islands which specifically prohibits or restricts the creation of cumulative voting rights for the election of directors of our company, it is not a concept that is accepted as a common practice in the Cayman Islands, and our company has made no provisions in our articles of association to allow cumulative voting for such elections.

Conversion

Each Class B common share is convertible into one Class A common share at any time by the holder thereof. Class A common shares are not convertible into Class B common shares under any circumstances. Upon any transfer, sale, pledge, assignment or disposition of Class B common shares by a holder to any person or entity which is not an affiliate of such holder and which is not any of our founders or any affiliates of our founders, such Class B common shares shall be automatically and immediately converted into the equivalent number of Class A common shares. In addition, if at any time, Messrs. David Xueling Li, Jun Lei, Tony Bin Zhao and Jin Cao and their affiliates collectively beneficially own less than 5% of the total number of the issued and outstanding Class B common shares, each issued and outstanding Class B common share will be automatically and immediately converted into one Class A common share, and we will not issue any Class B common shares thereafter. Furthermore, if at any time more than 50% of the ultimate beneficial ownership of any holder of Class B common shares (other than our founders or our founders' affiliates) changes, each such Class B common share will be automatically and immediately converted into one Class A common share.

Calls on Shares and Forfeiture of Shares

Subject to our memorandum and articles of association, our directors may from time to time make such calls upon the members in respect of any amounts unpaid on the shares held by them. The shares that have been called upon and remain unpaid after it has become due and payable are subject to forfeiture.

Protection of Minority Shareholders

In principle, we will normally be the proper plaintiff to sue for a wrong done to us as a company because as a general rule a derivative action may not be brought by a minority shareholder. However, based on English authorities, which would in all likelihood be of persuasive authority in the Cayman Islands, the Cayman Islands court can be expected to apply and follow the common law principles (namely the rule in Foss v. Harbottle and the exceptions thereto) which permit a minority shareholder to commence a class action against, or derivative actions in the name of, a company to challenge the following:

(i) an acts which is illegal or ultra vires and is therefore incapable of ratification by the shareholders;

(ii) an act which, although not ultra vires, could only be effected duly if authorized by a special or qualified majority vote that has not been obtained; and

(iii) an act which constitutes a fraud against, the minority where the wrongdoers are themselves in control of the company.

In the case of a company (not being a bank) having its share capital divided into shares, the Grand Court of the Cayman Islands may, on the application of members holding not less than one fifth of the shares of the company in issue, appoint an inspector to examine the affairs of the company and to report thereon in such manner as the Grand Court of the Cayman Islands shall direct.

Any of our shareholders may petition the Grand Court of the Cayman Islands which may make a winding up order if the Grand Court of the Cayman Islands is of the opinion that it is just and equitable that we should be wound up or, as an alternative to a winding up order, (a) an order regulating the conduct of our affairs in the future, (b) an order requiring us to refrain from doing or continuing an act complained of by the shareholder petitioner or to do an act which the shareholder petitioner has complained we have omitted to do, (c) an order authorizing civil proceedings to be brought in our name and on our behalf by the shareholder petitioner on such terms as the Grand Court of the Cayman Islands may direct, or (d) an order providing for the purchase of the shares of any of our shareholders by other shareholders or us and, in the case of a purchase by us, a reduction of our capital accordingly.

Generally, claims against us must be based on the general laws of contract or tort applicable in the Cayman Islands or individual rights as shareholders as established by our articles of association.

Pre-Emption Rights

There are no pre-emption rights applicable to the issue of new shares of our company under either Cayman Islands law or our memorandum and articles of association.

Liquidation Rights

Subject to any class or classes of shares or future shares which are issued with specific rights, privileges or restrictions as to the distribution of available surplus assets on liquidation, (a) if we are wound up and the assets available for distribution among our shareholders are more than sufficient to repay the whole of the capital paid up at the commencement of the winding up, the excess shall be distributed pari passu among those shareholders in proportion to the amount paid up at the commencement of the winding up on the shares held by them, respectively, and (b) if we are wound up and the assets available for distribution among the shareholders as such are insufficient to repay the whole of the paid-up capital, those assets shall be distributed so that, as nearly as may be, the losses shall be borne by the shareholders in proportion to the capital paid up at the commencement of the winding up on the shares held by them, respectively.

If we are wound up (whether the liquidation is voluntary or by the court), the liquidator may with the sanction of our special resolution and any other sanction required by the Companies Act, divide among our shareholders in specie or kind the whole or any part of our assets (whether or not they shall consist of property of the same kind) and may, for such purpose, set such value as the liquidator deems fair upon any property to be divided and may determine how such division shall be carried out as between the shareholders or different classes of shareholders. The liquidator may also vest the whole or any part of these assets in trustees upon such trusts for the benefit of the shareholders as the liquidator shall think fit, but so that no shareholder will be compelled to accept any assets, shares or other securities upon which there is a liability.

The consideration received by each holder of a Class A common share and a holder of a Class B common share will be the same in any liquidation event.

Variation of Rights

Alterations to our memorandum and articles of association may only be made by special resolution, meaning a majority of not less than two-thirds of votes cast at a shareholders' meeting.

Subject to applicable laws and our memorandum and articles of association, all or any of the special rights for the time being attached to the shares or any class of shares may, unless otherwise provided by the terms of issue of the shares of that class, from time to time be varied, modified or abrogated by a special resolution passed at a separate general meeting of the holders of the shares of that class. All the provisions of our articles of association relating to general meetings shall, mutatis mutandis, apply, but so that:

- separate general meetings of the holders of a class or series of shares may be called only by (i) the chairman of our board of directors, or (ii) a majority of our board of directors (unless otherwise specifically provided by the terms of issue of the shares of such class or series). Our articles of association does not give any shareholder(s) the right to call a class or series meeting;
- the necessary quorum shall be a person or persons (or in the case of a shareholder being a corporation, its duly authorized representative) together holding or representing by proxy not less than one-third in nominal value of the issued shares of that class;
- every holder of shares of the class shall be entitled on a poll to one vote for every such share held by him; and
- any holder of shares of the class present in person or by proxy or authorized representative may demand a poll.

The special rights conferred upon the holders of any shares or class of shares shall not, unless otherwise expressly provided in the rights attaching to or the terms of issue of such shares, be deemed to be varied, modified or abrogated by the creation or issue of further shares ranking pari passu with such existing class of shares.

Alteration of Capital

We may from time to time by ordinary resolution in accordance with the Companies Act alter the conditions of our memorandum of association to:

- increase our capital by such sum, to be divided into shares of such amounts, as the resolution shall prescribe;
- consolidate and divide all or any of our share capital into shares of larger amounts than our existing shares;
- cancel any shares which at the date of the passing of the resolution have not been taken or agreed to be taken by any person, and diminish the amount of its share capital by the amount of the shares so cancelled subject to the provisions of the Companies Act;
- sub-divide our shares or any of them into shares of smaller amount than is fixed by our memorandum of association, subject nevertheless to the Companies Act, so that the resolution whereby any share is sub-divided may determine that, as between the holders of the shares resulting from such subdivision, one or more of the shares may have any such preferred or other special rights over, or may have such deferred rights or be subject to any such restrictions as compared with the others, as we have power to attach to unissued or new shares; and
- divide our shares into several classes and without prejudice to any special rights previously conferred on the holders of existing shares, attach to the shares respectively any preferential, deferred, qualified or special rights, privileges, conditions or such restrictions that in the absence of any such determination in a general meeting may be determined by our directors.

We may, by special resolution, subject to any confirmation or consent required by the Companies Act, reduce our share capital or any capital redemption reserve in any manner authorized by law.

Transfer of Shares

Subject to any applicable restrictions set forth in our articles of association, including, for example, the board of directors' discretion to refuse to register a transfer of any share (not being a fully paid up share) to a person of whom it does not approve, or any share issued under share incentive plans for employees upon which a restriction on transfer imposed thereby still subsists, or a transfer of any share to more than four joint holders, any of our shareholders may transfer all or any of his or her shares by an instrument of transfer in the usual or common form or in a form prescribed by the Nasdaq Global Select Market or in another form that our directors may approve.

Our directors may decline to register any transfer of any share which is not paid up or on which we have a lien. Our directors may also decline to register any transfer of any share unless:

- the instrument of transfer is lodged with us and is accompanied by the certificate for the shares to which it relates and such other evidence as our directors may reasonably require to show the right of the transferor to make the transfer;
- the instrument of transfer is in respect of only one class of share;
- the instrument of transfer is properly stamped (in circumstances where stamping is required); and
- fee of such maximum sum as the Nasdaq Global Select Market may determine to be payable or such lesser sum as our directors may from time to time require is paid to us in respect thereof.

If our directors refuse to register a transfer, they shall, within three months after the date on which the instrument of transfer was lodged, send to each of the transferor and the transferee notice of such refusal.

The registration of transfers may, after compliance with any notice requirement of the Nasdaq Global Select Market, be suspended and the register closed at such times and for such periods as our directors may from time to time determine; provided, however, that the registration of transfers shall not be suspended nor the register closed for more than 30 days in any year as our directors may determine.

Register of Members

In accordance with Section 48 of the Companies Act, the register of members is prima facie evidence of the registered holder or member of shares of a company. Therefore, a person becomes a registered holder or member of shares of the company only upon entry being made in the register of members. Our directors will maintain one register of members, at the office of Conyers Trust Company (Cayman) Limited, Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands, which provides us with corporate administrative services. We will perform the procedures necessary to register the shares in the register of members as required in "PART III—Distribution of Capital and Liability of Members of Companies and Associations" of the Companies Act, and will ensure that the entries on the register of members are made without any delay.

The shares underlying the ADSs are not shares in bearer form, but are in registered form and are "non-negotiable" or "registered" shares in which case the shares underlying the ADSs can only be transferred on the books of the company in accordance with Section 166 of the Companies Act.

If the name of any person is incorrectly entered in or omitted from our register of members, or if there is any default or unnecessary delay in entering on the register the fact of any person having ceased to be a member of our company, the person or member aggrieved (or any member of our company or our company itself) may apply to the Grand Court of the Cayman Islands for an order that the register be rectified, and the Court may either refuse such application or it may, if satisfied of the justice of the case, make an order for the rectification of the register.

Share Repurchases

We are empowered by the Companies Act and our articles of association to purchase our own shares, subject to certain restrictions. Our directors may only exercise this power on our behalf, subject to the Companies Act, our memorandum and articles of association and to any applicable requirements imposed from time to time by the Nasdaq Global Select Market, the U.S. Securities and Exchange Commission, or by any other recognized stock exchange on which our securities are listed.

Dividends

Subject to the Companies Act, our company in a general meeting or our directors may declare dividends in any currency to be paid to our shareholders, but no dividend shall be declared in excess of the amount recommended by our board of directors. Dividends may be declared and paid out of our profits, realized or unrealized, or from any reserve set aside from profits which our directors determine is no longer needed. Our board of directors may also declare and pay dividends out of the share premium account or any other fund or account that can be authorized for this purpose in accordance with the Companies Act.

Except in so far as the rights attaching to, or the terms of issue of, any share otherwise provides, (a) all dividends shall be declared and paid according to the amounts paid up on the shares in respect of which the dividend is paid, but no amount paid up on a share in advance of calls shall be treated for this purpose as paid up on that share and (b) all dividends shall be apportioned and paid pro rata according to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid.

Our directors may also pay interim dividends, whenever our financial position, in the opinion of our directors, justifies such payment.

Our directors may deduct from any dividend or bonus payable to any shareholder all sums of money (if any) presently payable by such shareholder to us on account of calls or otherwise.

No dividend or other money payable by us on or in respect of any share shall bear interest against us.

In respect of any dividend proposed to be paid or declared on our share capital, our directors may resolve and direct that (a) such dividend be satisfied wholly or in part in the form of an allotment of shares credited as fully paid up, provided that our shareholders entitled thereto will be entitled to elect to receive such dividend (or part thereof if our directors so determine) in cash in lieu of such allotment or (b) the shareholders entitled to such dividend will be entitled to elect to receive an allotment of shares credited as fully paid up in lieu of the whole or such part of the dividend as our directors may think fit. Our shareholders may, upon the recommendation of our directors, by ordinary resolution resolve in respect of any particular dividend that, notwithstanding the foregoing, a dividend may be satisfied wholly in the form of an allotment of shares credited as fully paid up without offering any right to shareholders to elect to receive such dividend in cash in lieu of such allotment.

Any dividend interest or other sum payable in cash to the holder of shares may be paid by check or warrant sent by mail addressed to the holder at his registered address, or addressed to such person and at such addresses as the holder may direct. Every check or warrant shall, unless the holder or joint holders otherwise direct, be made payable to the order of the holder or, in the case of joint holders, to the order of the holder whose name stands first on the register in respect of such shares, and shall be sent at his or their risk and payment of the check or warrant by the bank on which it is drawn shall constitute a good discharge to us.

All dividends unclaimed for one year after having been declared may be invested or otherwise made use of by our board of directors for the benefit of our company until claimed. Any dividend unclaimed after a period of six years from the date of declaration of such dividend shall be forfeited and reverted to us.

Whenever our directors have resolved that a dividend be paid or declared, our directors may further resolve that such dividend be satisfied wholly or in part by the distribution of specific assets of any kind, and in particular of paid up shares, debentures or warrants to subscribe for our securities or securities of any other company. Where any difficulty arises with regard to such distribution, our directors may settle it as they think expedient. In particular, our directors may issue fractional certificates, ignore fractions altogether or round the same up or down, fix the value for distribution purposes of any such specific assets, determine that cash payments shall be made to any of our shareholders upon the footing of the value so fixed in order to adjust the rights of the parties, vest any such specific assets in trustees as may seem expedient to our directors, and appoint any person to sign any requisite instruments of transfer and other documents on behalf of the persons entitled to the dividend, which appointment shall be effective and binding on our shareholders.

Untraceable Shareholders

We are entitled to sell any shares of a shareholder who is untraceable, provided that no such sale shall be made unless:

- all checks or warrants in respect of dividends of such shares, not being less than three in number, for any sums payable in cash to the holder of such shares have remained un-cashed for a period of 12 years prior to the publication of the advertisement and during the three months referred to in the third bullet point below;
- we have not during that time received any indication of the existence of the shareholder or person entitled to such shares by death, bankruptcy or operation of law; and
- we, if so required by the rules of the Nasdaq Global Select Market, have given notice to, and caused an advertisement to be published in newspapers in accordance with such applicable rules giving notice of our intention to sell these shares, and a period of three months (or such shorter period as permitted under the applicable rules) has elapsed since the date of such advertisement.

The net proceeds of any such sale shall belong to us, and when we receive these net proceeds we shall become indebted to the former shareholder for an amount equal to such net proceeds.

Differences Between the Law of Different Jurisdictions

The Companies Act of the Cayman Islands is derived, to a large extent, from the older Companies Acts of England but does not follow recent English statutory enactments and accordingly there are significant differences between the Companies Act of the Cayman Islands and the current Companies Act of England In addition, the Companies Act of the Cayman Islands differs from laws applicable to U.S. corporations and their shareholders. Set forth below is a summary of the significant differences between the provisions of the Companies Act of the Cayman Islands applicable to us and the laws applicable to companies incorporated in the United States and their shareholders.

Mergers and Similar Arrangements. The Companies Act permits mergers and consolidations between Cayman Islands companies and between Cayman Islands companies and non-Cayman Islands companies. For these purposes, (a) "merger" means the merging of two or more constituent companies and the vesting of their undertaking, property and liabilities in one of such companies as the surviving company, and (b) a "consolidation" means the combination of two or more constituent companies into a consolidated company and the vesting of the undertaking, property and liabilities of such companies to the consolidated company. In order to effect such a merger or consolidation, the directors of each constituent company must approve a written plan of merger or consolidation, which must then be authorized by (a) a special resolution of the shareholders of each constituent company, and (b) such other authorization, if any, as may be specified in such constituent company's articles of association. The plan must be filed with the Registrar of Companies of the Cayman Islands together with a declaration as to the solvency of the consolidated or surviving company, a list of the assets and liabilities of each constituent company and an undertaking that a copy of the certificate of merger or consolidation will be given to the members and creditors of each constituent company and that notification of the merger or consolidation will be published in the Cayman Islands Gazette. Court approval is not required for a merger or consolidation which is effected in compliance with these statutory procedures.

A merger between a Cayman parent company and its Cayman subsidiary or subsidiaries does not require authorization by a resolution of shareholders of that Cayman subsidiary if a copy of the plan of merger is given to every member of that Cayman subsidiary to be merged unless that member agrees otherwise. For this purpose a company is a "parent" of a subsidiary if it holds issued shares that together represent at least ninety percent (90%) of the votes at a general meeting of the subsidiary.

The consent of each holder of a fixed or floating security interest over a constituent company is required unless this requirement is waived by a court in the Cayman Islands.

Save in certain limited circumstances, a shareholder of a Cayman constituent company who dissents from the merger or consolidation is entitled to payment of the fair value of his shares (which, if not agreed between the parties, will be determined by the Cayman Islands court) upon dissenting to the merger or consolidation, provide the dissenting shareholder complies strictly with the procedures set out in the Companies Act. The exercise of dissenter rights will preclude the exercise by the dissenting shareholder of any other rights to which he or she might otherwise be entitled by virtue of holding shares, save for the right to seek relief on the grounds that the merger or consolidation is void or unlawful.

Separate from the statutory provisions relating to mergers and consolidations, the Companies Act also contains statutory provisions that facilitate the reconstruction and amalgamation of companies by way of schemes of arrangement, provided that the arrangement is approved by a majority in number of each class of shareholders and creditors with whom the arrangement is to be made, and who must in addition represent three-fourths in value of each such class of shareholders or creditors, as the case may be, that are present and voting either in person or by proxy at a meeting, or meetings, convened for that purpose. The convening of the meetings and subsequently the arrangement must be sanctioned by the Grand Court of the Cayman Islands. While a dissenting shareholder has the right to express to the court the view that the transaction ought not to be approved, the court can be expected to approve the arrangement if it determines that:

- the statutory provisions as to the required majority vote have been met;
- the shareholders have been fairly represented at the meeting in question and the statutory majority are acting bona fide without coercion of the minority to promote interests adverse to those of the class;
- the arrangement is such that may be reasonably approved by an intelligent and honest man of that class acting in respect of his interest; and
- the arrangement is not one that would more properly be sanctioned under some other provision of the Companies Act.

The Companies Act also contains a statutory power of compulsory acquisition which may facilitate the "squeeze out" of dissentient minority shareholder upon a tender offer. When a tender offer is made and accepted by holders of 90% of the shares affected within four months, the offeror may, within a two-month period commencing on the expiration of such four-month period, require the holders of the remaining shares to transfer such shares to the offeror on the terms of the offer. An objection can be made to the Grand Court of the Cayman Islands but this is unlikely to succeed in the case of an offer which has been so approved unless there is evidence of fraud, bad faith or collusion.

If an arrangement and reconstruction by way of scheme of arrangement is thus approved and sanctioned, or if a tender offer is made and accepted in accordance with the foregoing statutory procedures, a dissenting shareholder would have no rights comparable to appraisal rights, save that objectors to a takeover offer may apply to the Grand Court of the Cayman Islands for various orders that the Grand Court of the Cayman Islands has a broad discretion to make, which would otherwise ordinarily be available to dissenting shareholders of Delaware corporations, providing rights to receive payment in cash for the judicially determined value of the shares.

Shareholders' Suits. In principle, we will normally be the proper plaintiff to sue for a wrong done to us as a company and as a general rule, a derivative action may not be brought by a minority shareholder. However, based on English authorities, which would in all likelihood be of persuasive authority in the Cayman Islands, there are exceptions to the foregoing principle which permit a minority shareholder to commence a class action against, or derivative actions in the name of, a company, including when:

- a company acts or proposes to act illegally or ultra vires;

- the act complained of, although not ultra vires, could only be effected duly if authorized by more than a simple majority vote that has not been obtained; and
- those who control the company are perpetrating a "fraud on the minority."

Indemnification of Directors and Executive Officers and Limitation of Liability. Cayman Islands law does not limit the extent to which a company's memorandum and articles of association may provide for indemnification of officers and directors, except to the extent any such provision may be held by the Cayman Islands courts to be contrary to public policy, such as to provide indemnification against civil fraud or the consequences of committing a crime. Our Memorandum and Articles of Association provide that our Company shall indemnify our officers and directors from and against all actions, costs, charges, losses, damages and expenses incurred in their capacities as such unless such losses or damages arise from dishonesty or fraud of such directors or officers. This standard of conduct is generally the same as permitted under the Delaware General Corporation Law for a Delaware corporation.

In addition, we have entered into indemnification agreements with our directors and executive officers that provide such persons with additional indemnification beyond that provided in our Memorandum and Articles of Association.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to our directors, officers or persons controlling us under the foregoing provisions, we have been informed that in the opinion of the SEC, such indemnification is against public policy as expressed in the Securities Act and is therefore unenforceable.

Anti-Takeover Provisions in the Memorandum and Articles of Association. Some provisions of our current Memorandum and Articles of Association may discourage, delay or prevent a change in control of our company or management that shareholders may consider favorable, including provisions that authorize our board of directors to issue preferred shares in one or more series and to designate the price, rights, preferences, privileges and restrictions of such preferred shares without any further vote or action by our shareholders.

However, under Cayman Islands law, our directors may only exercise the rights and powers granted to them under our Memorandum and Articles of Association, as amended and restated from time to time, for a proper purpose and for what they believe in good faith to be in the best interests of our company.

Directors' Fiduciary Duties. Under Delaware corporate law, a director of a Delaware corporation has a fiduciary duty to the corporation and its shareholders. This duty has two components: the duty of care and the duty of loyalty. The duty of care requires that a director act in good faith, with the care that an ordinarily prudent person would exercise under similar circumstances. Under this duty, a director must inform himself of and disclose to shareholders, all material information reasonably available regarding a significant transaction. The duty of loyalty requires that a director acts in a manner he reasonably believes to be in the best interests of the corporation. He must not use his corporate position for personal gain or advantage. This duty prohibits self-dealing by a director and mandates that the best interest of the corporation and its shareholders take precedence over any interest possessed by a director, officer or controlling shareholder and not shared by the shareholders generally. In general, actions of a director are presumed to have been made on an informed basis, in good faith and in the honest belief that the action taken was in the best interests of the corporation. However, this presumption may be rebutted by evidence of a breach of one of the fiduciary duties. Should such evidence be presented concerning a transaction by a director, the director must prove the procedural fairness of the transaction and that the transaction was of fair value to the corporation.

As a matter of Cayman Islands law, a director of a Cayman Islands company is in the position of a fiduciary with respect to the company and therefore it is considered that he owes the following duties to the company — a duty to act bona fide in the best interests of the company, a duty not to make a profit based on his position as director (unless the company permits him to do so) and a duty not to put himself in a position where the interests of the company conflict with his personal interest or his duty to a third party. A director of a Cayman Islands company owes to the company a duty to act with skill and care. It was previously considered that a director need not exhibit in the performance of his duties a greater degree of skill than may reasonably be expected from a person of his knowledge and experience. However, English and Commonwealth courts have moved towards an objective standard with regard to the required skill and care and these authorities are likely to be followed in the Cayman Islands.

Shareholder Action by Written Consent. Under the Delaware General Corporation Law, a corporation may eliminate the right of shareholders to act by written consent by amendment to its certificate of incorporation. Our Memorandum and Articles of Association do not allow our shareholders to approve matters to be determined at shareholders' meetings by way of written resolutions without a meeting.

Shareholder Proposals. Under the Delaware General Corporation Law, a shareholder has the right to put any proposal before the annual meeting of shareholders, provided it complies with the notice provisions in the governing documents. A special meeting may be called by the board of directors or any other person authorized to do so in the governing documents, but shareholders may be precluded from calling special meetings.

The Companies Act provides shareholders with only limited rights to requisition a general meeting, and does not provide shareholders with any right to put any proposal before a general meeting. However, these rights may be provided in a company's articles of association. Our Memorandum and Articles of Association do not allow our shareholders to requisition an extraordinary general meeting of our shareholders and do not provide our shareholders with any other right to put proposals before annual general meetings or extraordinary general meetings. As a Cayman Islands exempted company, we are not obliged by law to call shareholders' annual general meetings. However, under our articles of association, we are required to hold an annual general meeting of our shareholders each year, at such time and place as may be determined by our board of directors.

Cumulative Voting. Under the Delaware General Corporation Law, cumulative voting for elections of directors is not permitted unless the corporation's certificate of incorporation specifically provides for it. Cumulative voting potentially facilitates the representation of minority shareholders on a board of directors since it permits the minority shareholder to cast all the votes to which the shareholder is entitled on a single director, which increases the shareholder's voting power with respect to electing such director. While there is nothing under the laws of the Cayman Islands which specifically prohibits or restricts the creation of cumulative voting rights for the election of directors of our company, it is not a concept that is accepted as a common practice in the Cayman Islands, and our company has made no provisions in our Memorandum and Articles of Association to allow cumulative voting for such elections. As a result, our shareholders are not afforded any less protections or rights on this issue than shareholders of a Delaware corporation.

Removal of Directors. Under the Delaware General Corporation Law, a director of a corporation with a classified board may be removed only for cause with the approval of a majority of the outstanding shares entitled to vote, unless the certificate of incorporation provides otherwise. Under our Memorandum and Articles of Association, a director may be removed by a special resolution of our shareholders.

Transactions with Interested Shareholders. The Delaware General Corporation Law contains a business combination statute applicable to Delaware corporations whereby, unless the corporation has specifically elected not to be governed by such statute by amendment to its certificate of incorporation, it is prohibited from engaging in certain business combinations with an "interested shareholder" for three years following the date that such person becomes an interested shareholder. An interested shareholder generally is a person or a group who or which owns or owned 15% or more of the target's outstanding voting share within the past three years. This has the effect of limiting the ability of a potential acquirer to make a two-tiered bid for the target in which all shareholders would not be treated equally. The statute does not apply if, among other things, prior to the date on which such shareholder becomes an interested shareholder, the board of directors approves either the business combination or the transaction which resulted in the person becoming an interested shareholder. This encourages any potential acquirer of a Delaware corporation to negotiate the terms of any acquisition transaction with the target's board of directors.

Cayman Islands law has no comparable statute. As a result, we cannot avail ourselves of the types of protections afforded by the Delaware business combination statute. However, although Cayman Islands law does not regulate transactions between a company and its significant shareholders, it does provide that such transactions must be entered into bona fide in the best interests of the company and not with the effect of constituting a fraud on the minority shareholders.

Dissolution; Winding up. Under the Delaware General Corporation Law, unless the board of directors approves the proposal to dissolve, dissolution must be approved by shareholders holding 100% of the total voting power of the corporation. Only if the dissolution is initiated by the board of directors may it be approved by a simple majority of the corporation's outstanding shares. Delaware law allows a Delaware corporation to include in its certificate of incorporation a supermajority voting requirement in connection with dissolutions initiated by the board.

Under Cayman Islands law, a company may be wound up by either an order of the courts of the Cayman Islands or by a special resolution of its members or, if the company is unable to pay its debts as they fall due, by an ordinary resolution of its members. The court has authority to order winding up in a number of specified circumstances including where it is, in the opinion of the court, just and equitable to do so.

Variation of Rights of Shares. Under the Delaware General Corporation Law, a corporation may vary the rights of a class of shares with the approval of a majority of the outstanding shares of such class, unless the certificate of incorporation provides otherwise. Under our Memorandum and Articles of Association, all or any of the special rights for the time being attached to the shares or any class of shares may, unless otherwise provided by the terms of issue of the shares of that class, from time to time be varied, modified or abrogated by a special resolution passed at a separate general meeting of the holders of the shares of that class. The special rights conferred upon the holders of any shares or class of shares shall not, unless otherwise expressly provided in the rights attaching to or the terms of issue of such shares, be deemed to be varied, modified or abrogated by the creation or issue of further shares ranking pari passu with such existing class of shares.

Amendment of Governing Documents. Under the Delaware General Corporation Law, a corporation's governing documents may be amended with the approval of a majority of the outstanding shares entitled to vote, unless the certificate of incorporation provides otherwise. As permitted by Cayman Islands law and our Memorandum and Articles of Association, our Memorandum and Articles of Association may only be amended with a special resolution of our shareholders.

Rights of Non-resident or Foreign Shareholders. There are no limitations imposed by our Memorandum and Articles of Association on the rights of nonresident or foreign shareholders to hold or exercise voting rights on our shares. In addition, there are no provisions in our Memorandum and Articles of Association which require our company to disclose shareholder ownership above any particular ownership threshold.

Exempted Company. The Companies Act in the Cayman Islands distinguishes between ordinary resident companies and exempted companies. Any company that is registered in the Cayman Islands but conducts business mainly outside of the Cayman Islands may apply to be registered as an exempted company. The requirements for an exempted company are essentially the same as for an ordinary company except for the exemptions and privileges listed below:

- an exempted company does not have to file an annual return of its shareholders with the Registrar of Companies;
- an exempted company's register of members is not required to be open to inspection;
- an exempted company does not have to hold an annual general meeting;
- an exempted company may issue no par value shares;
- an exempted company may obtain an undertaking against the imposition of taxation on profits, capital gains or inheritance (such undertakings are usually given for 20 years in the first instance);
- an exempted company may register by way of continuation in another jurisdiction and be deregistered in the Cayman Islands;
- an exempted company may register as a limited duration company; and
- an exempted company may register as a segregated portfolio company.

"Limited liability" means that the liability of each shareholder is limited to the amount unpaid by the shareholder on that shareholder's shares of the company (except in exceptional circumstances, such as involving fraud, the establishment of an agency relationship or an illegal or improper purpose or other circumstances in which a court may be prepared to pierce or lift the corporate veil).

Inspection of Books and Records

Holders of our common shares will have no general right under Cayman Islands law to inspect or obtain copies of our list of shareholders or our corporate records (other than our memorandum and articles of association, special resolutions passed by our shareholders, and our register of mortgages and charges). However, we will provide our shareholders with annual audited financial statements.

C. Material Contracts

We have not entered into any material contracts other than in the ordinary course of business and other than those described elsewhere in "Item 4. Information on the Company—B. Business Overview," "Item 7. Major Shareholders and Related Party Transactions—B. Related Party Transactions," or elsewhere in this annual report.

D. Exchange Controls

See "Item 4. Information on the Company—B. Business Overview—PRC Regulation—Regulation of Foreign Currency Exchange and Dividend Distribution."

E. Taxation

Cayman Islands Taxation

See "Item 5. Operating and Financial Review and Prospects—A. Operating Results—Discussion of Selected Statements of Operations Items—Taxation—Cayman Islands."

United States Federal Income Tax Considerations

The following is a summary of certain United States federal income tax considerations relating to the ownership and disposition of our ADSs or Class A common shares by a U.S. holder (as defined below) that holds our ADSs or Class A common shares as "capital assets" (generally, property held for investment) under the United States Internal Revenue Code of 1986, as amended (the "Code"). This summary is based upon existing United States federal income tax law, which is subject to differing interpretations or change, possibly with retroactive effect. This summary does not discuss all aspects of United States federal income taxation that may be important to particular holders in light of their particular circumstances, including holders subject to special tax rules (for example, banks and other financial institutions, insurance companies, broker-dealers, pension plans, cooperatives, real estate investment trusts, regulated investment companies, traders in securities that have elected the mark-to-market method of accounting for their securities, certain former U.S. citizens or long-term residents, partnerships and their partners, and tax-exempt organizations (including private foundations)), holders who are not U.S. holders, holders who own (directly, indirectly, or constructively) 10% or more of our stock (by vote or value), holders that hold their ADSs or Class A common shares as part of a straddle, hedge, conversion, constructive sale, or other integrated transaction for United States federal income tax purposes, persons who acquired ADSs or Class A common shares pursuant to the exercise of any employee share option or otherwise as compensation, or holders that have a functional currency other than the United States dollar, all of whom may be subject to tax rules that differ significantly from those summarized below. In addition, except to the extent described below, this summary does not discuss any state, local or non-United States tax considerations, Medicare tax, the alternative minimum tax or any non-income tax (such as the United States federal estate or gift tax) considerations. Each U.S. holder is urged to consult its tax advisor regarding the United States federal, state, local, and non-United States income and other tax considerations relating to the ownership and disposition of our ADSs or Class A common shares.

People's Republic of China Taxation

Under the existing tax laws in the PRC, we are qualified as a non-resident enterprise. We are a holding company incorporated in the Cayman Islands. Our holding company indirectly holds 100% of the equity interests in our PRC subsidiaries. Our business operations within PRC are principally conducted through our PRC subsidiaries and our PRC consolidated affiliated entities. The PRC Enterprise Income Tax Law, which was most recently amended on December 29, 2018, and its implementation rules, which was most recently amended on April 23, 2019, provide that China-sourced income of foreign enterprises, such as dividends paid by a PRC subsidiary to its overseas parent that is not a PRC resident enterprise and has no establishment in the PRC, will normally be subject to PRC withholding tax at a rate of 10% (a further reduced WHT rate may be available according to the applicable double tax treaty or arrangement).

If the PRC tax authorities determine that JOYY Inc., our Cayman Islands holding company, is a PRC resident enterprise for enterprise income tax purposes, our world-wide income could be subject to PRC tax at a rate of 25%, which could materially reduce our net income. In addition, we will also be subject to PRC enterprise income tax reporting obligations. Furthermore, although dividends paid by one PRC tax resident to another PRC tax resident should be qualified as "tax-exempt income" under the PRC Enterprise Income Tax Law, we cannot assure you that dividends by our PRC subsidiaries to our Cayman holding company will not be subject to a 10% withholding tax, as the PRC foreign exchange control authorities, which enforce the withholding tax on dividends, and the PRC tax authorities have not yet issued guidance with respect to the processing of outbound remittances to entities that are treated as resident enterprises for PRC enterprise income tax purposes. In addition, ADS holders may be subject to PRC withholding tax on dividends payable by us and gains realized on the sale or other dispositions of ADSs or common shares, if the PRC tax authorities determine that our Cayman Islands holding company is a PRC resident enterprise for enterprise income tax purposes. See "Risk Factors—Risks Related to Doing Business in Jurisdictions We Operate—Under the PRC enterprise income tax law, we may be classified as a PRC "resident enterprise," which could result in unfavorable tax consequences to us and our shareholders and have a material adverse effect on our results of operations and the value of your investment."

General

For purposes of this summary, a "U.S. holder" is a beneficial owner of our ADSs or Class A common shares that is, for United States federal income tax purposes, (i) an individual who is a citizen or resident of the United States, (ii) a corporation (or other entity treated as a corporation for United States federal income tax purposes) created in, or organized under the law of, the United States or any state thereof or the District of Columbia, (iii) an estate the income of which is includible in gross income for United States federal income tax purposes regardless of its source, or (iv) a trust (A) the administration of which is subject to the primary supervision of a United States court and which has one or more United States persons who have the authority to control all substantial decisions of the trust or (B) that has otherwise elected to be treated as a United States person.

If a partnership (or other entity treated as a partnership for United States federal income tax purposes) is a beneficial owner of our ADSs or Class A common shares, the tax treatment of a partner in the partnership will generally depend upon the status of the partner and the activities of the partnership. Partnerships holding our ADSs or Class A common shares and partners in such partnerships are urged to consult their tax advisors regarding the ownership and disposition of our ADSs or Class A common shares.

It is generally expected that a holder of ADSs should be treated, for United States federal income tax purposes, as the beneficial owner of the Class A common shares represented by the ADSs. The remainder of this discussion assumes that a holder of ADSs will be treated in this manner. Predicated upon such treatment, deposits or withdrawals of common shares for ADSs will not be subject to United States federal income tax.

Passive Foreign Investment Company Considerations

A non-United States corporation, such as our company, will be classified as a "passive foreign investment company," or "PFIC," for United States federal income tax purposes, for any taxable year, if either (i) 75% or more of its gross income for such year consists of certain types of "passive" income or (ii) 50% or more of its assets (generally determined on the basis of a quarterly average) during such year produce or are held for the production of passive income. For this purpose, cash and assets readily convertible into cash are categorized as passive assets and the company's unbooked intangibles are taken into account for determining the value of its assets. We will be treated as owning our proportionate share of the assets and earning our proportionate share of the income of any other corporation in which we own, directly or indirectly, 25% or more (by value) of the stock.

Although the law in this regard is unclear, we treat our PRC consolidated affiliated entities as being owned by us for United States federal income tax purposes, not only because we exercise effective control over the operation of such entities but also because we are entitled to substantially all of their economic benefits, and, as a result, we consolidate their operating results in our consolidated financial statements.

Based on the market price of our ADSs and the composition of assets (in particular, the substantial amount of cash, deposits and investments), we believe that we were a PFIC for United States federal income tax purposes for the taxable year ended December 31, 2020, and no assurances can be given with respect to our PFIC status for our current taxable year or any future taxable year.

If we are a PFIC for any year during which a U.S. holder holds our ADSs or Class A common shares, we generally would continue to be treated as a PFIC for all succeeding years during which such U.S. holder holds our ADSs or Class A common shares even if we cease to meet the threshold requirements for PFIC status, unless a U.S. holder makes a taxable "deemed sale" election that may allow the U.S. holder to eliminate the continuing PFIC status under certain circumstances.

The United States federal income tax rules that apply if we are classified as a PFIC for the current taxable year or any subsequent taxable year are generally discussed below under "Passive Foreign Investment Company Rules."

Dividends

Subject to the PFIC rules discussed below, any cash distributions (including the amount of any taxes withheld) paid on our ADSs or Class A common shares out of our current or accumulated earnings and profits, as determined under United States federal income tax principles, will generally be includible in the gross income of a U.S. holder as dividend income on the day actually or constructively received by the U.S. holder, in the case of common shares, or by the Depositary, in the case of ADSs. Because we do not intend to determine our earnings and profits on the basis of United States federal income tax principles, any distribution paid will generally be reported as a "dividend" for United States federal income tax purposes. A non-corporate recipient of dividend income will generally be subject to tax on dividend income from a "qualified foreign corporation" at a reduced United States federal tax rate rather than the marginal tax rates generally applicable to ordinary income provided that certain holding period requirements are met.

A non-United States corporation (other than a corporation that is classified as a PFIC for the taxable year in which the dividend is paid or the preceding taxable year) will generally be considered to be a qualified foreign corporation with respect to any dividend it pays on stock (or ADSs in respect of such stock) which is readily tradable on an established securities market in the United States or, in the event that the company is deemed to be a PRC resident under the PRC Enterprise Income Tax Law, the company is eligible for the benefits of the United States-PRC treaty. Although no assurances may be given, our ADSs are expected to be readily tradable on the Nasdaq Global Select Market, which is an established securities market in the United States. Since we do not expect that our Class A common shares will be listed on established securities markets, it is unclear whether dividends that we pay on our Class A common shares that are not backed by ADSs currently meet the conditions required for these reduced tax rates. There can be no assurance that our ADSs will be considered readily tradable on an established securities market in the current taxable year or future taxable years. Furthermore, as mentioned above, we believe that we were a PFIC for the taxable year ended December 31, 2020, and no assurances can be given with respect to our PFIC status for our current taxable year ending December 31, 2021. U.S. holders are urged to consult their tax advisors regarding the availability of the reduced tax rate on dividends with respect to our ADSs or Class A common shares in their particular circumstances.

Dividends received on the ADSs or Class A common shares are not expected to be eligible for the dividends received deduction allowed to corporations. Each U.S. holder is advised to consult its tax advisor regarding the rate of tax that will apply to such holder with respect to dividend distributions, if any, received from us.

Dividends generally will be treated as income from foreign sources for United States foreign tax credit purposes and generally will constitute passive category income. A U.S. holder may be eligible, subject to a number of complex limitations, to claim a foreign tax credit in respect of any foreign withholding taxes imposed on dividends received on ADSs or Class A common shares. A U.S. holder who does not elect to claim a foreign tax credit for foreign tax withheld, may instead claim a deduction, for United States federal income tax purposes, in respect of such withholdings, but only for a year in which such U.S. holder elects to do so for all creditable foreign income taxes. The rules governing the foreign tax credit are complex. Each U.S. holder is advised to consult its tax advisor regarding the availability of the foreign tax credit under their particular circumstances.

Sale or Other Disposition of ADSs or Common Shares

Subject to the PFIC rules discussed below, a U.S. holder generally will recognize capital gain or loss upon the sale or other disposition of ADSs or Class A common shares in an amount equal to the difference between the amount realized upon the disposition and the U.S. holder's adjusted tax basis in such ADSs or Class A common shares. Any capital gain or loss will be long-term if the ADSs or Class A common shares have been held for more than one year and will generally be United States source gain or loss for United States foreign tax credit purposes. Long-term capital gains of individuals and other non-corporate U.S. holders generally are eligible for a reduced rate of taxation. The deductibility of a capital loss may be subject to limitations. Each U.S. holder is advised to consult its tax advisor regarding the tax consequences if a foreign tax is imposed on a disposition of our ADSs or Class A common shares, including the availability of the foreign tax credit under their particular circumstances.

Passive Foreign Investment Company Rules

As mentioned above, we believe that we were a PFIC for the taxable year ended December 31, 2020, and no assurances can be given with respect to our PFIC status for our current taxable year. If we are classified as a PFIC for any taxable year during which a U.S. holder holds our ADSs or Class A common shares, and unless the U.S. holder makes a mark-to-market election (as described below), the U.S. holder will generally be subject to special tax rules that have a penalizing effect, regardless of whether we remain a PFIC, on (i) any excess distribution that we make to the U.S. holder (which generally means any distribution paid during a taxable year to a U.S. holder that is greater than 125% of the average annual distributions paid in the three preceding taxable years or, if shorter, the U.S. holder's holding period for the ADSs or Class A common shares), and (ii) any gain realized on the sale or other disposition, including, under certain circumstances, a pledge, of ADSs or Class A common shares. Under the PFIC rules:

- such excess distribution and/or gain will be allocated ratably over the U.S. holder's holding period for the ADSs or Class A common shares;
- such amount allocated to the current taxable year and any taxable years in the U.S. holder's holding period prior to the first taxable year in which we are classified as a PFIC, or pre-PFIC year, will be taxable as ordinary income;

- such amount allocated to each prior taxable year, other than a pre-PFIC year, will be subject to tax at the highest tax rate in effect applicable to the U.S. holder for that year; and
- an interest charge generally applicable to underpayments of tax will be imposed on the tax attributable to each prior taxable year, other than a pre-PFIC year.

If we are a PFIC for any taxable year during which a U.S. holder holds our ADSs or Class A common shares and any of our non-United States subsidiaries is also a PFIC, such U.S. holder would be treated as owning a proportionate amount (by value) of the shares of the lower-tier PFIC and would be subject to the rules described above on certain distributions by a lower-tier PFIC and a disposition of shares of a lower-tier PFIC even though such U.S. holder would not receive the proceeds of those distributions or dispositions. Each U.S. holder is advised to consult its tax advisor regarding the application of the PFIC rules to any of our subsidiaries.

As an alternative to the foregoing rules, a U.S. holder of "marketable stock" (as defined below) in a PFIC may make a mark-to-market election for such stock to elect out of the tax treatment discussed above. The mark-to-market election is available only for "marketable stock," which is stock that is traded in other than de minimis quantities on at least 15 days during each calendar quarter ("regularly traded") on a qualified exchange or other market, as defined in applicable United States Treasury regulations. Our ADSs are listed on the Nasdaq Global Select Market, which is a qualified exchange or market for these purposes. We anticipate that our ADSs should qualify as being regularly traded, but no assurances may be given in this regard. Because a mark-to-market election technically cannot be made for equity interests in any lower-tier PFICs that we own, a U.S. holder may continue to be subject to the PFIC rules with respect to its indirect interest in any investments held by us that are treated as an equity interest in a PFIC for United States federal income tax purposes. If a mark-to-market election is made, the U.S. holder will generally (i) include as ordinary income for each taxable year that we are a PFIC the excess, if any, of the fair market value of ADSs held at the end of the taxable year over the adjusted tax basis of such ADSs and (ii) deduct as an ordinary loss the excess, if any, of the adjusted tax basis of the ADSs over the fair market value of such ADSs held at the end of the taxable year, but only to the extent of the net amount previously included in income as a result of the mark-to-market election. The U.S. holder's adjusted tax basis in the ADSs would be adjusted to reflect any income or loss resulting from the mark-to-market election.

If a U.S. holder makes a mark-to-market election in respect of a corporation classified as a PFIC and such corporation ceases to be classified as a PFIC, the U.S. holder will not be required to take into account the mark-to-market gain or loss described above during any period that such corporation is not classified as a PFIC.

We do not intend to provide information necessary for U.S. holders to make qualified electing fund elections, which, if available, would result in tax treatment different from (and generally less adverse than) the general tax treatment for PFICs described above.

If a U.S. holder owns our ADSs or Class A common shares during any taxable year that we are a PFIC, such holder is required to file an annual report containing such information as the United States Treasury Department may require and may be required to file an annual IRS Form 8621. Each U.S. holder is advised to consult its tax advisors regarding the potential tax consequences to such holder if we are or become classified as a PFIC, including the possibility of making a mark-to-market election.

F. Dividends and Paying Agents

Not applicable.

G. Statement by Experts

Not applicable.

H. Documents on Display

We are subject to the periodic reporting and other informational requirements of the Securities Exchange Act of 1934 or the Exchange Act. Under the Exchange Act, we are required to file reports and other information with the SEC. Specifically, we are required to file annually a Form 20-F within four months after the end of each fiscal year which is December 31. The SEC maintains a website at www.sec.gov that contains reports, proxy and information statements, and other information regarding registrants that make electronic filings with the SEC using its EDGAR system. Copies of reports and other information, when filed, may also be inspected without charge and may be obtained at prescribed rates at the public reference facilities maintained by the SEC at 100 F Street, N.E., Room 1580, Washington, D.C. 20549. The public may obtain information regarding the Washington, D.C. Public Reference Room by calling the SEC at 1-800-SEC-0330. As a foreign private issuer, we are exempt from the rules under the Exchange Act prescribing the furnishing and content of quarterly reports and proxy statements, and officers, directors and principal shareholders are exempt from the reporting and short-swing profit recovery provisions contained in Section 16 of the Exchange Act.

We will furnish Citibank N.A., the depositary of our ADSs, with our annual reports, which will include a review of operations and annual audited consolidated financial statements prepared in conformity with U.S. GAAP, and all notices of shareholders' meetings and other reports and communications that are made generally available to our shareholders. The depositary will make such notices, reports and communications available to holders of ADSs and, upon our request, will mail to all record holders of ADSs the information contained in any notice of a shareholders' meeting received by the depositary from us.

I. Subsidiary Information

For a listing of our principal subsidiaries, see "Item 4. Information on the Company—C. Organizational Structure."

ITEM 11. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Foreign Exchange Risk

We are exposed to foreign exchange risks arising from various currency exposures. While a majority of our revenues and expenses are denominated in USD, some of our expenses and revenues are dominated in various foreign currencies. We have used derivative financial instruments including the forward exchange contracts to hedge our exposure to foreign currency risks. Although our exposure to foreign exchange risks should be limited in general, the value of your investment in our ADSs will be affected by the exchange rate between U.S. dollar and Renminbi because the value of our business is effectively denominated in RMB, while our ADSs will be traded in U.S. dollars.

The conversion of Renminbi into foreign currencies, including U.S. dollars, is based on rates set by the People's Bank of China. The Renminbi has fluctuated against the U.S. dollar, at times significantly and unpredictably. It is difficult to predict how market forces or PRC or U.S. government policy may impact the exchange rate between Renminbi and the U.S. dollar in the future.

To the extent that we need to convert U.S. dollars into Renminbi for our operations, appreciation of the Renminbi against the U.S. dollar would have an adverse effect on the RMB amount we receive from the conversion. Conversely, if we decide to convert Renminbi into U.S. dollars for the purpose of making payments for dividends on our ordinary shares or ADSs or for other business purposes, appreciation of the U.S. dollar against the Renminbi would have a negative effect on the U.S. dollar amounts available to us.

As of December 31, 2020, we had U.S. dollar-denominated cash and cash equivalents, short-term deposits, restricted short-term deposits and short-term investments of US$1,306.4 million, US$640.0 million, US$0.5 million and US$102.8 million, respectively. A 10% depreciation of U.S. dollar against the Renminbi based on the foreign exchange rate on December 31, 2020 would result in a decrease of RMB852.4 million in cash and cash equivalents, RMB417.6 million in short-term deposits, RMB0.3 million in restricted short-term deposits and RMB67.1 million in short-term investments. A 10% appreciation of U.S. dollar against the Renminbi based on the foreign exchange rate on December 31, 2020 would result in an increase of RMB852.4 million in cash and cash equivalents, RMB417.6 million in short-term deposits, RMB0.3 million in restricted short-term deposits and RMB67.1 million in short-term investments.

Interest Rate Risk

Our exposure to interest rate risk primarily relates to the interest income generated by excess cash, which is mostly held in interest-bearing bank deposits. Interest-earning instruments carry a degree of interest rate risk. We have not been exposed to, nor do we anticipate being exposed to, material risks due to changes in market interest rates. However, our future interest income may fall short of expectations due to changes in market interest rates. A hypothetical one percentage point decrease in interest rates would have resulted in a decrease of US$19.4 million in our interest income for the year ended December 31, 2020.

ITEM 12. DESCRIPTION OF SECURITIES OTHER THAN EQUITY SECURITIES

A. Debt Securities

Not applicable.

B. Warrants and Rights

Not applicable.

C. Other Securities

Not applicable.

D. American Depositary Shares

Fees and Charges Our ADS holders May Have to Pay

As an ADS holder, you will be required to pay the following service fees to the depositary bank:

Service	Fees
● Issuance of ADSs (e.g., an issuance upon a deposit of Shares, upon a change in the ADS(s)-to-Share(s) ratio, or for any other reason), excluding issuances as a result of distributions described in paragraph (4) below	Up to US$5.00 per 100 ADSs (or fraction thereof) issued
● Cancellation of ADSs (e.g., a cancellation of ADSs for Delivery of deposited Shares, upon a change in the ADS(s)-to-Share(s) ratio, or for any other reason)	Up to US$5.00 per 100 ADSs (or fraction thereof) cancelled
● Distribution of cash dividends or other cash distributions (e.g., upon a sale of rights and other entitlements)	Up to US$5.00 per 100 ADSs (or fraction thereof) held
● Distribution of ADSs pursuant to (i) stock dividends or other free stock distributions, or (ii) an exercise of rights to purchase additional ADSs	Up to US$5.00 per 100 ADSs (or fraction thereof) held
● Distribution of securities other than ADSs or rights to purchase additional ADSs (e.g., spin-off shares)	Up to US$5.00 per 100 ADSs (or fraction thereof) held
● ADS Services	Up to US$5.00 per 100 ADSs (or fraction thereof) held on the applicable record date(s) established by the Depositary

As an ADS holder, you will also be responsible for the following ADS charges:

(i) taxes (including applicable interest and penalties) and other governmental charges;

(ii) the registration fees as may from time to time be in effect for the registration of Class A common shares on the share register and applicable to transfers of Class A common shares to or from the name of the custodian, the depositary bank or any nominees upon the making of deposits and withdrawals, respectively;

(iii) certain cable, telex and facsimile transmission and delivery expenses;

(iv) the expenses and charges incurred by the depositary bank in the conversion of foreign currency;

(v) the fees and expenses incurred by the depositary bank in connection with compliance with exchange control regulations and other regulatory requirements applicable to Class A common shares, ADSs and ADRs; and

(vi) the fees and expenses incurred by the depositary bank, the custodian, or any nominee in connection with the servicing or delivery of deposited property.

ADS fees and charges for (i) the issuance of ADSs and (ii) the cancellation of ADSs will be payable by the person for whom the ADSs are so issued by the depositary bank (in the case of ADS issuances) and by the person for whom ADSs are being cancelled (in the case of ADS cancellations). In the case of ADSs issued by the depositary bank into DTC or presented to the depositary via DTC, the ADS issuance and cancellation fees and charges will be payable by the DTC participant(s) receiving the ADSs from the depositary bank or the DTC participant(s) holding the ADSs being cancelled, as the case may be, on behalf of the beneficial owner(s) and will be charged by the DTC participant(s) to the account(s) of the applicable beneficial owner(s) in accordance with the procedures and practices of the DTC participant(s) as in effect at the time. ADS fees and charges in respect of distributions and the ADS service fee are payable by holders as of the applicable ADS record date established by the depositary bank. In the case of distributions of cash, the amount of the applicable ADS fees and charges is deducted from the funds being distributed. In the case of (i) distributions other than cash and (ii) the ADS service fee, the applicable holders as of the ADS record date established by the depositary bank will be invoiced for the amount of the ADS fees and charges and such ADS fees may be deducted from distributions made to holders. For ADSs held through DTC, the ADS fees and charges for distributions other than cash and the ADS service fee may be deducted from distributions made through DTC, and may be charged to the DTC participants in accordance with the procedures and practices prescribed by DTC from time to time and the DTC participants in turn charge the amount of such ADS fees and charges to the beneficial owners for whom they hold ADSs.

In the event of refusal to pay the depositary bank fees, the depositary bank may, under the terms of the deposit agreement, refuse the requested service until payment is received or may set off the amount of the depositary bank fees from any distribution to be made to the ADS holder. Certain of the depositary fees and charges (such as the ADS service fee) may become payable shortly after the closing of the ADS offering. Note that the fees and charges you may be required to pay may vary over time and may be changed by us and by the depositary bank. You will receive prior notice of such changes. The depositary bank may reimburse us for certain expenses incurred by us in respect of the ADR program, by making available a portion of the ADS fees charged in respect of the ADR program or otherwise, upon such terms and conditions as we and the depositary bank agree from time to time.

Fees and Other Payments Made by the Depositary to Us

Citibank, N.A., as our depositary, has agreed to reimburse us for a portion of certain expenses we incur that are related to establishment and maintenance of the ADS program, including investor relations expenses. There are limits on the amount of expenses for which the depositary will reimburse us, but the amount of reimbursement available to us is not related to the amount of fees the depositary collects from investors. Further, the depositary has agreed to reimburse us certain fees payable to the depositary by holders of ADSs. For the year ended December 31, 2020, reimbursement of US$0.07 million for our expenses incurred in connection with the establishment and maintenance of our ADS program.

PART II

ITEM 13. DEFAULTS, DIVIDEND ARREARAGES AND DELINQUENCIES

None.

ITEM 14. MATERIAL MODIFICATIONS TO THE RIGHTS OF SECURITY HOLDERS AND USE OF PROCEEDS

See “Item 10. Additional Information” for a description of the rights of securities holders, which remain unchanged.

ITEM 15. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

As required by Rule 13a-15(b) under the Exchange Act, our management, including our chief executive officer, and our chief financial officer, performed an evaluation of the effectiveness of our disclosure controls and procedures, as that term is defined in Rules 13a-15(e) of the Exchange Act, as of the end of the period covered by this annual report. Based on that evaluation, our management has concluded that our disclosure controls and procedures as of December 31, 2020, were effective in ensuring that the information required to be disclosed by us in the reports that we file and furnish under the Exchange Act was recorded, processed, summarized and reported, within the time periods specified in the SEC's rules and forms, and that the information required to be disclosed by us in the reports that we file or submit under the Exchange Act is accumulated and communicated to our management, including our chief executive officer and chief financial officer, to allow timely decisions regarding required disclosure.

Management's Annual Report on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Rules 13a-15(f) and 15d-15(f) under the Securities Exchange Act of 1934, as amended. Our internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of our financial reporting and the preparation of financial statements for external purposes in accordance with Generally Accepted Accounting Principles (GAAP) in the United States of America and includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of our company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with GAAP, and that receipts and expenditures of our company are being made only in accordance with authorizations of our management and directors; and (3) provide reasonable assurance regarding prevention or timely detection of the unauthorized acquisition, use or disposition of our company's assets that could have a material effect on the consolidated financial statements. Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risks that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Our management conducted an evaluation of the effectiveness of our company's internal control over financial reporting as of December 31, 2020 based on the framework in Internal Control—Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on this evaluation, our management concluded that our internal control over financial reporting was effective as of December 31, 2020.

Attestation Report of the Independent Registered Public Accounting Firm

PricewaterhouseCoopers Zhong Tian LLP, our independent registered public accounting firm, audited the effectiveness of our company's internal control over financial reporting as of December 31, 2020, as stated in its report, which appears on page F-2 of this Form 20-F.

Changes in Internal Control Over Financial Reporting

There has been no change in our internal control over financial reporting identified in connection with the evaluation required by paragraph (d) of Rule 13a-15 or Rule 15d-15 that occurred during the year ended December 31, 2020 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

ITEM 16. RESERVED

ITEM 16.A. AUDIT COMMITTEE FINANCIAL EXPERT

Our board of directors has determined that Mr. Peter Andrew Schloss is our audit committee financial expert, who is an independent director under the standards set forth in Nasdaq Stock Market Rule 5605(a)(2) and Rule 10A-3 of the Exchange Act. Mr. Schloss is the chairman of our audit committee.

ITEM 16.B. CODE OF ETHICS

Our board of directors has adopted a code of ethics that applies to our directors, officers, employees and agents, including certain provisions that specifically apply to our chief executive officers, chief financial officer, chief technology officer, vice presidents and any other persons who perform similar functions for us. We filed our code of business conduct and ethics as Exhibit 99.1 to our registration statement on Form F-1, as amended, which was originally filed with the SEC on October 15, 2012 and subsequently amended and filed with this annual report. We have posted a copy of our code of business conduct and ethics on our website at http://ir.joyy.sg/corporate-governance.

ITEM 16.C. PRINCIPAL ACCOUNTANT FEES AND SERVICES

The following table sets forth the aggregate fees in connection with certain professional services rendered by PricewaterhouseCoopers Zhong Tian LLP, our independent registered public accounting firm, and its affiliates, for the years indicated. We did not pay any other fees to our independent registered public accounting firm during the periods other than those indicated below.

	For the Year Ended December 31,	
	2019	2020
	(in RMB thousands)	
Audit fees [(1)]	23,186	16,963
Audit-related fees [(2)]	688	—
Tax fees[(3)]	2,521	1,272
Others[(4)]	534	57

(1) “Audit fees” means the aggregate fees billed for professional services rendered by our independent registered public accounting firm for the annual audit and the quarterly reviews of our consolidated financial statements, audit of internal controls over financial reporting of the Company and Huya (before deconsolidation of Huya).

(2) "Audit related fees" means aggregate fees billed for permissible services to review and comment on the design of internal control over financial reporting rendered by principal auditors in 2019.

(3) “Tax fees” means the aggregate fees billed in each of the fiscal years listed for professional services rendered by our principal auditors for tax service.

(4) “Others” means the aggregate fees billed in each of the fiscal years listed services rendered by our principal auditors other than services reported under “Audit fees,” “Audit related fees” and “Tax fees.”

The policy of our audit committee is to pre-approve all audit and non-audit services provided by PricewaterhouseCoopers Zhong Tian LLP, and its affiliates, including audit services, audit-related services, tax services and other services, other than those for de minimis services which are approved by the audit committee prior to the completion of the audit. Our audit committee has approved all of our audit and non-audit fees for the year ended December 31, 2020.

ITEM 16.D. EXEMPTIONS FROM THE LISTING STANDARDS FOR AUDIT COMMITTEES

Not applicable.

ITEM 16.E. PURCHASES OF EQUITY SECURITIES BY THE ISSUER AND AFFILIATED PURCHASERS

Our board of directors approved a share repurchase plan (the “2019 Share Repurchase Plan”) on August 13, 2019, under which the Company may repurchase up to US$300.0 million of its ADSs or ordinary shares over the next 12 months. The 2019 Share Repurchase Plan was publicly announced on August 14, 2019.

As of December 31, 2020, we had purchased an aggregate of approximately 2.1 million ADSs under the 2019 Share Repurchase Plan. The table below is a summary of the shares repurchased by us in 2020. All shares were repurchased in the open market pursuant to the 2019 Share Repurchase Plan.

Period	Total Number of ADSs Purchased	Average Price Paid Per ADS	Total Number of ADSs Purchased as Part of the Publicly Announced Plan	Approximate Dollar Value of ADSs that May Yet Be Purchased Under the Plan
August 14 — August 31, 2019	434,145	54.62	434,145	276,287
March 01—March 31,2020	499,165	43.44	933,310	254,603
November 01— November 30,2020	56,218	84.67	989,528	249,843
December 01—December 31,2020	1,102,908	81.03	2,092,436	160,471
Total	**2,092,436**	**66.68**	**2,092,436**	**160,471**

ITEM 16.F. CHANGE IN REGISTRANT'S CERTIFYING ACCOUNTANT

Not applicable.

ITEM 16.G. CORPORATE GOVERNANCE

As a Cayman Islands company listed on the Nasdaq Global Select Market, we are subject to the Nasdaq Global Select Market corporate governance requirements. However, Nasdaq Global Select Market rules permit a foreign private issuer like us to follow the corporate governance practices of its home country. Certain corporate governance practices in the Cayman Islands, which is our home country, may differ significantly from the Nasdaq Global Select Market corporate governance requirements.

We relied on the exemption available to foreign private issuers to the requirement that each member of the compensation committee be an independent director, following our home country practice in the Cayman Islands. Our compensation committee is chaired by a non-independent director, Mr. David Xueling Li, whose extensive experience in talent management and human resource in the internet industry is considered to be valuable for the functioning of our compensation committee.

We also relied on the exemption available to foreign private issuers to the requirement that shareholder approval should be obtained in certain circumstances prior to an issuance of securities in connection with the acquisition of the stock or assets of another company, and the requirement that shareholder approval should be obtained prior to the issuance of securities when a stock option or purchase plan is to be established or materially amended or other equity compensation arrangement made or materially amended, pursuant to which stock may be acquired by officers, directors, employees, or consultants. We relied on home country practice exemption and did not convene a shareholder meeting to approve the 2019 Arrangement. If we continue to rely on the above and other exemptions available to foreign private issuers in the future, our shareholders may be afforded less protection than they otherwise would under the Nasdaq Global Select Market corporate governance requirements applicable to U.S. domestic issuers. See "Item 3. Key Information—D. Risk Factors—Risks Relating to Our ADSs—We are a foreign private issuer within the meaning of the rules under the Exchange Act, and as such we are exempt from certain provisions applicable to United States domestic public companies."

ITEM 16.H. MINE SAFETY DISCLOSURE

Not applicable.

PART III

ITEM 17. FINANCIAL STATEMENTS

We have elected to provide financial statements pursuant to Item 18.

ITEM 18. FINANCIAL STATEMENTS

The consolidated financial statements of JOYY Inc. are included at the end of this annual report.

ITEM 19. EXHIBITS

Exhibit Number	Description of Document
1.1*	Second Amended and Restated Memorandum and Articles of Association of the Registrant, as amended
2.1	Registrant's Specimen American Depositary Receipt (incorporated herein by reference to Exhibit 4.1 to the registration statement on Form F-1, as amended (File No. 333-184414), initially filed with the Securities and Exchange Commission on October 15, 2012)
2.2	Registrant's Specimen Certificate for Common Shares (incorporated herein by reference to Exhibit 4.2 to the registration statement on Form F-1, as amended (File No. 333-184414), initially filed with the Securities and Exchange Commission on October 15, 2012)
2.3	Form of Deposit Agreement, among the Registrant, the depositary and holder of the American Depositary Receipts (incorporated herein by reference to Exhibit 4.3 to the registration statement on Form F-1, as amended (File No. 333-184414), initially filed with the Securities and Exchange Commission on October 15, 2012)
2.4	Amended and Restated Deposit Agreement dated May 21, 2018 among the Registrant, Citibank N.A., as depositary, and holders and beneficial owners of American Depositary Shares evidenced by American Depositary Receipts issued thereunder (incorporated by reference to Exhibit 4.3 to the registration statement on Form S-8 (File No. 333-229099), filed with the Securities and Exchange Commission on December 31, 2018)
2.5	Description of Securities (incorporated by reference to Exhibit 2.5 to the Form 20-F (File No. 001-35729), filed with the Securities and Exchange Commission on April 27, 2020)
4.1	2009 Employee Equity Incentive Scheme of the Registrant, as amended and restated. (incorporated herein by reference to Exhibit 10.1 to the registration statement on Form F-1, as amended (File. No. 333-184414), initially filed with the Securities and Exchange Commission on October 15, 2012)
4.2	2011 Share Incentive Plan and Amendment No. 1 to the 2011 Share Incentive Plan of the Registrant (incorporated herein by reference to Exhibit 10.2 to the registration statement on Form F-1, as amended (File No. 333-184414), initially filed with the Securities and Exchange Commission on October 15, 2012)
4.3	Form of Indemnification Agreement with the Registrant's directors and officers (incorporated herein by reference to Exhibit 10.3 to the registration statement on Form F-1, as amended (File No. 333-184414), initially filed with the Securities and Exchange Commission on October 15, 2012)
4.4	Form of Employment Agreement between the Registrant and an executive officer of the Registrant (incorporated herein by reference to Exhibit 10.4 to the registration statement on Form F-1, as amended (File No. 333-184414), initially filed with the Securities and Exchange Commission on October 15, 2012)
4.5	English translation of Exclusive Business Cooperation Agreement dated August 12, 2008 between Huanju Shidai (formerly known as Duowan Entertainment Information Technology (Beijing) Co., Ltd.) and Guangzhou Huaduo (incorporated herein by reference to Exhibit 10.5 to the registration statement on Form F-1, as amended (File No. 333-184414), initially filed with the Securities and Exchange Commission on October 15, 2012)
4.6	English translation of Supplementary Agreement dated November 10, 2011 to Exclusive Business Cooperation Agreement between Huanju Shidai and Guangzhou Huaduo (incorporated herein by reference to Exhibit 10.6 to the registration statement on Form F-1, as amended (File No. 333-184414), initially filed with the Securities and Exchange Commission on October 15, 2012)
4.7	English translation of Confirmation Letter dated November 10, 2011 to Exclusive Business Cooperation Agreement between Huanju Shidai and Guangzhou Huaduo (incorporated herein by reference to Exhibit 10.7 to the registration statement on Form F-1, as amended (File No. 333-184414), initially filed with the Securities and Exchange Commission on October 15, 2012)

Exhibit Number	Description of Document
4.8	English translation of Exclusive Technology Support and Technology Services Agreement dated August 12, 2008 between Huanju Shidai and Guangzhou Huaduo (incorporated herein by reference to Exhibit 10.8 to the registration statement on Form F-1, as amended (File No. 333184414), initially filed with the Securities and Exchange Commission on October 15, 2012)
4.9	English translation of Supplementary Agreement dated November 10, 2011 to Exclusive Technology Support and Technology Services Agreement between Huanju Shidai and Guangzhou Huaduo (incorporated herein by reference to Exhibit 10.9 to the registration statement on Form F-1, as amended (File No. 333-184414), initially filed with the Securities and Exchange Commission on October 15, 2012)
4.10	English translation of Confirmation letter dated November 10, 2011 to Exclusive Technology Support and Technology Services Agreement between Huanju Shidai and Guangzhou Huaduo (incorporated herein by reference to Exhibit 10.10 to the registration statement on Form F-1, as amended (File No. 333-184414), initially filed with the Securities and Exchange Commission on October 15, 2012)
4.11	English translation of Powers of Attorney dated September 16, 2011 issued to Huanju Shidai by each of the shareholders of Guangzhou Huaduo (incorporated herein by reference to Exhibit 10.11 to the registration statement on Form F-1, as amended (File No. 333-184414), initially filed with the Securities and Exchange Commission on October 15, 2012)
4.12	English translation of Exclusive Option Agreements dated September 16, 2011 among Huanju Shidai, Guangzhou Huaduo and each of the shareholders of Guangzhou Huaduo (incorporated herein by reference to Exhibit 10.12 to the registration statement on Form F-1, as amended (File No. 333-184414), initially filed with the Securities and Exchange Commission on October 15, 2012)
4.13	English translation of Equity Interest Pledge Agreements dated September 16, 2011 between Huanju Shidai and each of the shareholders of Guangzhou Huaduo (incorporated herein by reference to Exhibit 10.13 to the registration statement on Form F-1, as amended (File No. 333-184414), initially filed with the Securities and Exchange Commission on October 15, 2012)
4.14	English translation of Consent Letter dated November 10, 2011 issued by the shareholders of Guangzhou Huaduo (incorporated herein by reference to Exhibit 10.14 to the registration statement on Form F-1, as amended (File No. 333-184414), initially filed with the Securities and Exchange Commission on October 15, 2012)
4.15*	English translation of Equity Pledge Agreements dated January 15, 2021 among Guangzhou BaiGuoYuan, BaiGuoYuan Technology and the shareholder of Guangzhou BaiGuoYuan
4.16*	English translation of Exclusive Service Agreement dated January 15, 2021 between Guangzhou BaiGuoYuan and BaiGuoYuan Technology
4.17*	English translation of Exclusive Option Agreements dated January 15, 2021 among Guangzhou BaiGuoYuan, BaiGuoYuan Technology and the shareholder of Guangzhou BaiGuoYuan
4.18*	English translation of Shareholder Voting Rights Proxy Agreements dated January 15, 2021 among Guangzhou BaiGuoYuan, BaiGuoYuan Technology and the shareholder of Guangzhou BaiGuoYuan
4.19*	English translation of Equity Pledge Agreements dated January 15, 2021 among Guangzhou Qianxun, BaiGuoYuan Technology and each of shareholders of Guangzhou Qianxun
4.20*	English translation of Exclusive Service Agreement dated January 15, 2021 between Guangzhou Qianxun and BaiGuoYuan Technology
4.21*	English translation of Exclusive Option Agreements dated January 15, 2021 among Guangzhou Qianxun, BaiGuoYuan Technology and each of shareholders of Guangzhou Qianxun

Exhibit Number	Description of Document
4.22*	English translation of Shareholder Voting Rights Proxy Agreements dated January 15, 2021 among Guangzhou Qianxun, BaiGuoYuan Technology and each of shareholders of Guangzhou Qianxun
4.23*	English translation of Equity Pledge Agreements dated January 15, 2021 among Guangzhou Shangying Internet Technology Co., Ltd. ("Guangzhou Shangying"), BaiGuoYuan Technology and each of shareholders of Guangzhou Shangying
4.24*	English translation of Exclusive Service Agreement dated January 15, 2021 between Guangzhou Shangying and BaiGuoYuan Techonology
4.25*	English translation of Exclusive Option Agreements dated January 15, 2021 among Guangzhou Shangying, BaoGuoYuan Technology and each of shareholders of Guangzhou Shangying
4.26*	English translation of Shareholder Voting Rights Proxy Agreements dated January 15, 2021 among Guangzhou Shangying, BaiGuoYuan Technology and each of shareholders of Guangzhou Shangying
4.27*	English translation of Partnership Interest Pledge Agreements dated January 15, 2021 among Guangzhou Fangu Internet Technology L.P. ("Guangzhou Fangu"), BaiGuoYuan Technology and each of partners of Guangzhou Fangu
4.28*	English translation of Exclusive Service Agreement dated January 15, 2021 between Guangzhou Fangu and BaiGuoYuan Technology
4.29*	English translation of Exclusive Option Agreements dated January 15, 2021 among Guangzhou Fangu, BaiGuoYuan Technology and each of partners of Guangzhou Fangu
4.30*	English translation of Partner Voting Rights Proxy Agreements dated January 15, 2021 among Guangzhou Fangu, BaiGuoYuan Technology and each of partners of Guangzhou Fangu
4.31*	English translation of Partnership Interest Pledge Agreements dated January 15, 2021 among Guangzhou Wanyin Internet Technology L.P. ("Guangzhou Wanyin"), BaiGuoYuan Technology and each of partners of Guangzhou Wanyin
4.32*	English translation of Exclusive Service Agreement dated January 15, 2021 between Guangzhou Wanyin and BaiGuoYuan Technology
4.33*	English translation of Exclusive Option Agreements dated January 15, 2021 among Guangzhou Wanyin, BaiGuoYuan Technology and each of partners of Guangzhou Wanyin
4.34*	English translation of Partner Voting Rights Proxy Agreements dated January 15, 2021 among Guangzhou Wanyin, BaiGuoYuan Technology and each of partners of Guangzhou Wanyin
4.35*	English translation of Equity Pledge Agreements dated December 9, 2020 among Guangzhou Ruicheng Internet Technology Co., Ltd. ("Guangzhou Ruicheng"), Guangzhou Huanju Shidai and each of shareholders of Guangzhou Ruicheng
4.36*	English translation of Exclusive Service Agreement dated December 9, 2020 between Guangzhou Ruicheng and Guangzhou Huanju Shidai
4.37*	English translation of Exclusive Option Agreements dated December 9, 2020 among Guangzhou Ruicheng, Guangzhou Huanju Shidai and each of shareholders of Guangzhou Ruicheng
4.38*	English translation of Shareholder Voting Rights Proxy Agreements dated December 9, 2020 among Guangzhou Ruicheng, Guangzhou Huanju Shidai and each of shareholders of Guangzhou Ruicheng

Exhibit Number	Description of Document
4.39*	English translation of Equity Pledge Agreements dated December 9, 2020 among Guang-zhou Xuancheng Internet Technology Co., Ltd. ("Guangzhou Xuancheng"), Guangzhou Huanju Shidai and each of shareholders of Guangzhou Ruicheng
4.40*	English translation of Exclusive Service Agreement dated December 9, 2020 between Guangzhou Xuancheng and Guangzhou Huanju Shidai
4.41*	English translation of Exclusive Option Agreements dated December 9, 2020 among Guangzhou Xuancheng, Guangzhou Huanju Shidai and each of shareholders of Guangzhou Xuancheng
4.42*	English translation of Shareholder Voting Rights Proxy Agreements dated December 9, 2020 among Guangzhou Xuancheng, Guangzhou Huanju Shidai and each of shareholders of Guangzhou Xuancheng
4.43*	English translation of Partnership Interest Pledge Agreements dated December 9, 2020 among Guangzhou Xuanyi Internet Technology L.P. ("Guangzhou Xuanyi"), Guangzhou Huanju Shidai and each of partners of Guangzhou Xuanyi
4.44*	English translation of Exclusive Service Agreement dated December 9, 2020 between Guangzhou Xuanyi and Guangzhou Huanju Shidai
4.45*	English translation of Exclusive Option Agreements dated December 9, 2020 among Guangzhou Xuanyi, Guangzhou Huanju Shidai and each of partners of Guangzhou Xuanyi
4.46*	English translation of Partner Voting Rights Proxy Agreements dated December 9, 2020 among Guangzhou Xuanyi, Guangzhou Huanju Shidai and each of partners of Guangzhou Xuanyi
4.47*	English translation of Partnership Interest Pledge Agreements dated December 9, 2020 among Guangzhou Yueyi Internet Technology L.P. ("Guangzhou Yueyi"), Guangzhou Huanju Shidai and each of partners of Guangzhou Yueyi
4.48*	English translation of Exclusive Service Agreement dated December 9, 2020 between Guangzhou Yueyi and Guangzhou Huanju Shidai
4.49*	English translation of Exclusive Option Agreements dated December 9, 2020 among Guangzhou Yueyi, Guangzhou Huanju Shidai and each of partners of Guangzhou Yueyi
4.50*	English translation of Partner Voting Rights Proxy Agreements dated December 9, 2020 among Guangzhou Yueyi, Guangzhou Huanju Shidai and each of partners of Guangzhou Yueyi
4.51	English translation of Exclusive Business Cooperation Agreement dated December 3, 2009 between Huanju Shidai and Beijing Tuda (incorporated herein by reference to Exhibit 10.15 to the registration statement on Form F-1, as amended (File No. 333184414), initially filed with the Securities and Exchange Commission on October 15, 2012)
4.52	English translation of Supplementary Agreement dated November 10, 2011 to Exclusive Business Cooperation Agreement between Huanju Shidai and Beijing Tuda (incorporated herein by reference to Exhibit 10.16 to the registration statement on Form F-1, as amended (File No. 333184414), initially filed with the Securities and Exchange Commission on October 15, 2012)
4.53	English translation of Confirmation Letter dated November 10, 2011 to Exclusive Business Cooperation Agreement between Huanju Shidai and Beijing Tuda (incorporated herein by reference to Exhibit 10.17 to the registration statement on Form F-1, as amended (File No. 333-184414), initially filed with the Securities and Exchange Commission on October 15, 2012)

Exhibit Number	Description of Document
4.54	English translation of Exclusive Technology Support and Technology Services Agreement dated December 3, 2009 between Huanju Shidai and Beijing Tuda (incorporated herein by reference to Exhibit 10.18 to the registration statement on Form F-1, as amended (File No. 333-184414), initially filed with the Securities and Exchange Commission on October 15, 2012)
4.55	English translation of Supplementary Agreement dated November 10, 2011 to Exclusive Technology Support and Technology Services Agreement between Huanju Shidai and Beijing Tuda (incorporated herein by reference to Exhibit 10.19 to the registration statement on Form F-1, as amended (File No. 333-184414), initially filed with the Securities and Exchange Commission on October 15, 2012)
4.56	English translation of Confirmation Letter dated November 10, 2011 to Exclusive Technology Support and Technology Services Agreement between Huanju Shidai and Beijing Tuda (incorporated herein by reference to Exhibit 10.20 to the registration statement on Form F-1, as amended (File No. 333-184414), initially filed with the Securities and Exchange Commission on October 15, 2012)
4.57	English translation of Powers of Attorney dated May 27, 2011 issued to Huanju Shidai by each of the shareholders of Beijing Tuda (incorporated herein by reference to Exhibit 10.21 to the registration statement on Form F-1, as amended (File No. 333-184414), initially filed with the Securities and Exchange Commission on October 15, 2012)
4.58	English translation of Exclusive Option Agreements dated May 27, 2011 among Huanju Shidai, Beijing Tuda and each of the shareholders of Beijing Tuda (incorporated herein by reference to Exhibit 10.22 to the registration statement on Form F-1, as amended (File No. 333-184414), initially filed with the Securities and Exchange Commission on October 15, 2012)
4.59	English translation of Equity Interest Pledge Agreements dated July 1, 2011 between Huanju Shidai and each of the shareholders of Beijing Tuda (incorporated herein by reference to Exhibit 10.23 to the registration statement on Form F-1, as amended (File No. 333-184414), initially filed with the Securities and Exchange Commission on October 15, 2012)
4.60	English translation of Consent Letter dated November 10, 2011 issued by the shareholders of Beijing Tuda (incorporated herein by reference to Exhibit 10.24 to the registration statement on Form F-1, as amended (File No. 333-184414), initially filed with the Securities and Exchange Commission on October 15, 2012)
4.61	English summary of Contract for State-owned Construction Land Use Rights Assignment, dated August 20, 2015, by and between Guangzhou Land Resources and Real Estate Administration Bureau and Guangzhou Huaduo (incorporated herein by reference to Exhibit 4.27 from our annual report on Form 20-F (File No. 001-35729), filed with the Securities and Exchange Commission on April 28, 2016)
4.62	English translation of Exclusive Business Cooperation Agreement dated August 25, 2015 between Bilin online and Bilin Changxiang (incorporated herein by reference to Exhibit 4.28 from our annual report on Form 20-F (File No. 001-35729), filed with the Securities and Exchange Commission on April 28, 2016)
4.63	English translation of Exclusive Option Agreement dated August 25, 2015 among David Xueling Li, Bilin Online and Bilin Changxiang (incorporated herein by reference to Exhibit 4.29 from our annual report on Form 20-F (File No. 001-35729), filed with the Securities and Exchange Commission on April 28, 2016)
4.64	English translation of Exclusive Assets Purchase Agreement dated August 25, 2015 among David Xueling Li, Bilin Online and Bilin Changxiang (incorporated herein by reference to Exhibit 4.30 from our annual report on Form 20-F (File No. 001-35729), filed with the Securities and Exchange Commission on April 28, 2016)
4.65	English translation of Equity Interest Pledge Agreement dated August 25, 2015 among David Xueling Li, Bilin Online and Bilin Changxiang (incorporated herein by reference to Exhibit 4.31 from our annual report on Form 20-F (File No. 001-35729), filed with the Securities and Exchange Commission on April 28, 2016)

Exhibit Number	Description of Document
4.66	English translation of Power of Attorney dated August 25, 2015 issued to Bilin Changxiang by David Xueling Li (incorporated herein by reference to Exhibit 4.32 from our annual report on Form 20-F (File No. 001-35729), filed with the Securities and Exchange Commission on April 28, 2016)
4.67	HUYA Amended and Restated 2017 Plan (incorporated herein by reference to Exhibit 4.34 from our annual report on Form 20-F (File No. 001- 35729), filed with the Securities and Exchange Commission on April 26, 2018)
4.68	Amended and Restated Shareholders Agreement dated as of March 8, 2018 between HUYA Inc. and other parties thereto (incorporated herein by reference to Exhibit 4.37 from our annual report on Form 20-F (File No. 001-35729), filed with the Securities and Exchange Commission on April 26, 2018)
4.69	English translation of Non-Compete Agreement between Guangzhou Huaduo and Guangzhou Huya dated March 8, 2018 (incorporated herein by reference to Exhibit 4.38 from our annual report on Form 20-F (File No. 001-35729), filed with the Securities and Exchange Commission on April 26, 2018)
4.70	English translation of Business Cooperation Agreement between Shenzhen Tencent Computer Systems Company Ltd. and Guangzhou Huya dated February 5, 2018 (incorporated herein by reference to Exhibit 4.39 from our annual report on Form 20-F (File No. 001-35729), filed with the Securities and Exchange Commission on April 26, 2018)
4.71	English translation of the Equity Interest Pledge agreement among Huya Technology, Guangzhou Huya, and Guangzhou Huaduo dated July 10, 2017 (incorporated herein by reference to Exhibit 10.5 to the registration statement on Form F-1 of HUYA Inc. (File No. 333-224202), as amended, initially filed with the Securities and Exchange Commission on April 9, 2018)
4.72	English translation of the Equity Interest Pledge Agreement among Huya Technology, Guangzhou Qinlv and Guangzhou Huya dated July 10, 2017 (incorporated herein by reference to Exhibit 10.6 to the registration statement on Form F-1 of HUYA Inc. (File No. 333-224202), as amended, initially filed with the Securities and Exchange Commission on April 9, 2018)
4.73	English translation of the Exclusive Business Operation Agreement between Huya Technology and Guangzhou Huya dated July 10, 2017 (incorporated herein by reference to Exhibit 10.7 to the registration statement on Form F-1 of HUYA Inc. (File No. 333-224202), as amended, initially filed with the Securities and Exchange Commission on April 9, 2018)
4.74	English translation of the Shareholder Voting Rights Proxy Agreement among Guangzhou Huaduo, Guangzhou Qinlv, Huya Technology and Guangzhou Huya dated July 10, 2017 (incorporated herein by reference to Exhibit 10.8 to the registration statement on Form F-1 of HUYA Inc. (File No. 333-224202), as amended, initially filed with the Securities and Exchange Commission on April 9, 2018)
4.75	English translation of the Exclusive Option Agreement among Huya Technology, Guangzhou Huaduo, Guangzhou Qinlv and Guangzhou Huya dated July 10, 2017 (incorporated herein by reference to Exhibit 10.9 to the registration statement on Form F-1 of HUYA Inc. (File No. 333-224202), as amended, initially filed with the Securities and Exchange Commission on April 9, 2018)
4.76	English translation of Equity Interest Pledge Agreements dated January 17, 2017 among Guangzhou BaiGuoYuan, BaiGuoYuan Technology and each of the shareholders of Guangzhou BaiGuoYuan (incorporated herein by reference to Exhibit 4.44 from our annual report on Form 20-F (File No. 001-35729), filed with the Securities and Exchange Commission on April 26, 2019)
4.77	English translation of Exclusive Asset Purchase Agreements dated January 17, 2017 among Guangzhou BaiGuoYuan, BaiGuoYuan Technology and each of the shareholders of Guangzhou BaiGuoYuan (incorporated herein by reference to Exhibit 4.45 from our annual report on Form 20-F (File No. 001-35729), filed with the Securities and Exchange Commission on April 26, 2019)

Exhibit Number	Description of Document
4.78	English translation of Exclusive Business Cooperation Agreement dated January 17, 2017 between Guangzhou BaiGuoYuan and BaiGuoYuan Technology (incorporated herein by reference to Exhibit 4.46 from our annual report on Form 20-F (File No. 001-35729), filed with the Securities and Exchange Commission on April 26, 2019)
4.79	English translation of Exclusive Option Agreements dated January 17, 2017 among Guangzhou BaiGuoYuan, BaiGuoYuan Technology and each of the shareholders of Guangzhou BaiGuoYuan (incorporated herein by reference to Exhibit 4.47 from our annual report on Form 20-F (File No. 001-35729), filed with the Securities and Exchange Commission on April 26, 2019)
4.80	English translation of Shareholder Voting Rights Proxy Agreements dated January 17, 2017 issued to BaiGuoYuan Technology by each of the shareholders of Guangzhou BaiGuoYuan (incorporated herein by reference to Exhibit 4.48 from our annual report on Form 20-F (File No. 00135729), filed with the Securities and Exchange Commission on April 26, 2019)
4.81	English translation of Equity Interest Pledge Agreement dated October 17, 2018 among 100Edu Technology, Sanrenxing and each of the shareholders of Sanrenxing (incorporated herein by reference to Exhibit 4.49 from our annual report on Form 20-F (File No. 001-35729), filed with the Securities and Exchange Commission on April 26, 2019)
4.82	English translation of Exclusive Business Cooperation Agreement dated October 17, 2018 between 100Edu Technology and Sanrenxing (incorporated herein by reference to Exhibit 4.50 from our annual report on Form 20-F (File No. 001-35729), filed with the Securities and Exchange Commission on April 26, 2019)
4.83	English translation of Exclusive Option Agreement dated October 17, 2018 between 100Edu Technology, Sanrenxing and each of the shareholders of Sanrenxing (incorporated herein by reference to Exhibit 4.51 from our annual report on Form 20-F (File No. 001-35729), filed with the Securities and Exchange Commission on April 26, 2019)
4.84	English translation of Shareholder Voting Rights Proxy Agreement dated October 17, 2018 among 100Edu Technology, Sanrenxing and each of the shareholders of Sanrenxing (incorporated herein by reference to Exhibit 4.52 from our annual report on Form 20-F (File No. 001-35729), filed with the Securities and Exchange Commission on April 26, 2019)
4.85	English translation of Equity Interest Pledge Agreements dated July 31, 2019 among Guangzhou Wangxing, Chengdu Yunbu and each of the shareholders of Chengdu Yunbu (incorporated by reference to Exhibit 4.49 to the Form 20-F (File No. 001-35729), filed with the Securities and Exchange Commission on April 27, 2020)
4.86	English translation of Exclusive Asset Purchase Agreements dated July 31, 2019 among Guangzhou Wangxing, Chengdu Yunbu and each of the shareholders of Chengdu Yunbu (incorporated by reference to Exhibit 4.50 to the Form 20-F (File No. 001-35729), filed with the Securities and Exchange Commission on April 27, 2020)
4.87	English translation of Exclusive Business Cooperation Agreement dated July 31, 2019 between Guangzhou Wangxing and Chengdu Yunbu (incorporated by reference to Exhibit 4.51 to the Form 20-F (File No. 001-35729), filed with the Securities and Exchange Commission on April 27, 2020)
4.88	English translation of Exclusive Option Agreements dated July 31, 2019 among Guangzhou Wangxing, Chengdu Yunbu and each of the shareholders of Chengdu Yunbu (incorporated by reference to Exhibit 4.52 to the Form 20-F (File No. 001-35729), filed with the Securities and Exchange Commission on April 27, 2020)
4.89	English translation of Shareholder Voting Rights Proxy Agreements dated July 31, 2019 issued to Guangzhou Wangxing by each of the shareholders of Chengdu Yunbu (incorporated by reference to Exhibit 4.53 to the Form 20-F (File No. 001-35729), filed with the Securities and Exchange Commission on April 27, 2020)

Exhibit Number	Description of Document
4.90	English translation of Equity Interest Pledge Agreements dated July 31, 2019 among Guangzhou Wangxing, Chengdu Luota and each of the shareholders of Chengdu Luota (incorporated by reference to Exhibit 4.54 to the Form 20-F (File No. 001-35729), filed with the Securities and Exchange Commission on April 27, 2020)
4.91	English translation of Exclusive Asset Purchase Agreements dated July 31, 2019 among Guangzhou Wangxing, Chengdu Luota and each of the shareholders of Chengdu Luota (incorporated by reference to Exhibit 4.55 to the Form 20-F (File No. 001-35729), filed with the Securities and Exchange Commission on April 27, 2020)
4.92	English translation of Exclusive Business Cooperation Agreement dated July 31, 2019 between Guangzhou Wangxing and Chengdu Luota (incorporated by reference to Exhibit 4.56 to the Form 20-F (File No. 001-35729), filed with the Securities and Exchange Commission on April 27, 2020)
4.93	English translation of Exclusive Option Agreements dated July 31, 2019 among Guangzhou Wangxing, Chengdu Luota and each of the shareholders of Chengdu Luota (incorporated by reference to Exhibit 4.57 to the Form 20-F (File No. 001-35729), filed with the Securities and Exchange Commission on April 27, 2020)
4.94	English translation of Shareholder Voting Rights Proxy Agreements dated July 31, 2019 issued to Guangzhou Wangxing by each of the shareholders of Chengdu Luota (incorporated by reference to Exhibit 4.58 to the Form 20-F (File No. 001-35729), filed with the Securities and Exchange Commission on April 27, 2020)
4.95	English translation of Equity Interest Pledge Agreements dated July 31, 2019 among Guangzhou Wangxing, Chengdu Jiyue and each of the shareholders of Chengdu Jiyue (incorporated by reference to Exhibit 4.59 to the Form 20-F (File No. 001-35729), filed with the Securities and Exchange Commission on April 27, 2020)
4.96	English translation of Exclusive Asset Purchase Agreements dated July 31, 2019 among Guangzhou Wangxing, Chengdu Jiyue and each of the shareholders of Chengdu Jiyue (incorporated by reference to Exhibit 4.60 to the Form 20-F (File No. 001-35729), filed with the Securities and Exchange Commission on April 27, 2020)
4.97	English translation of Exclusive Business Cooperation Agreement dated July 31, 2019 between Guangzhou Wangxing and Chengdu Jiyue (incorporated by reference to Exhibit 4.61 to the Form 20-F (File No. 001-35729), filed with the Securities and Exchange Commission on April 27, 2020)
4.98	English translation of Exclusive Option Agreements dated July 31, 2019 among Guangzhou Wangxing, Chengdu Jiyue and each of the shareholders of Chengdu Jiyue (incorporated by reference to Exhibit 4.62 to the Form 20-F (File No. 001-35729), filed with the Securities and Exchange Commission on April 27, 2020)
4.99	English translation of Shareholder Voting Rights Proxy Agreements dated July 31, 2019 issued to Guangzhou Wangxing by each of the shareholders of Chengdu Jiyue (incorporated by reference to Exhibit 4.63 to the Form 20-F (File No. 001-35729), filed with the Securities and Exchange Commission on April 27, 2020)
4.100	Indenture, dated June 24, 2019 constituting $500 million 0.75% Convertible Senior Notes due 2025 (incorporated by reference to Exhibit 4.64 to the Form 20-F (File No. 001-35729), filed with the Securities and Exchange Commission on April 27, 2020)
4.101	Indenture, dated June 24, 2019 constituting $500 million 1.375% Convertible Senior Notes due 2026 (incorporated by reference to Exhibit 4.65 to the Form 20-F (File No. 001-35729), filed with the Securities and Exchange Commission on April 27, 2020)
4.102	2019 Share Incentive Awards Arrangement (incorporated herein by reference to Exhibit 10.1 from our Form S-8 filed with the Securities and Exchange Commission on September 30, 2019)

Exhibit Number	Description of Document
4.103	Share Transfer Agreement entered into by and between JOYY Inc. and Linen Investment Limited dated April 3, 2020 (incorporated by reference to Exhibit 4.67 to the Form 20-F (File No. 001-35729), filed with the Securities and Exchange Commission on April 27, 2020)
4.104	JOYY Share Transfer Agreement, dated August 10, 2020, by and between JOYY Inc. and Linen Investment Limited (incorporated by reference to Exhibit 7 to the Schedule 13D/A (File No. 005-90506), filed with the Securities and Exchange Commission on August 12, 2020)
4.105*	Amended and Restated Share Purchase Agreement among the Buyer as defined therein, Baidu (Hong Kong) Limited, JOYY Inc. and certain investors party thereto, dated February 7, 2021
8.1*	List of Principal Subsidiaries and Consolidated Affiliated Entities
11.1	Amended Code of Business Conduct and Ethics of the Registrant (incorporated herein by reference to Exhibit 11.1 to the annual report on Form 20-F (File No. 001-35729) filed with the Securities and Exchange Commission on April 26, 2013)
12.1*	Certification by Principal Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
12.2*	Certification by Principal Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
13.1**	Certification by Principal Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
13.2**	Certification by Principal Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
15.1*	Consent of Maples and Calder (Hong Kong) LLP
15.2*	Consent of Fangda Partners
15.3*	Consent of Independent Registered Public Accounting Firm
101.INS*	Inline XBRL Instance Document — the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document
101.SCH*	Inline XBRL Taxonomy Extension Schema Document
101.CAL*	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF*	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB*	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE*	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104*	Cover Page Interactive Data File — the cover page XBRL tags are embedded within the Exhibit 101 Inline XBRL document set

* Filed with this annual report on Form 20-F

** Furnished with this annual report on Form 20-F

SIGNATURES

The registrant hereby certifies that it meets all of the requirements for filing on Form 20-F and that it has duly caused and authorized the undersigned to sign this annual report on its behalf.

JOYY INC.

By: /s/ David Xueling Li
Name: David Xueling Li
Title: Chairman and Chief Executive Officer

Date: April 28, 2021

JOYY INC.

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Report of Independent Registered Public Accounting Firm

To the Board of Directors and Shareholders of JOYY Inc.

Opinions on the Financial Statements and Internal Control over Financial Reporting

We have audited the accompanying consolidated balance sheets of JOYY Inc. and its subsidiaries (the "Company") as of December 31, 2020 and 2019, and the related consolidated statements of comprehensive income, of changes in shareholders' equity and of cash flows for each of the three years in the period ended December 31, 2020, including the related notes (collectively referred to as the "consolidated financial statements"). We also have audited the Company's internal control over financial reporting as of December 31, 2020, based on criteria established in *Internal Control - Integrated Framework* (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2020 and 2019, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2020 in conformity with accounting principles generally accepted in the United States of America. Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2020, based on criteria established in *Internal Control - Integrated Framework* (2013) issued by the COSO.

Basis for Opinions

The Company's management is responsible for these consolidated financial statements, for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in Management's Annual Report on Internal Control over Financial Reporting appearing under Item 15. Our responsibility is to express opinions on the Company's consolidated financial statements and on the Company's internal control over financial reporting based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud, and whether effective internal control over financial reporting was maintained in all material respects.

Our audits of the consolidated financial statements included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

Definition and Limitations of Internal Control over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Critical Audit Matters

The critical audit matters communicated below are matters arising from the current period audit of the consolidated financial statements that were communicated or required to be communicated to the audit committee and that (i) relate to accounts or disclosures that are material to the consolidated financial statements and (ii) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

Goodwill impairment assessment - reporting unit within the Bigo segment

As described in Note 16 to the consolidated financial statements, the Company's consolidated goodwill balance was RMB12,215 million as of December 31, 2020, and the goodwill associated with the Bigo reportable segment, which only includes the Bigo reporting unit, was RMB12,099 million. Management conducts a goodwill impairment test at the reporting unit level at least annually in the fourth quarter, or more frequently when events or circumstances occur indicating that the recorded goodwill may be impaired. The impairment test compares the fair value of a reporting unit with its carrying value, with an impairment charge recorded for the amount by which the carrying amount exceeds the reporting unit's fair value up to a maximum amount of the goodwill balance for the reporting unit. For reporting units evaluated using a quantitative assessment, the fair values are determined using an income approach. The income approach determines fair value based on discounted cash flow models derived from the reporting units' long-term forecasts which included a five-year future cash flow projection and an estimated terminal value. As disclosed by management, determining fair value requires the exercise of significant judgment, including judgments about appropriate revenue growth rates, the estimated terminal value using a terminal year long-term future growth rate and discount rates.

The principal considerations for our determination that performing procedures relating to the goodwill impairment assessment of the Bigo reporting unit is a critical audit matter are (i) there was significant judgment by management when determining the fair value measurement of the reporting unit; (ii) significant audit effort was necessary to perform procedures and evaluate audit evidence related to management's cash flow projections and significant assumptions related to the revenue growth rates, the estimated terminal value using a terminal year long-term future growth rate and discount rates; and (iii) the audit effort involved the use of professionals with specialized skill and knowledge to assist in performing these procedures and evaluating the audit evidence obtained from these procedures.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. These procedures included testing the effectiveness of controls relating to management's goodwill impairment assessment, including controls over the determination of the fair value of the Company's reporting units and controls over development of the significant assumptions including the revenue growth rates, the estimated terminal value using a terminal year long-term future growth rate and discount rates. These procedures also included, among others, testing management's process for developing the fair value estimate; evaluating the appropriateness of the income approach; testing the completeness and accuracy of underlying data used in the models; and evaluating the reasonableness of significant assumptions used by management, including the revenue growth rates, the estimated terminal value using a terminal year long-term future growth rate and the discount rates. Evaluating management's assumptions related to the revenue growth rates involved evaluating whether the assumptions used by management were reasonable considering (i) the current and past performance of the reporting unit, (ii) the consistency with external market and industry data, (iii) whether these assumptions were consistent with evidence obtained in other areas of the audit. The discount rate was evaluated by considering the cost of capital of comparable businesses and other industry factors. Professionals with specialized skill and knowledge were used to assist in the evaluation of the Company's models and certain significant assumptions, including the discount rate.

Revenue recognition — identification of distinct performance obligations and estimate of standalone selling price

As described in Note 2(v) to the consolidated financial statements, the Company's sources of revenue include live streaming and others. The Company's consolidated revenues were RMB13,231 million for the year ended December 31, 2020, of which RMB12,525 million were revenues from live streaming. Management identifies multiple distinct performance obligations in certain contracts of its live streaming business. Customers receive a series of services, virtual items and virtual rights by entering into these contracts with the Company. Management determines the distinct performance obligations and transaction price of each identified distinct performance obligation and recognizes revenue upon transfer of control of the promised services in an amount that reflects the consideration the Company expects to receive in exchange for those services. Management exercises significant judgment in determining the distinct performance obligations and transaction price which is dependent on the contractual terms for each type of contract with multiple distinct performance obligations.

The principal considerations for our determination that performing procedures relating to the identification of performance obligations and contracts with multiple performance obligations is a critical audit matter are that there was significant judgment by management in identifying the distinct performance obligations and estimating the standalone selling price of each distinct performance obligation due to the complexity of the contracts. Certain services are provided to customers over time and have the same pattern of transfer to customers. Management exercises judgement in determining the number of distinct performance obligations by accounting for services that have the same pattern of transfer to customers as a single performance obligation. Certain distinct performance obligations are not separately sold by the Company. Management exercises judgement in determining the standalone selling price of these distinct performance obligations. This in turn led to significant auditor judgment and effort in performing procedures and in evaluating management's significant judgment in determining whether the distinct performance obligations were appropriately identified and whether the standalone selling price of each distinct performance obligation was appropriately estimated.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. These procedures included testing the effectiveness of controls relating to the revenue recognition process, including identification of distinct performance obligations and estimate of standalone selling prices used to allocate transaction price to distinct performance obligations in its contracts with customers. These procedures also included, among others, on a test basis: (i) testing the completeness and accuracy of management's identification of the distinct performance obligations by evaluating customer arrangements, (ii) testing management's process for estimating standalone selling price which included testing the completeness and accuracy of input data used and evaluating the reasonableness of significant assumptions used by management, principally including market and pricing conditions and other observable inputs such as historical pricing practices and (iii) testing management's process for determining the appropriate amount of revenue recognition based on the performance obligations identified in relevant contracts.

/s/ PricewaterhouseCoopers Zhong Tian LLP
Guangzhou, the People's Republic of China
April 28, 2021

We have served as the Company's auditor since 2011.

CONSOLIDATED BALANCE SHEETS AS OF DECEMBER 31, 2019 AND 2020
(All amounts in thousands, except share, ADS, per share and per ADS data)

	As of December 31,		
	2019	2020	2020
	RMB	RMB	US$ (Note2(e))
Assets			
Current assets			
Cash and cash equivalents	2,710,623	11,371,264	1,742,722
Restricted cash and cash equivalents	3,500	89,604	13,732
Short-term deposits	10,027,440	8,645,939	1,325,048
Restricted short-term deposits	653,034	205,461	31,488
Short-term investments	3,332,331	3,191,338	489,094
Accounts receivable, net of allowance of RMB64 and RMB48,202 as of December 31, 2019 and 2020, respectively	668,342	933,057	142,997
Amounts due from related parties, net of allowance of RMB14,099 and RMB14,886 as of December 31, 2019 and 2020, respectively	1,709	3,986	611
Financing receivables, net of allowance of RMB120,270 and RMB129,989 as of December 31, 2019 and 2020, respectively	105,344	1,122	172
Prepayments and other current assets, net of allowance of RMB24,231 and RMB37,559 as of December 31, 2019 and 2020, respectively	538,089	671,230	102,871
Assets held for sale	10,759,557	342,743	52,528
Total current assets	28,799,969	25,455,744	3,901,263
Non-current assets			
Deferred tax assets	67,111	—	—
Investments	1,983,483	8,086,663	1,239,335
Property and equipment, net	2,079,084	2,620,797	401,655
Land use rights, net	1,736,544	1,688,448	258,766
Intangible assets, net	3,082,259	2,245,962	344,209
Right-of-use assets, net	172,783	140,802	21,579
Goodwill	12,947,192	12,215,156	1,872,055
Financing receivables, net of allowance of RMB66,500 and RMB66,500 as of December 31, 2019 and 2020, respectively	129,380	128,644	19,716
Other non-current assets	275,957	70,196	10,758
Assets held for sale	935,721	166,382	25,499
Total non-current assets	23,409,514	27,363,050	4,193,572
Total assets	52,209,483	52,818,794	8,094,835
Liabilities, mezzanine equity and shareholders' equity			
Current liabilities			
Accounts payable (including accounts payable of the consolidated VIEs without recourse to the Company of RMB89,708 and RMB104,691 as of December 31, 2019 and 2020, respectively)	120,826	136,733	20,955
Deferred revenue (including deferred revenue of the consolidated VIEs without recourse to the Company of RMB78,877 and RMB111,839 as of December 31, 2019 and 2020, respectively)	192,754	438,669	67,229
Advances from customers (including advances from customers of the consolidated VIEs without recourse to the Company of RMB7,908 and RMB191 as of December 31, 2019 and 2020, respectively)	7,908	5,058	775
Income taxes payable (including income taxes payable of the consolidated VIEs without recourse to the Company of RMB296,032 and RMB127,186 as of December 31, 2019 and 2020, respectively)	422,113	397,334	60,894
Accrued liabilities and other current liabilities (including accrued liabilities and other current liabilities of the consolidated VIEs without recourse to the Company of RMB877,942 and RMB707,610 as of December 31, 2019 and 2020, respectively)	2,420,588	3,160,985	484,442
Amounts due to related parties (including amounts due to related parties of the consolidated VIEs without recourse to the Company of RMB194,336 and RMB14,837 as of December 31, 2019 and 2020, respectively)	205,921	24,941	3,822
Lease liabilities due within one year (including lease liabilities due within one year of the consolidated VIEs without recourse to the Company of RMB28,874 and RMB30,682 as of December 31, 2019 and 2020, respectively)	83,686	93,513	14,331
Short-term loans (including short-term loans of the consolidated VIEs without recourse to the Company of RMB270,565 and RMB669,048 as of December 31, 2019 and 2020, respectively)	557,203	734,371	112,547
Liabilities held for sale (including liabilities held for sale of the consolidated VIEs without recourse to the Company of RMB3,113,821 and RMB1,164,022 as of December 31, 2019 and 2020, respectively)	3,626,622	1,168,667	179,106
Total current liabilities	7,637,621	6,160,271	944,101
Non-current liabilities			
Convertible bonds (including convertible bonds of the consolidated VIEs without recourse to the Company of nil and nil as of December 31, 2019 and 2020, respectively)	5,008,571	5,084,362	779,213
Lease liabilities (including lease liabilities of the consolidated VIEs without recourse to the Company of RMB26,305 and RMB12,935 as of December 31, 2019 and 2020, respectively)	92,669	52,989	8,121
Deferred revenue(including deferred revenue of the consolidated VIEs without recourse to the Company of RMB4,988 and RMB9,703 as of December 31, 2019 and 2020, respectively)	17,418	20,437	3,132
Deferred tax liabilities (including deferred tax liabilities of the consolidated VIEs without recourse to the Company of RMB85,479 and RMB70,900 as of December 31, 2019 and 2020, respectively)	264,639	276,802	42,422
Other non-current liabilities (including other non-current liabilities of the consolidated VIEs without recourse to the Company of RMB11,495 and nil as of December 31, 2019 and 2020, respectively)	11,495	—	—
Liabilities held for sale (including liabilities held for sale of the consolidated VIEs without recourse to the Company of RMB227,923 and RMB28,807 as of December 31, 2019 and 2020, respectively)	293,233	28,807	4,415
Total non-current liabilities	5,688,025	5,463,397	837,303
Total liabilities	13,325,646	11,623,668	1,781,404

CONSOLIDATED BALANCE SHEETS AS OF DECEMBER 31, 2019 AND 2020 (CONTINUED)
(All amounts in thousands, except share, ADS, per share and per ADS data)

	As of December 31,		
	2019	2020	2020
	RMB	RMB	US$ (Note 2(e))
Commitments and contingencies (Note 30)			
Mezzanine equity	466,071	473,816	72,615
Shareholders' equity			
Class A common shares (US$0.00001 par value; 10,000,000,000 and 10,000,000,000 shares authorized, 1,301,845,404 shares issued and 1,293,162,504 shares outstanding as of December 31, 2019; 1,314,208,824 shares issued and 1,272,346,218 shares outstanding as of December 31, 2020, respectively)	80	78	12
Class B common shares (US$0.00001 par value; 1,000,000,000 and 1,000,000,000 shares authorized, 326,509,555 and 326,509,555 shares issued and outstanding as of December 31, 2019 and December 31, 2020, respectively)	24	24	4
Treasury Shares (US$0.00001 par value; 8,682,900 and 41,862,606 shares held as of December 31, 2019 and December 31, 2020, respectively)	(168,072)	(938,038)	(143,761)
Additional paid-in capital	21,921,562	22,853,665	3,502,477
Statutory reserves	149,961	114,871	17,605
Retained earnings	10,272,122	19,510,874	2,990,172
Accumulated other comprehensive income (loss)	890,209	(856,032)	(131,190)
Total JOYY Inc.'s shareholders' equity	33,065,886	40,685,442	6,235,319
Non-controlling interests	5,351,880	35,868	5,497
Total shareholders' equity	38,417,766	40,721,310	6,240,816
Total liabilities, mezzanine equity and shareholders' equity	52,209,483	52,818,794	8,094,835

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2018, 2019 AND 2020
(All amounts in thousands, except share, ADS, per share and per ADS data)

	For the year ended December 31,			
	2018	2019	2020	2020
	RMB	RMB	RMB	US$ (Note2(e))
Net revenues				
Live streaming	361,475	5,330,790	12,524,825	1,919,513
Others	468,001	908,519	706,120	108,218
Total net revenues	829,476	6,239,309	13,230,945	2,027,731
Cost of revenues [(1)]	(725,701)	(4,552,658)	(9,509,589)	(1,457,408)
Gross profit	103,775	1,686,651	3,721,356	570,323
Operating expenses [(1)]				
Research and development expenses	(514,854)	(1,633,668)	(2,096,796)	(321,348)
Sales and marketing expenses	(463,953)	(2,794,724)	(3,484,814)	(534,071)
General and administrative expenses	(391,837)	(938,219)	(1,016,544)	(155,792)
Total operating expenses	(1,370,644)	(5,366,611)	(6,598,154)	(1,011,211)
Gain on disposal of business	—	82,699	—	—
Other income	11,904	39,306	56,111	8,599
Operating loss	(1,254,965)	(3,557,955)	(2,820,687)	(432,289)
Interest expense	(8,616)	(266,517)	(522,015)	(80,002)
Interest income and investment income	327,438	426,631	614,014	94,102
Foreign currency exchange (losses) gains, net	(565)	8,639	(118,859)	(18,216)
Gain on disposal and deemed disposal of investments	16,178	—	1,897,128	290,748
Gain on fair value changes of investments	1,487,405	2,679,312	1,127,714	172,830
Fair value change on derivatives	—	(16,011)	(42,320)	(6,486)
Other non-operating expenses	(2,000)	—	(17,257)	(2,645)
Income (loss) before income tax expenses	564,875	(725,901)	117,718	18,042
Income tax (expenses) benefit	(67,800)	141,108	(192,337)	(29,477)
Income (loss) before share of income in equity method investments, net of income taxes	497,075	(584,793)	(74,619)	(11,435)
Share of income (loss) in equity method investments, net of income taxes	120,636	41,315	(51,759)	(7,932)
Net income (loss) from continuing operations	617,711	(543,478)	(126,378)	(19,367)
Net income from discontinued operations	1,497,986	4,243,507	9,849,538	1,509,507
Net income	2,115,697	3,700,029	9,723,160	1,490,140
Less: Net (loss) income attributable to the non-controlling interest shareholders and the mezzanine equity classified non-controlling interest shareholders	(93,310)	254,794	48,129	7,376
Net income attributable to controlling interest of JOYY Inc.	2,209,007	3,445,235	9,675,031	1,482,764
Including:				
Net income (loss) from continuing operations attributable to controlling interest of JOYY Inc.	625,319	(516,703)	(105,112)	(16,109)
Net income from discontinued operations attributable to controlling interest of JOYY Inc.	1,583,688	3,961,938	9,780,143	1,498,873
Less: Accretion of subsidiaries' redeemable convertible preferred shares to redemption value	73,159	38,346	38,474	5,896
Cumulative dividend on subsidiary's Series A Preferred Shares	4,606	27,559	27,651	4,238
Deemed dividend to subsidiary's preferred shareholders	489,284	—	—	—
Net income attributable to common shareholders of JOYY Inc.	1,641,958	3,379,330	9,608,906	1,472,630
Including:				
Net income (loss) from continuing operations attributable to common shareholders of JOYY Inc.	614,630	(582,608)	(171,237)	(26,243)
Net income from discontinued operations attributable to common shareholders of JOYY Inc.	1,027,328	3,961,938	9,780,143	1,498,873
Other comprehensive income (loss):				
Foreign currency translation adjustments, net of nil tax	434,080	571,815	(1,455,118)	(223,007)
Comprehensive income attributable to the common shareholders of JOYY Inc.	2,076,038	3,951,145	8,153,788	1,249,623

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2018, 2019 AND 2020 (CONTINUED)
(All amounts in thousands, except share, ADS, per share and per ADS data)

	For the year ended December 31,			
	2018	2019	2020	2020
	RMB	RMB	RMB	US$ (Note2(e))
Net income (loss) per ADS*				
—Basic	25.64	43.77	120.10	18.40
Continuing operations	9.60	(7.54)	(2.14)	(0.33)
Discontinued operations	16.04	51.31	122.24	18.73
—Diluted	25.38	43.59	120.04	18.39
Continuing operations	9.50	(7.54)	(2.14)	(0.33)
Discontinued operations	15.88	51.13	122.18	18.72
Weighted average number of ADS used in calculating net income (loss) per ADS				
—Basic				
Continuing operations	64,042,390	77,219,846	80,009,988	80,009,988
Discontinued operations	64,042,390	77,219,846	80,009,988	80,009,988
—Diluted				
Continuing operations	64,695,437	77,219,846	80,009,988	80,009,988
Discontinued operations	64,695,437	77,219,846	80,009,988	80,009,988
Net income (loss) per common share*				
—Basic	1.28	2.19	6.00	0.92
Continuing operations	0.48	(0.38)	(0.11)	(0.02)
Discontinued operations	0.80	2.57	6.11	0.94
—Diluted	1.27	2.18	6.00	0.92
Continuing operations	0.48	(0.38)	(0.11)	(0.02)
Discontinued operations	0.79	2.56	6.11	0.94
Weighted average number of common shares used in calculating net income (loss) per common share				
—Basic				
Continuing operations	1,280,847,795	1,544,396,920	1,600,199,759	1,600,199,759
Discontinued operations	1,280,847,795	1,544,396,920	1,600,199,759	1,600,199,759
—Diluted				
Continuing operations	1,293,908,738	1,544,396,920	1,600,199,759	1,600,199,759
Discontinued operations	1,293,908,738	1,544,396,920	1,600,199,759	1,600,199,759

* Each ADS represents 20 common shares.

(1) Share-based compensation was allocated in cost of revenues and operating expenses as follows:

	For the year ended December 31,			
	2018	2019	2020	2020
	RMB	RMB	RMB	US$ (Note2(e))
Cost of revenues	46,373	41,006	39,910	6,116
Research and development expenses	96,585	362,441	295,289	45,256
Sales and marketing expenses	1,418	5,000	9,018	1,382
General and administrative expenses	83,758	117,629	291,759	44,714

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY FOR THE YEARS ENDED DECEMBER 31, 2018, 2019 AND 2020
(All amounts in thousands, except share, ADS, per share and per ADS data)

	Class A common shares		Class B common shares		Additional paid-in capital	Statutory reserves	Retained earnings	Accumulated other comprehensive income (loss)	Total JOYY Inc.'s shareholders' equity	Non-controlling interests	Total shareholders' equity
	Number of shares	Amount	Number of shares	Amount							
		RMB		RMB	RMB	RMB	RMB	RMB	RMB	RMB	RMB
Balance as of December 31, 2017	945,245,908	57	317,982,976	23	5,339,844	62,718	5,218,110	(9,597)	10,611,155	101,704	10,712,859
Adoption of ASU 2016-01	—	—	—	—	—	—	87,802	(87,802)	—	—	—
Issuance of common shares for exercised share options	154,260	—	—	—	7	—	—	—	7	—	7
Issuance of common shares for vested restricted shares and restricted share units	6,540,680	—	—	—	—	—	—	—	—	—	—
Class B common shares converted to Class A common shares	29,800,000	2	(29,800,000)	(2)	—	—	—	—	—	—	—
Share-based compensation	—	—	—	—	648,025	—	—	—	648,025	—	648,025
Appropriation to statutory reserves	—	—	—	—	—	39,007	(39,007)	—	—	—	—
Capital injection in subsidiaries from non-controlling interest shareholders	—	—	—	—	—	—	—	—	—	658	658
Acquisition of subsidiary's shares from mezzanine equity holders	—	—	—	—	(13,315)	—	—	—	(13,315)	—	(13,315)
Conversion of Huya's preferred shares to ordinary shares upon the completion of its IPO	—	—	—	—	4,009,874	—	—	—	4,009,874	2,280,543	6,290,417
Proceed from Huya's IPO, net of issuance cost	—	—	—	—	795,073	—	—	—	795,073	412,676	1,207,749
Partial disposal of Huya's interests to non-controlling interest shareholders, net of tax	—	—	—	—	389,358	—	—	(529)	388,829	(34,081)	354,748
Components of comprehensive income											
Net income (loss) attributable to JOYY Inc. and non-controlling interest shareholders	—	—	—	—	—	—	2,209,007	—	2,209,007	(94,666)	2,114,341
Accretion of subsidiaries' redeemable convertible preferred shares to redemption value	—	—	—	—	—	—	(73,159)	—	(73,159)	(4,692)	(77,851)
Deemed dividend to Huya's Series A Preferred shareholders	—	—	—	—	—	—	(489,284)	—	(489,284)	(7,711)	(496,995)
Foreign currency translation adjustments, net of nil tax	—	—	—	—	—	—	—	434,080	434,080	202,408	636,488
Balance as of December 31, 2018	981,740,848	59	288,182,976	21	11,168,866	101,725	6,913,469	336,152	18,520,292	2,856,839	21,377,131

CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY FOR THE YEARS ENDED DECEMBER 31, 2018, 2019 AND 2020 (CONTINUED)
(All amounts in thousands, except share, ADS, per share and per ADS data)

	Class A common shares		Class B common shares		Treasury shares	Additional paid-in capital	Statutory reserves	Retained earnings	Accumulated other comprehensive income (loss)	Total JOYY Inc.'s shareholders' equity	Non-controlling interests	Total shareholders' equity
	Number of shares	Amount	Number of shares	Amount	Amount							
		RMB		RMB	RMB	RMB	RMB	RMB	RMB	RMB	RMB	RMB
Balance as of December 31, 2018	981,740,848	59	288,182,976	21	—	11,168,866	101,725	6,913,469	336,152	18,520,292	2,856,839	21,377,131
Issuance of common shares for vested restricted shares and restricted share units	6,216,060	—	—	—	—	—	—	—	—	—	—	—
Issuance of common shares in connection with the acquisition of Bigo	305,127,046	21	38,326,579	3	—	7,704,396	—	—	—	7,704,420	—	7,704,420
Grant of restricted shares	8,761,450	—	—	—	—	—	—	—	—	—	—	—
Share-based compensation	—	—	—	—	—	817,739	—	—	—	817,739	130,409	948,148
Appropriation to statutory reserves	—	—	—	—	—	—	48,236	(48,236)	—	—	—	—
Bifurcation of conversion feature of convertible bonds	—	—	—	—	—	2,014,966	—	—	—	2,014,966	—	2,014,966
Purchase of capped call options in relation to the conversion features of the convertible bonds	—	—	—	—	—	(527,473)	—	—	—	(527,473)	—	(527,473)
Huya's follow-on public offering, net of issuance cost	—	—	—	—	—	293,403	—	—	(9,919)	283,484	1,826,582	2,110,066
Issuance of Huya's common shares for exercised share options	—	—	—	—	—	(18,805)	—	—	(1,448)	(20,253)	52,664	32,411
Exercise/settlement of RSU's in subsidiaries	—	—	—	—	—	(7,746)	—	—	—	(7,746)	3,580	(4,166)
Repurchase of common shares	(8,682,900)	—	—	—	(168,072)	(83,027)	—	—	—	(251,099)	—	(251,099)
Deemed contribution from non-controlling interest shareholders	—	—	—	—	—	6,162	—	—	—	6,162	(6,162)	—
Partial disposal of Huya's interests to non-controlling interest shareholders, net of tax	—	—	—	—	—	553,081	—	—	(6,391)	546,690	133,938	680,628
Components of comprehensive income												
Net income attributable to JOYY Inc. and non-controlling interest shareholders	—	—	—	—	—	—	—	3,445,235	—	3,445,235	254,794	3,700,029
Accretion of subsidiaries' redeemable convertible preferred shares to redemption value	—	—	—	—	—	—	—	(38,346)	—	(38,346)	(1,669)	(40,015)
Foreign currency translation adjustments, net of nil tax	—	—	—	—	—	—	—	—	571,815	571,815	100,905	672,720
Balance as of December 31, 2019	1,293,162,504	80	326,509,555	24	(168,072)	21,921,562	149,961	10,272,122	890,209	33,065,886	5,351,880	38,417,766

CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY FOR THE YEARS ENDED DECEMBER 31, 2018, 2019 AND 2020 (CONTINUED)
(All amounts in thousands, except share, ADS, per share and per ADS data)

	Class A common shares		Class B common shares		Treasury shares	Additional paid-in	Statutory	Retained	Accumulated other comprehensive	Total JOYY Inc.'s shareholders'	Non-controlling	Total shareholders'
	Number of shares	Amount	Number of shares	Amount	Amount	capital	reserves	earnings	income (loss)	equity	interests	equity
		RMB		RMB	RMB	RMB	RMB	RMB	RMB	RMB	RMB	RMB
Balance as of December 31, 2019	1,293,162,504	80	326,509,555	24	(168,072)	21,921,562	149,961	10,272,122	890,209	33,065,886	5,351,880	38,417,766
Adoption of ASC326	—	—	—	—	—	—	—	(10,254)	—	(10,254)	(1,875)	(12,129)
Issuance of common shares for vested restricted shares and restricted share units	12,363,420	1	—	—	—	—	—	—	—	1	—	1
Net forfeiture of restricted shares	(13,886)	—	—	—	—	—	—	—	—	—	—	—
Share-based compensation	—	—	—	—	—	768,135	—	—	—	768,135	92,679	860,814
Appropriation to statutory reserves	—	—	—	—	—	—	29,589	(29,589)	—	—	—	—
Capital injection in subsidiaries from non-controlling interest shareholders	—	—	—	—	—	—	—	—	—	—	10,548	10,548
Issuance of Huya's common shares for exercised share options	—	—	—	—	—	(248)	—	—	(38)	(286)	897	611
Repurchase of common shares	(33,165,820)	(3)	—	—	(769,966)	84,781	—	—	—	(685,188)	—	(685,188)
Repurchase of non-controlling interest and redeemable noncontrolling interests	—	—	—	—	—	8,523	—	—	—	8,523	(22,334)	(13,811)
Non-controlling interest arising from an acquisition	—	—	—	—	—	—	—	—	—	—	33,272	33,272
Deconsolidation of Huya	—	—	—	—	—	—	(64,679)	64,679	(245,903)	(245,903)	(5,537,652)	(5,783,555)
Other equity changes from equity method investments	—	—	—	—	—	70,313	—	23,642	(45,182)	48,773	—	48,773
Dividends declared	—	—	—	—	—	—	—	(446,283)	—	(446,283)	(2,251)	(448,534)
Deemed contribution from non-controlling interest shareholders	—	—	—	—	—	599	—	—	—	599	(599)	—
Components of comprehensive income												
Net income attributable to common shareholders of JOYY Inc.	—	—	—	—	—	—	—	9,675,031	—	9,675,031	48,129	9,723,160
Accretion of subsidiaries' redeemable convertible preferred shares to redemption value	—	—	—	—	—	—	—	(38,474)	—	(38,474)	(1,675)	(40,149)
Foreign currency translation adjustments, net of nil tax	—	—	—	—	—	—	—	—	(1,455,118)	(1,455,118)	64,849	(1,390,269)
Balance as of December 31, 2020	1,272,346,218	78	326,509,555	24	(938,038)	22,853,665	114,871	19,510,874	(856,032)	40,685,442	35,868	40,721,310

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2018, 2019 AND 2020
(All amounts in thousands)

	For the year ended December 31,			
	2018 RMB	2019 RMB	2020 RMB	2020 US$ (Note2(e))
Cash flows from operating activities				
Net income	2,115,697	3,700,029	9,723,160	1,490,140
Net income from discontinued operations	(1,497,986)	(4,243,507)	(9,849,538)	(1,509,507)
Adjustments to reconcile net income to net cash provided by operating activities				
Depreciation of property and equipment	65,054	275,741	535,498	82,069
Amortization of acquired intangible assets and land use rights	60,246	699,243	756,427	115,928
Amortization of right-of-use assets	—	78,222	114,010	17,473
Allowance for doubtful accounts	53,441	169,522	64,928	9,951
(Gain) loss on disposal of property and equipment, intangible assets and other long-term assets	(803)	1,161	19,193	2,941
Impairment of investments	35,348	62,334	43,861	6,722
Impairment of property and equipment	—	5,347	—	—
Impairment of intangible assets	—	3,061	—	—
Share-based compensation	228,134	526,076	635,976	97,468
Share of (income) loss in equity method investments, net of income taxes	(120,636)	(41,315)	51,759	7,932
Gain on disposal and deemed disposal of investments	(16,178)	—	(1,897,128)	(290,748)
Gain on disposal of business	—	(82,699)	—	—
Cash dividend received from an equity investee	—	—	2,400	368
Deferred income taxes, net	14,277	(138,448)	87,205	13,365
Foreign currency exchange losses (gains), net	565	(8,639)	118,859	18,216
Interest expense	—	211,226	446,018	68,355
Investment income	(14,552)	(28,712)	19,252	2,950
Gain on fair value changes of investments	(1,487,405)	(2,679,312)	(1,127,714)	(172,830)
Fair value loss on derivative liabilities	—	16,011	42,320	6,486
Changes in operating assets and liabilities, net of business acquisition and disposal of subsidiaries				
Accounts receivable	(37,383)	(113,617)	(385,413)	(59,067)
Interest receivables recorded in financing receivables	(832)	(13,720)	(2,541)	(389)
Prepayments and other assets	(72,783)	(163,232)	(226,932)	(34,781)
Amounts due from related parties	140,723	(227,662)	(15,437)	(2,366)
Inventory	315	—	—	—
Lease liabilities	—	(77,738)	(104,278)	(15,981)
Amounts due to related parties	(53,804)	22,713	30,272	4,639
Accounts payable	12,408	(26,388)	(81,351)	(12,468)
Deferred revenue	(10,697)	(7,258)	269,565	41,313
Advances from customers	1,657	2,639	(9,344)	(1,432)
Income taxes payable	69,239	61,212	(23,718)	(3,635)
Accrued liabilities and other current liabilities	353,638	786,482	743,906	114,009
Net cash used in continuing operating activities	(162,317)	(1,231,228)	(18,785)	(2,879)
Net cash provided by discontinued operating activities	4,627,131	5,812,919	3,442,891	527,646
Net cash provided by operating activities	4,464,814	4,581,691	3,424,106	524,767
Cash flows from investing activities				
Placements of short-term deposits	(3,730,907)	(11,086,310)	(8,253,784)	(1,264,948)
Maturities of short-term deposits	6,873,339	4,417,151	9,393,835	1,439,668
Placements of long-term deposits	(1,000,000)	—	—	—
Placements of short-term investments	(2,641,322)	(4,829,241)	(6,287,502)	(963,602)
Maturities of short-term investments	2,101,533	2,204,513	6,405,431	981,675
Placements of derivative financial instruments	—	(10,832)	—	—
Purchase of property and equipment	(232,032)	(853,807)	(1,043,642)	(159,945)
Purchase of intangible assets and land use right	(6,255)	(47,668)	(13,647)	(2,091)
Purchase of other non-current assets	—	(132,000)	(59)	(9)
Prepayments for investments	—	(525)	—	—
Cash paid for investments	(2,354,337)	(548,731)	(1,427,926)	(218,839)
Cash received from disposal of investments	708,476	163,526	5,715,243	875,899
Cash distribution received from equity investees	6,125	—	80,552	12,345
Acquisition of businesses, net of cash, cash equivalents and restricted cash acquired	—	(1,656,763)	(32,303)	(4,951)
Deconsolidation and disposal of a subsidiary, net of cash disposed	—	—	665	102
Payments on behalf of (repayments from) related parties, net	2,543	12,261	(2,300)	(352)
Loans to related parties	(188,000)	(170,000)	(5,000)	(766)
Repayments of loans from related parties	20,000	—	—	—
Loans to employees and third parties	(282,031)	(48,218)	(56,238)	(8,619)
Repayments of loans from employees and third parties	35,067	142,663	200,043	30,658
Payments to originate financing receivables	(1,458,012)	(779,414)	—	—
Principal collection from financing receivables	346,028	1,489,148	91,988	14,098
Proceeds from disposal of property and equipment	1,105	2,099	5,724	877
Net cash (used in) provided by continuing investing activities	(1,798,680)	(11,732,148)	4,771,080	731,200
Net cash (used in) provided by discontinued investing activities	(4,496,706)	(3,877,752)	643,857	98,675
Net cash (used in) provided by investing activities	(6,295,386)	(15,609,900)	5,414,937	829,875

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2018, 2019 AND 2020 (CONTINUED)
(All amounts in thousands)

	For the year ended December 31,			
	2018	2019	2020	2020
	RMB	RMB	RMB	US$ (Note2(e))
Cash flows from financing activities				
Proceeds from exercise of vested share options	7	—	—	—
Capital contributions from the non-controlling interest shareholders	658	—	10,548	1,617
Capital contributions from mezzanine equity holders	312,149	100,536	—	—
Dividends paid to shareholders	—	—	(446,283)	(68,396)
Dividend paid to non-controlling interests in a subsidiary	—	—	(2,251)	(345)
Purchase of non-controlling interests and redeemable non-controlling interests	—	—	(18,074)	(2,770)
Acquisition of a subsidiary's shares from mezzanine equity holders	(30,000)	—	—	—
Partial disposal of Huya's interests to non-controlling interest shareholders	378,548	748,005	—	—
Purchase of capped call option in relation to repurchase of common shares		(83,027)	84,781	12,993
Proceeds from bank borrowings	691,612	1,550,453	1,076,396	164,964
Repayment of bank borrowings	(1,308,092)	(1,014,496)	(918,380)	(140,748)
Proceeds from issuance of common shares, net of issuance cost	(4,473)	—	—	—
Repurchase of common shares	—	(168,072)	(732,935)	(112,327)
Proceeds from issuance of convertible bonds, net of issuance costs	—	6,209,590	—	—
Repayment of convertible bonds	—	(6,734)	—	—
Deemed contribution from Huya	—	10,119	978	150
Net cash provided by (used in) continuing financing activities	40,409	7,346,374	(945,220)	(144,862)
Net cash provided by discontinued financing activities	4,126,861	2,123,532	8,591	1,317
Net cash provided by (used in) financing activities	4,167,270	9,469,906	(936,629)	(143,545)
Net increase/(decrease) in cash, cash equivalents and restricted cash	2,336,698	(1,558,303)	7,902,414	1,211,097
Cash, cash equivalents and restricted cash at the beginning of the year	3,617,432	6,004,231	4,551,464	697,542
Effect of exchange rate changes on cash, cash equivalents and restricted cash	50,101	105,536	(581,358)	(89,097)
Cash, cash equivalents and restricted cash at the end of the year	6,004,231	4,551,464	11,872,520	1,819,542
Less: Cash, cash equivalents and restricted cash of held for sales at the end of the year	757,257	1,184,307	206,191	31,600
Cash, cash equivalents and restricted cash of continuing operations at the end of the year	5,246,974	3,367,157	11,666,329	1,787,942

	For the year ended December 31,			
	2018	2019	2020	2020
	RMB	RMB	RMB	US$ (Note2(e))
Supplemental disclosure of cash flows information of continuing operation:				
—Cash paid for interest, net of amounts capitalized	(9,354)	(53,479)	(99,021)	(15,176)
—Income taxes paid	(354,959)	(492,679)	(468,664)	(71,826)
Supplemental disclosures of non-cash investing and financing activities of continuing operation:				
—Acquisition of property and equipment	54,881	115,826	110,231	16,894
—Disposal of investments and business	77,423	366,882	—	—
—Common shares issued for the acquisition of Bigo	—	7,704,420	—	—

The accompanying notes are an integral part of these consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(All amount in thousands, except share, ADS, per share and per ADS data, unless otherwise stated)

1. Organization and principal activities

(a) Organization and principal activities

JOYY Inc. (the "Company" or "JOYY"), together with its subsidiaries, its VIEs (also referred to as VIEs and their subsidiaries as a whole, where appropriate) (collectively, the "Group"), is a leading global social media platform, offering users around the world a uniquely engaging and immersive experience across various video-based products and services, such as live streaming, short-form videos and video communication.

In March 2019, the Company completed the acquisition of Bigo Inc ("Bigo"). Bigo is primarily engaged in the video and audio broadcast business all over the world. The Company paid US$343.1 million in cash and issued 305,127,046 Class A common shares and 38,326,579 Class B common shares of the Company to Bigo's selling shareholders. The details of this acquisition are disclosed in Note 5(a).

On April 3, 2020, the Company signed an agreement with Linen Investment Limited, a wholly owned subsidiary of Tencent Holdings Limited ("Tencent") to sell its 16,523,819 Class B ordinary shares of HUYA Inc. (NYSE: HUYA) ("Huya"), a subsidiary of the Group, for a cash consideration of approximately US$262.6 million, pursuant to Tencent's exercise of its option to purchase additional shares of Huya. Upon the closing of the share transfer, the Group held 68,374,463 Class B ordinary shares of Huya, representing approximately 31.2% equity interest and 43.0% of the total voting power calculated based on the total issued and outstanding shares of Huya after this transaction. As a result, Huya ceased to be a subsidiary of the Group and the Group accounted for the investment in Huya using the equity method. The details of this disposal are disclosed in Note 3(b).

On August 10, 2020, the Company entered into a definitive share transfer agreement with Linen Investment Limited to sell its 30,000,000 Class B ordinary shares of Huya for a cash consideration of approximately US$810.0 million. Upon the closing of such share transfer, the Company held 38,374,463 Class B ordinary shares of Huya, representing approximately 17.5% equity interest and 24.1% of the total voting power calculated based on the total issued and outstanding shares of Huya after this transaction.

On November 16, 2020, the Company entered into definitive agreements with Baidu, Inc. (Nasdaq: BIDU) ("Baidu"). Pursuant to the agreements, Baidu would acquire JOYY's domestic video-based entertainment live streaming business ("YY Live"), which includes YY mobile app, YY.com website and PC YY, among others, for an aggregate purchase price of approximately US$3.6 billion in cash, subject to certain adjustments. Out of the total cash consideration of US$3.6 billion, consideration of US$300 million is subject to adjustment based on the achievement of certain conditions of YY Live. Subsequently, the sale was substantially completed on February 8, 2021, with certain customary matters remaining to be completed in the near future. The details of this disposal are disclosed in Note 3(a).

(b) Initial Public Offering

The Company completed its initial public offering ("IPO") on November 21, 2012 on the "NASDAQ Global Market".

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(All amount in thousands, except share, ADS, per share and per ADS data, unless otherwise stated)

1. Organization and principal activities (continued)

(c) Principal subsidiaries and VIEs

The details of the principal subsidiaries and VIEs through which the Company conducts its business operations as of December 31, 2020 are set out below:

Name	Place of incorporation	Date of incorporation or acquisition	% of direct or indirect economic ownership	Principal activities
Principal subsidiaries				
Duowan Entertainment Corporation (“Duowan BVI”)	British Virgin Islands (“BVI”)	November 6, 2007	100 %	Investment holding
Huanju Shidai Technology (Beijing) Co., Ltd. (“Beijing Huanju Shidai”)	PRC	March 19, 2008	100 %	Investment holding
Guangzhou Huanju Shidai Information Technology Co., Ltd. (“Guangzhou Huanju Shidai”)	PRC	December 2, 2010	100 %	Software development
Engage Capital Partners I, L.P. (“Engage L.P.”)	Cayman Islands	March 23, 2015	93.5 %	Investment
Hago Singapore Pte. Ltd. (“Hago Singapore”)	Singapore	May 7, 2018	100 %	Internet value added services
Bigo	Cayman Islands	March 4, 2019	100 %	Investment holding
Bigo Technology Pte. Ltd. ("Bigo Singapore")	Singapore	March 4, 2019	100 %	Investment holding, operation of live streaming platform
Bigo (Hong Kong) Limited ("Bigo HK")	Hong Kong	March 4, 2019	100 %	Investment holding
Guangzhou BaiGuoYuan Information Technology Co., Ltd. (“BaiGuoYuan Technology”)	PRC	March 4, 2019	100 %	Software development and provision of information technology services
Principal VIEs				
Guangzhou Huaduo Network Technology Co., Ltd. ("Guangzhou Huaduo")	PRC	April 11, 2005	100 %	Holder of internet content provider licenses and internet value added services
Guangzhou BaiGuoYuan Network Technology Co., Ltd. ("Guangzhou BaiGuoYuan")	PRC	March 4, 2019	100 %	Holder of internet content provider licenses and internet value added services

(d) Variable Interest Entities

To comply with PRC laws and regulations that prohibit or restrict foreign ownership of companies that provide internet-content, the Group conducts its operations primarily through its principal VIEs, Guangzhou Huaduo and Guangzhou BaiGuoYuan, which hold the internet value-added service license and approvals to provide such internet services in the PRC.

Before the disposal of Huya in April 2020, the Group also conducted its operations through its principal VIE, Guangzhou Huya Information Technology Co., Ltd. (“Guangzhou Huya”), which hold the internet value-added service license and approvals to provide such internet services in the PRC.

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(All amount in thousands, except share, ADS, per share and per ADS data, unless otherwise stated)

1. Organization and principal activities (continued)

(d) Variable Interest Entities (continued)

(i) VIE agreements amongst Beijing Huanju Shidai, Guangzhou Huaduo and its nominee shareholders

The following is a summary of the contractual arrangements entered among Beijing Huanju Shidai, Guangzhou Huaduo and its nominee shareholders:

- Exclusive Technology Support and Technology Services Agreement

Under the exclusive technology support and technology services agreement between Beijing Huanju Shidai and Guangzhou Huaduo, Beijing Huanju Shidai has the exclusive right to provide to Guangzhou Huaduo technology support and technology services related to all technologies needed for its business. Beijing Huanju Shidai owns the exclusive intellectual property rights created as a result of the performance of this agreement. The service fee payable by Guangzhou Huaduo to Beijing Huanju Shidai is determined by various factors, including the expenses Beijing Huanju Shidai incurs for providing such services and Guangzhou Huaduo's revenues. The term of this agreement will expire in 2028 and may be extended with Beijing Huanju Shidai's written confirmation prior to the expiration date. Beijing Huanju Shidai is entitled to terminate the agreement at any time by providing 30 days' prior written notice to Guangzhou Huaduo.

- Exclusive Business Cooperation Agreement

Under the exclusive business cooperation agreement between Beijing Huanju Shidai and Guangzhou Huaduo, Beijing Huanju Shidai has the exclusive right to provide to Guangzhou Huaduo technology support, business support and consulting services related to the services provided by Guangzhou Huaduo, the scope of which is to be determined by Beijing Huanju Shidai from time to time. Beijing Huanju Shidai owns the exclusive intellectual property rights created as a result of the performance of this agreement. The service fee payable by Guangzhou Huaduo to Beijing Huanju Shidai is a certain percentage of its earnings. The term of this agreement will expire in 2038 and may be extended with Beijing Huanju Shidai's written confirmation prior to the expiration date. Beijing Huanju Shidai is entitled to terminate the agreement at any time by providing 30 days' prior written notice to Guangzhou Huaduo.

- Exclusive Option Agreement

The parties to the exclusive option agreement are Beijing Huanju Shidai, Guangzhou Huaduo and each of the shareholders of Guangzhou Huaduo. Under the exclusive option agreement, each of the shareholders of Guangzhou Huaduo irrevocably granted Beijing Huanju Shidai or its designated representative(s) an exclusive option to purchase, to the extent permitted under PRC law, all or part of his or its equity interests in Guangzhou Huaduo. Beijing Huanju Shidai or its designated representative(s) have sole discretion as to when to exercise such options, either in part or in full. Without Beijing Huanju Shidai's prior written consent, Guangzhou Huaduo's shareholders shall not sell, transfer, mortgage or otherwise dispose their equity interests in Guangzhou Huaduo. The term of this agreement is ten years and may be extended at Beijing Huanju Shidai's sole discretion.

- Powers of Attorney

Pursuant to the irrevocable power of attorney executed by each shareholder of Guangzhou Huaduo, each such shareholder appointed Beijing Huanju Shidai as its attorney-in-fact to exercise such shareholders' rights in Guangzhou Huaduo, including, without limitation, the power to vote on its behalf on all matters of Guangzhou Huaduo requiring shareholder approval under PRC laws and regulations and the articles of association of Guangzhou Huaduo. Each power of attorney will remain in force until the shareholder ceases to hold any equity interest in Guangzhou Huaduo.

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(All amount in thousands, except share, ADS, per share and per ADS data, unless otherwise stated)

1. Organization and principal activities (continued)

(d) Variable Interest Entities (continued)

(i) VIE agreements amongst Beijing Huanju Shidai, Guangzhou Huaduo and its nominee shareholders (continued)

- Share Pledge Agreement

Pursuant to the share pledge agreement between Beijing Huanju Shidai and the shareholders of Guangzhou Huaduo, the shareholders of Guangzhou Huaduo have pledged all of their equity interests in Guangzhou Huaduo to Beijing Huanju Shidai to guarantee the performance by Guangzhou Huaduo and its shareholders' performance of their respective obligations under the exclusive business cooperation agreement, exclusive option agreement, exclusive technology support and technology services agreement and powers of attorney. If Guangzhou Huaduo and/or its shareholders breach their contractual obligations under those agreements, Beijing Huanju Shidai, as pledgee, will be entitled to certain rights, including the right to sell the pledged equity interests.

(ii) VIE agreements amongst Huya Technology (defined as below), Guangzhou Huya and its nominee shareholders

In 2017, Huya undertook a reorganization (the "Huya Reorganization") through setting up Guangzhou Huya Technology Co., Ltd. ("Huya Technology"), a wholly owned subsidiary, and entering into a series of VIE agreements with Guangzhou Huya and its nominee shareholders. The Huya Reorganization was completed on July 10, 2017.

The following is a summary of the contractual arrangements entered among Huya Technology, Guangzhou Huya and its nominee shareholders:

- Exclusive Business Cooperation Agreement

Huya Technology and Guangzhou Huya entered into exclusive business cooperation agreement under which Guangzhou Huya engages Huya Technology as its exclusive provider of technology support, business support and consulting services. Guangzhou Huya shall pay to Huya Technology service fees, which is determined by Huya Technology at its sole discretion. Huya Technology shall have exclusive and proprietary rights and interests in all rights, ownership, interests and intellectual properties arising from the performance of the agreement. During the term of the agreement, Guangzhou Huya shall not accept any consultations and/or services provided by any third party and shall not cooperate with any third party for the provision of identical or similar services without prior consent of Huya Technology. The term of this agreement is ten years and will be extended for ten years automatically after expiration, unless otherwise agreed by both parties in a written agreement. Huya Technology is entitled to terminate the agreement at any time by providing 30 days' prior written notice to Guangzhou Huya.

- Exclusive Purchase Option Agreement

Under the exclusive purchase option agreement, the nominee shareholders of Guangzhou Huya have granted Huya Technology or its designated representative(s) irrevocably an exclusive option to purchase, to the extent permitted under PRC law, all or part of their equity interests in Guangzhou Huya at the lowest price permitted by the laws of the PRC applicable at the time of exercise. Huya Technology or its designated representative(s) have sole discretion as to when to exercise such options, either in part or in full. Without Huya Technology's prior written consent, the nominee shareholders shall not sell, transfer, mortgage or otherwise dispose their equity interests in Guangzhou Huya. The term of this agreement is ten years and may be extended for another ten years at Huya Technology's sole discretion. Huya Technology is entitled to terminate the agreement at any time by providing 30 days' prior written notice to Guangzhou Huya.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(All amount in thousands, except share, ADS, per share and per ADS data, unless otherwise stated)

1. Organization and principal activities (continued)

(d) Variable Interest Entities (continued)

(ii) VIE agreements amongst Huya Technology, Guangzhou Huya and its nominee shareholders (continued)

- Equity Pledge Agreement

Pursuant to the equity pledge agreement, the nominee shareholders of Guangzhou Huya have pledged all of their equity interests in Guangzhou Huya to Huya Technology to guarantee the performance by Guangzhou Huya and its nominee shareholders' performance of their respective obligations under the exclusive business cooperation agreement, exclusive purchase option agreement, and powers of attorney. The nominee shareholders shall not transfer or assign the equity interests, the rights and obligations in the equity pledge agreement or create or permit to create any pledges which may have an adverse effect on the rights or benefits of Huya Technology without Huya Technology's written consent. If Guangzhou Huya and/or its nominee shareholders breach their contractual obligations under those agreements, Huya Technology, as pledgee, will be entitled to sell the pledged equity interests.

- Power of Attorney

Pursuant to the irrevocable power of attorney, Huya Technology is authorized by each of the nominee shareholders as its attorney-in-fact to exercise such nominee shareholders' rights in Guangzhou Huya, including, without limitation, the power to vote on its behalf on all matters of Guangzhou Huya requiring nominee shareholder approval under PRC laws and regulations and the articles of association of Guangzhou Huya and rights to information relating to all business aspects of Guangzhou Huya. The term of this agreement is ten years and will be automatically extended for one more year indefinitely. Huya Technology has sole discretion to terminate the agreement at any time by providing 30 days' prior written notice to Guangzhou Huya.

(iii) VIE agreements amongst BaiGuoYuan Technology, Guangzhou BaiGuoYuan and its nominee shareholders

The following is a summary of the contractual arrangements entered among BaiGuoYuan Technology, Guangzhou BaiGuoYuan and its nominee shareholders.

- Exclusive Business Cooperation Agreement

Under the exclusive business cooperation agreement between BaiGuoYuan Technology and Guangzhou BaiGuoYuan, BaiGuoYuan Technology has the exclusive right to provide Guangzhou BaiGuoYuan technology support, business support and consulting services related to the services provided by Guangzhou BaiGuoYuan, the scope of which is to be determined by BaiGuoYuan Technology from time to time. BaiGuoYuan Technology owns the exclusive intellectual property rights created as a result of the performance of this agreement. BaiGuoYuan Technology receives substantially all of the economic interest returns generated by Guangzhou BaiGuoYuan. The term of this agreement will not expire unless with BaiGuoYuan Technology's written confirmation to terminate the agreement.

- Exclusive Option Agreement

The parties to the exclusive option agreement are BaiGuoYuan Technology, Guangzhou BaiGuoYuan and each of the shareholders of Guangzhou BaiGuoYuan. Under the exclusive option agreement, each of the shareholders of Guangzhou BaiGuoYuan irrevocably granted BaiGuoYuan Technology or its designated representative(s) an exclusive option to purchase, to the extent permitted under the PRC laws, all or part of his or its equity interests in Guangzhou BaiGuoYuan. BaiGuoYuan Technology or its designated representative(s) have sole discretion as to when to exercise such options, either in part or in full. Without BaiGuoYuan Technology's prior written consent, Guangzhou BaiGuoYuan's shareholders shall not sell, transfer, mortgage or otherwise dispose their equity interests in Guangzhou BaiGuoYuan. The term of this agreement is ten years and may be extended at BaiGuoYuan Technology's sole discretion.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(All amount in thousands, except share, ADS, per share and per ADS data, unless otherwise stated)

1. Organization and principal activities (continued)

(d) Variable Interest Entities (continued)

(iii) VIE agreements amongst BaiGuoYuan Technology, Guangzhou BaiGuoYuan and its nominee shareholders (continued)

- Powers of Attorney

Pursuant to the irrevocable power of attorney executed by each shareholder of Guangzhou BaiGuoYuan, each such shareholder appointed BaiGuoYuan Technology as its attorney-in-fact to exercise such shareholders' rights in Guangzhou BaiGuoYuan, including, without limitation, the power to vote on its behalf on all matters of Guangzhou BaiGuoYuan requiring shareholders' approval under the PRC laws and regulations and the articles of association of Guangzhou BaiGuoYuan. Each power of attorney will remain in force until the shareholder ceases to hold any equity interest in Guangzhou BaiGuoYuan.

- Share Pledge Agreement

Pursuant to the share pledge agreement between BaiGuoYuan Technology and the shareholders of Guangzhou BaiGuoYuan, the shareholders of Guangzhou BaiGuoYuan have pledged all of their equity interests in Guangzhou BaiGuoYuan to BaiGuoYuan Technology to guarantee the performance by Guangzhou BaiGuoYuan and its shareholders' performance of their respective obligations under the exclusive business cooperation agreement, exclusive option agreement and powers of attorney. If Guangzhou BaiGuoYuan and/or its shareholders breach their contractual obligations under those agreements, BaiGuoYuan Technology, as pledgee, will be entitled to voting right and the right to sell the pledged equity interests.

Through the aforementioned contractual agreements, Guangzhou Huaduo, Guangzhou Huya and Guangzhou BaiGuoYuan are considered VIEs in accordance with Generally Accepted Accounting Principles in the United States (“U.S. GAAP”) because the Company, through Beijing Huanju Shidai, Huya Technology and BaiGuoYuan Technology, respectively, has the ability to:

- exercise effective control over Guangzhou Huaduo, Guangzhou Huya and Guangzhou BaiGuoYuan;
- receive substantially all of the economic benefits and residual returns, and absorb substantially all the risks and expected losses from these VIEs as if it were their sole shareholder; and
- have an exclusive option to purchase all of the equity interests in these VIEs.

In addition to the aforementioned contractual agreements, Beijing Huanju Shidai also entered into similar contractual agreements with Beijing Tuda Science and Technology Co., Ltd. (“Beijing Tuda”). Guangzhou Bilin Changxiang Information Technology Co., Ltd. (“Bilin Changxiang”) and Guangzhou 100 Education Technology Co., Ltd. (“100 Edu Technology”), subsidiaries of the Company, also entered into similar contractual agreements with Guangzhou Bilin Online Information Technology Co., Ltd. (“Bilin Online”) and Guangzhou Sanrenxing 100 Education Technology Co., Ltd. (“Guangzhou Sanrenxing”), respectively. Guangzhou Wangxing Information Technology Co., Ltd. (“Guangzhou Wangxing”) also entered into similar contractual agreements with Chengdu Yunbu Network Technology Co., Ltd. (“Chengdu Yunbu”), Chengdu Luota Network Technology Co., Ltd. (“Chengdu Luota”) and Chengdu Jiyue Network Technology Co., Ltd. (“Chengdu Jiyue”). Through these contractual agreements, Beijing Tuda, Bilin Online, Guangzhou Sanrenxing, Chengdu Yunbu, Chengdu Luota and Chengdu Jiyue are considered VIEs of the Group.

In accordance with the aforementioned agreements, the Company has power to direct activities of the VIEs, and can have assets transferred out of the VIEs. Therefore the Company considers that there is no asset in the VIEs that can be used only to settle obligations of the VIEs, except for registered capital and PRC statutory reserves of the VIEs amounting to RMB5,891,302 as of December 31, 2020. As the VIEs were incorporated as limited liability companies under the PRC Company Law, the creditors do not have recourse to the general credit of the Company for all the liabilities of the VIEs.

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1. Organization and principal activities (continued)

(d) Variable Interest Entities (continued)

Currently there is no contractual arrangement that could require the Company to provide additional financial support to the VIEs. As the Company is conducting its PRC internet value-added services business through the VIEs, the Company will, if needed, provide such support on a discretional basis in the future, which could expose the Company to a loss.

There is no VIE where the Company has variable interest but is not the primary beneficiary.

Please refer to Note 4(a) for the consolidated financial information of the Group's VIEs as of December 31, 2020.

2. Principal accounting policies

(a) Basis of presentation

The consolidated financial statements of the Group have been prepared in accordance with the U.S. GAAP to reflect the financial position, results of operations and cash flows of the Group. Significant accounting policies followed by the Group in the preparation of the consolidated financial statements are summarized below.

(b) Consolidation

The Group's consolidated financial statements include the financial statements of the Company, its subsidiaries and VIEs for which the Company or its subsidiary is the primary beneficiary. All transactions and balances among the Company, its subsidiaries and VIEs have been eliminated upon consolidation.

A subsidiary is an entity in which the Company, directly or indirectly, controls more than one half of the voting powers; or has the power to appoint or remove the majority of the members of the board of directors; or to cast a majority of votes at the meeting of directors; or has the power to govern the financial and operating policies of the investee under a statute or agreement among the shareholders or equity holders.

A VIE is an entity in which the Company, or its subsidiary, through contractual agreements, bears the risks of, and enjoys the rewards normally associated with ownership of the entity, and therefore the Company or its subsidiary is the primary beneficiary of the entity. In determining whether the Company or its subsidiaries are the primary beneficiary, the Company considered whether it has the power to direct activities that are significant to the VIEs economic performance, and also the Company's obligation to absorb losses of the VIEs that could potentially be significant to the VIEs or the right to receive benefits from the VIEs that could potentially be significant to the VIEs. Beijing Huanju Shidai, Bilin Changxiang, Huya Technology, 100 Edu Technology, BaiGuoYuan Technology, Guangzhou Wangxing and ultimately the Company hold all the variable interests of the VIEs and have been determined to be the primary beneficiary of the VIEs. As a result of the share transfer to Tencent on April 3, 2020, the Group no longer consolidate the results of operations of Huya.

The Company deconsolidates its subsidiaries or business in accordance with ASC 810 as of the date the Company ceased to have a controlling financial interest in the subsidiaries.

The Company accounts for the deconsolidation of its subsidiaries or business by recognizing a gain or loss in net income/loss attributable to the Company in accordance with ASC 810. This gain or loss is measured at the date the subsidiaries are deconsolidated as the difference between (a) the aggregate of the fair value of any consideration received, the fair value of any retained non-controlling interest in the subsidiaries being deconsolidated, and the carrying amount of any non-controlling interest in the subsidiaries being deconsolidated, including any accumulated other comprehensive income/loss attributable to the non-controlling interest, and (b) the carrying amount of the assets and liabilities of the subsidiaries being deconsolidated.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(All amount in thousands, except share, ADS, per share and per ADS data, unless otherwise stated)

2. Principal accounting policies (continued)

(c) Use of estimates

The preparation of the Company's consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, mezzanine equity and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period in the consolidated financial statements and accompanying notes. Actual results could differ materially from such estimates. The Company believes that the assessment of whether the Group acts as a principal or an agent in different revenue streams, classification of perpetual items versus consumable items under item-based model, the determination of estimated selling prices of multiple elements revenue contracts, income taxes, allowances for doubtful accounts, determination of share-based compensation expenses, purchase price allocation in a business combination, impairment assessment of goodwill, long-lived assets and intangible assets, tax considerations for earnings retained in the Group's VIEs, assessment on the probability of performance condition affiliated in equity-classified award under ASC 718 that affect vesting, determination of the fair value of derivative liabilities arising from Huya's Preferred Shares prior to Huya's IPO, subsequent adjustment due to significant observable price change for the equity investments without readily determinable fair values and not accounted for by the equity method, represent critical accounting policies that reflect more significant judgments and estimates used in the preparation of its consolidated financial statements.

Management bases the estimates on historical experience and on various other assumptions that are believed to be reasonable, the results of which form the basis for making judgments about the carrying values of assets and liabilities. Actual results could differ from these estimates.

(d) Foreign currency translation

The Group uses Renminbi ("RMB") as its reporting currency. The functional currency of the Company and its subsidiaries incorporated in the Cayman Islands, British Virgin Islands, Hong Kong, Singapore, United States, India, Egypt and other regions is United States dollar ("US$") or their respective local currency, while the functional currency of the other subsidiaries incorporated in PRC is RMB. In the consolidated financial statements, the financial information of the Company and its subsidiaries, which use US$ or their respective local currency as their functional currency, have been translated into RMB. Assets and liabilities are translated at the exchange rates on the balance sheet date, equity amounts are translated at historical exchange rates, and revenues, expenses, gains, and losses are translated using the average exchange rate for the period. Translation adjustments arising from these are reported as foreign currency translation adjustments and are shown as a component of other comprehensive income or loss in the statement of comprehensive income.

Foreign currency transactions denominated in currencies other than functional currency are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are remeasured at the applicable rates of exchange in effect at that date. Foreign exchange gains and losses resulting from the settlement of such transactions and from remeasurement at year-end are recognized in foreign currency exchange gains/losses, net in the consolidated statement of comprehensive income.

(e) Convenience translation

Translations of amounts from RMB into US$ for the convenience of the reader were calculated at the noon buying rate of US$1.00 = RMB 6.5250 on December 31, 2020 as set forth in the H.10 statistical release of the U.S. Federal Reserve Board. No representation is made that the RMB amounts could have been, or could be, converted into US$ at such rate.

(f) Cash and cash equivalents

Cash includes currency on hand and deposits held by financial institutions that can be added to or withdrawn without limitation. Cash equivalents represent short-term and highly liquid investments placed with banks, which have both of the following characteristics:

i) Readily convertible to known amounts of cash throughout the maturity period;

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(All amount in thousands, except share, ADS, per share and per ADS data, unless otherwise stated)

2. Principal accounting policies (continued)

(f) Cash and cash equivalents (continued)

ii) So near their maturity that they present insignificant risk of changes in value because of changes in interest rates.

The Group considers all highly liquid investments with original maturities of three months or less as cash equivalents.

Cash, cash equivalents and restricted cash presented on the consolidated statements of cash flows included cash, cash equivalents, restricted cash and restricted cash within restricted short-term deposits in the consolidated balance sheets.

(g) Short-term deposits

Short-term deposits represent time deposits placed with banks with original maturities between three months and one year. Interest earned is recorded as interest income in the consolidated statements of comprehensive income during the periods presented.

(h) Long-term deposits

Long-term deposits represent time deposits placed with banks with original maturities more than one year. Interest earned is recorded as interest income in the consolidated statements of comprehensive income during the periods presented.

(i) Short-term investments

For investments in financial instruments with a variable interest rate indexed to the performance of underlying assets, the Group elected the fair value method at the date of initial recognition and carried these investments subsequently at fair value. Changes in fair values are reflected in the consolidated statements of comprehensive income.

(j) Accounts receivable

Accounts receivable are presented net of allowance for doubtful accounts. The Group uses specific identification in providing for bad debts when facts and circumstances indicate that collection is doubtful and a loss is probable and estimable. If the financial conditions of its customers were to deteriorate, resulting in an impairment of their ability to make payments, additional allowance may be required.

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(All amount in thousands, except share, ADS, per share and per ADS data, unless otherwise stated)

2. Principal accounting policies (continued)

(j) Accounts receivable (continued)

The Group maintains an allowance for doubtful accounts which reflects its best estimate of amounts that potentially will not be collected. The Group determines the allowance for doubtful accounts on an individual basis taking into consideration various factors including but not limited to historical collection experience and credit-worthiness of the debtors as well as the age of the individual receivables balance. Additionally, Group makes specific bad debt provisions based on any specific knowledge Group has acquired that might indicate that an account is uncollectible. The facts and circumstances of each account may require Group to use substantial judgment in assessing its collectability.

Adoption of Accounting Standards Update ("ASU") 2016-13

In June 2016, the FASB issued ASU 2016-13: Financial Instruments-Credit Losses (Topic 326), which requires entities to measure all expected credit losses for financial assets held at the reporting date based on historical experience, current conditions, and reasonable and supportable forecasts. This replaces the existing incurred loss model and is applicable to the measurement of credit losses on financial assets measured at amortized cost. The Group adopted ASU 2016-13 from January 1, 2020 using modified-retrospective transition approach with a cumulative-effect adjustment to shareholders' equity amounting to RMB12.1 million recognized as of January 1, 2020.

(k) Financing receivables

Financing receivables represent receivables derived from finance business, including micro-credit personal loans and corporate loans. Financing receivables are recorded at amortized cost, reduced by a valuation allowance estimated as of the balance sheet date. The amortized cost is equal to the unpaid principal amount, accrued interest receivables and net deferred origination costs. The origination costs are the direct costs attributable to originating the financing charged by third-party companies. The cash flows related to the principal of finance business are included in the investing activities category in the consolidated statement of cash flows.

Micro-credit personal loans

The Group provides micro loans to qualified individual borrowers. The micro loan periods granted to the borrowers generally range from one month to twelve months. The Group has ceased to extend credit in our PRC internet micro-financing business since the second half of 2019.

Corporate loans

The Group provides loans to corporate borrowers mainly through sales-and-leaseback model. Under the sales-and-leaseback arrangement, the Group, who is also the lender, purchases machinery and equipment from lessees, who are also the borrowers, and leases the purchased equipment back to the lessees for a number of years. In a sales-and-leaseback arrangement, the transaction is in substance a collateral financing.

Allowance for financing receivables

The Group assesses the allowance for financing receivables either on an individual or collective basis. The Group estimates and evaluates the allowance amounts and whether such amounts are adequate to cover potential losses, and periodic reviews are performed to ensure such amounts continue to reflect the best estimate of the losses inherent in the outstanding portfolio of debts. The estimate is based on a pooled basis due to the composition of homogeneous financing with similar size and general credit risk characteristics for similar finance businesses. The Group considers the credit worthiness of the individuals and the companies receiving financing, aging of the outstanding financing receivables, value of the collateral assets and other specific circumstances related to the financing when determining the allowance for financing receivables.

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(All amount in thousands, except share, ADS, per share and per ADS data, unless otherwise stated)

2. Principal accounting policies (continued)

(k) Financing receivables (continued)

Financing receivables are placed on non-accrual status upon reaching 90 days past due or when reasonable doubt exists in timely collection of the financing receivables. When a financing receivable is placed on non-accrual status, the Group stops accruing financing income. Financing receivable is returned to accrual status if the related individual or company has performed in accordance with the contractual terms for a reasonable period of time and, in the Group's judgment, will continue to make period principal and financing income payments as scheduled.

(l) Investments

ASU 2016-01, Recognition and Measurement of Financial Assets and Financial Liabilities amends certain aspects of recognition, measurement, presentation and disclosure of financial instruments. The main provisions require equity investments (except those accounted for under the equity method of accounting or those that result in consolidation of the investee) to be measured at fair value through earnings, unless they qualify for a measurement alternative. The new guidance requires modified retrospective application to all outstanding instruments beginning January 1, 2018, with a cumulative effect adjustment recorded to opening accumulated deficit as of the beginning of the first period in which the guidance becomes effective. However, changes to the accounting for equity securities without a readily determinable fair value would be applied prospectively. The Group adopted the new financial instruments accounting standard from January 1, 2018. Following the adoption of this guidance, accumulated fair value gain, amounting to RMB87.8 million, was reclassified from accumulated other comprehensive loss to retained earnings as of January 1, 2018.

Equity Investments with Readily Determinable Fair Values

Equity investments with readily determinable fair values are measured and recorded at fair value using the market approach based on the quoted prices in active markets at the reporting date. The Group classifies the valuation techniques that use these inputs as Level 1 of fair value measurements.

Equity Investments without Readily Determinable Fair Values

After the adoption of this new accounting standard, the Group elected to record equity investments without readily determinable fair values and not accounted for under the equity method at cost, less impairment, adjusted for subsequent observable price changes on a nonrecurring basis, and report changes in the carrying value of the equity investments in current earnings. Changes in the carrying value of the equity investments are required to be made whenever there are observable price changes in orderly transactions for the identical or similar investment of the same issuer. The implementation guidance notes that an entity should make a "reasonable effort" to identify price changes that are known or that can reasonably be known.

Equity Investments Accounted for Using the Equity Method

The Group accounts for its equity investment over which it has significant influence but does not own a majority equity interest or otherwise control using the equity method. The Group adjusts the carrying amount of the investment and recognizes investment income or loss for share of the earnings or loss of the investee after the date of investment. The Group assesses its equity investment for other-than-temporary impairment by considering factors including, but not limited to, current economic and market conditions, operating performance of the entities, including current earnings trends and undiscounted cash flows, and other entity-specific information. The fair value determination, particularly for investment in privately held entities, requires judgment to determine appropriate estimates and assumptions. Changes in these estimates and assumptions could affect the calculation of the fair value of the investment and determination of whether any identified impairment is other-than-temporary.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(All amount in thousands, except share, ADS, per share and per ADS data, unless otherwise stated)

2. Principal accounting policies (continued)

(l) Investments (continued)

Available-for-sale debt investments

Available-for-sale debt investment of the Group is convertible bond issued by a private company that is redeemable at the Group's option, which is measured at fair value. Interest income is recognized in earnings. All other changes in the carrying amount of this debt investment are recognized in other comprehensive income (loss).

(m) Property and equipment

Property and equipment are stated at historical cost less accumulated depreciation and impairment loss, if any. Depreciation is calculated using the straight-line method over their estimated useful lives. Residual rate is determined based on the economic value of the property and equipment at the end of the estimated useful lives as a percentage of the original cost.

	Estimated useful lives	Residual rate
Buildings	40 years	0 %
Servers, computers and equipment	3-5 years	0%-5 %
Leasehold improvements	Shorter of lease term or 5 years	0 %
Decoration of buildings	10 years	0 %
Motor vehicles	4 years	0%-5 %
Furniture, fixture and office equipment	3-5 years	0%-5 %

Expenditures for maintenance and repairs are expensed as incurred. The gain or loss on the disposal of property and equipment is the difference between the net sales proceeds and the carrying amount of the relevant assets and is recognized in the consolidated statements of comprehensive income.

All direct and indirect costs that are related to the construction of property and equipment and incurred before the assets are ready for their intended use are capitalized as construction in progress. Construction in progress is transferred to specific property and equipment items and depreciation of these assets commences when they are ready for their intended use.

(n) Business combinations

Business combinations are recorded using the purchase method of accounting, and the cost of an acquisition is measured as the aggregate of the fair values at the date of exchange of the assets given, liabilities incurred, and equity instruments issued as well as the contingent considerations and all contractual contingencies as of the acquisition date. The costs directly attributable to the acquisition are expensed as incurred. Identifiable assets, liabilities and contingent liabilities acquired or assumed are measured separately at their fair value as of the acquisition date, irrespective of the extent of any non-controlling interests. The excess of (i) the total of consideration of acquisition, fair value of the non-controlling interests and acquisition date fair value of any previously held equity interest in the subsidiary acquired over (ii) the fair value of the identifiable net assets of the subsidiary acquired is recorded as goodwill. If the consideration of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognized directly in the consolidated statements of comprehensive income.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(All amount in thousands, except share, ADS, per share and per ADS data, unless otherwise stated)

2. Principal accounting policies (continued)

(o) Intangible assets

Intangible assets mainly consist of trademark, user bases, non-compete agreement, operating rights, software, domain names, technology, license and others. Identifiable intangible assets are carried at acquisition cost less accumulated amortization and impairment loss, if any. Finite-lived intangible assets are tested for impairment if impairment indicators arise. Amortization of finite-lived intangible assets is computed using the straight-line method over their estimated useful lives, which are as follows:

	Estimated useful lives
Trademark	10 years
User bases	3 years
License	15 years
Non-compete agreement	1 year
Operating rights	Shorter of the economic life or contract terms
Software	1-5 years
Domain names	10-15 years
Technology	5 years
Others	Shorter of the economic life or contract terms

(p) Land use rights

Land use rights are carried at cost less accumulated amortization. Amortization of the land use rights is made on straight-line basis over 40 years from the date when the Group first obtained the land use rights certificate from the local authorities.

(q) Impairment of long-lived assets

For long-lived assets other than investments and goodwill whose impairment policy is discussed elsewhere in the financial statements, the Group evaluates for impairment whenever events or changes (triggering events) indicate that the carrying amount of an asset may no longer be recoverable. The Group assesses the recoverability of the long-lived assets by comparing the carrying value of the long-lived assets to the estimated undiscounted future cash flows expected to receive from use of the assets and their eventual disposition. Such assets are considered to be impaired if the sum of the expected undiscounted cash flows is less than the carrying amount of the assets. The impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets. The Group tests impairment of long-lived assets at the reporting unit level when impairment indicator appeared and recognizes impairment in the event that the carrying value exceeds the fair value of each reporting unit.

The impairment charges of long-lived assets recorded in general and administrative expenses for the years ended December 31, 2018, 2019 and 2020 were amounting to nil, RMB8,408 and nil, respectively.

(r) Goodwill

Goodwill represents the excess of the purchase price over the amounts assigned to the fair value of the assets acquired and the liabilities assumed of an acquired business.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(All amount in thousands, except share, ADS, per share and per ADS data, unless otherwise stated)

2. Principal accounting policies (continued)

(s) Annual test for impairment of goodwill

Goodwill assessment for impairment is performed on at least an annual basis in the fourth quarter or whenever events or changes in circumstances indicate that the carrying value of the asset may not be recoverable. The Group performs a two-step goodwill impairment test. The first step compares the fair values of each reporting unit to its carrying amount, including goodwill. If the fair value of a reporting unit exceeds its carrying amount, goodwill is not considered impaired and the second step will not be required. If the carrying amount of a reporting unit exceeds its fair value, the second step compares the implied fair value of the affected reporting unit's goodwill to the carrying value of that goodwill. The implied fair value of goodwill is determined in a manner similar to accounting for a business combination with the allocation of the assessed fair value determined in the first step to the assets and liabilities of the reporting unit. The excess of the fair value of the reporting unit over the amounts assigned to the assets and liabilities is the implied fair value of goodwill. This allocation process is only performed for purposes of evaluating goodwill impairment and does not result in an entry to adjust the value of any assets or liabilities. An impairment loss is recognized for any excess in the carrying value of goodwill over the implied fair value of goodwill. The judgment in estimating the fair value of reporting units includes estimating future cash flows, determining appropriate discount rates and making other assumptions. Changes in these estimates and assumptions could materially affect the determination of the fair value of each reporting unit.

(t) Convertible bonds

The Group determines the appropriate accounting treatment of its convertible bonds in accordance with the terms in relation to the conversion feature, call and put options, and beneficial conversion feature. After considering the impact of such features, the Group may account for such instrument as a liability in its entirety, or separate the instrument into debt and equity components following the respective guidance described under ASC 815 Derivatives and Hedging and ASC 470 Debt. The debt discount, if any, together with related issuance cost are subsequently amortized as interest expense, using the effective interest method, from the issuance date to the earliest conversion date. Interest expenses are recognized in the statement of comprehensive income in the period in which they are incurred.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(All amount in thousands, except share, ADS, per share and per ADS data, unless otherwise stated)

2. Principal accounting policies (continued)

(u) Mezzanine equity and non-controlling interests

Mezzanine equity

For the Company's majority-owned subsidiaries and consolidated VIEs, a non-controlling interest is recognized to reflect the portion of their equity which is not attributable, directly or indirectly, to the Company. When the non-controlling interest is contingently redeemable upon the occurrence of a conditional event, which is not solely within the control of the Company, the non-controlling interest is classified as mezzanine equity.

In accordance with ASC subtopic 480-10, the Group calculated, on an accumulative basis from the acquisition date, (i) the amount of accretion that would increase the balance of non-controlling interests to their estimated redemption value over the period from the date of acquisition to the earliest redemption date of the non-controlling interests and (ii) the amount of net profit attributable to non-controlling shareholders of certain subsidiaries based on their ownership percentage. The carrying value of the non-controlling interests as mezzanine equity was adjusted by an accumulative amount equal to the higher of (i) and (ii).

Each type of increase in carrying amount shall be recorded as charges against retained earnings or, in the absence of retained earnings, by charges against additional paid-in capital.

Non-controlling interests

Non-controlling interests are recognized to reflect the portion of the equity of majority-owned subsidiaries and VIEs which is not attributable, directly or indirectly, to the controlling shareholder.

(v) Revenue

Revenue recognition and significant judgments

Revenues from live streaming are mainly generated from Bigo Live, Likee and Hago platforms. Other revenues are mainly generated from online games, membership, online education, advertising and finance business. Disaggregated revenues are disclosed in Note 34 "Segment Reporting".

On January 1, 2018, the Group adopted ASC 606, "Revenue from Contracts with Customers" using the modified retrospective method applied to those contracts which were not completed as of January 1, 2018. Results for reporting periods beginning after January 1, 2018 are presented under Topic 606, while prior period amounts are not adjusted and continue to be reported in accordance with the Group's historic accounting under Topic 605. Based on the Group's assessment, the adoption of ASC 606 did not result in any adjustment on the Group's consolidated financial statements, and there were no material differences between the Group's adoption of ASC 606 and its historic accounting under ASC 605.

Revenues are recognized when control of the promised virtual items or services is transferred to the Group's customers, in an amount that reflects the consideration the Group expects to be entitled to in exchange for those virtual items or services.

The Group has a recharge system for users to purchase the Group's virtual currency. Users can recharge via various online payment platforms provided by third parties. Virtual currency is non-refundable and without expiry. As the virtual currency is often consumed soon after it is purchased based on history of turnover, the Group considers the impact of the breakage amount for virtual currency coupons is insignificant. Unconsumed virtual currency is recorded as deferred revenue. Virtual currencies used to purchase virtual items are recognized as revenue according to the prescribed revenue recognition policies of virtual items addressed below unless otherwise stated.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(All amount in thousands, except share, ADS, per share and per ADS data, unless otherwise stated)

2. Principal accounting policies (continued)

(v) Revenue (continued)

Revenue recognition and significant judgments (continued)

(i) Live streaming

Live streaming mainly consists of Bigo Live, Likee and Hago platforms. It generates revenue from sales of virtual items in the platforms. Users can access the platforms and view the live streaming content showed by the performers. The Group shares a portion of the sales proceeds of virtual items ("revenue sharing fee") with performers and talent agencies in accordance with their revenue sharing arrangements. Those performers who do not have revenue sharing arrangements with the Group are not entitled to any revenue sharing fee.

The Group evaluates and determines that it is the principal and views users to be its customers. The Group reports live streaming revenues on a gross basis. Accordingly, the amounts billed to users are recorded as revenues and revenue sharing fee paid to performers and talent agencies are recorded as cost of revenues. Where the Group is the principal, it controls the virtual items before they are transferred to users. Its control is evidenced by the Group's sole ability to monetize the virtual items before they are transferred to users, and is further supported by the Group being primarily responsible to users and having a level of discretion in establishing pricing.

The Group designs, creates and offers various virtual items for sales to users with pre-determined selling price. Sales proceeds are recorded as deferred revenue and recognized as revenue based on the consumption of the virtual items. Virtual items are categorized as consumable and time-based items. Consumable items are consumed upon purchase and use while time-based items could be used for a fixed period of time. Users can purchase and present consumable items to performers to show support for their favorite performers, or purchase time-based virtual items for one or multiple months for a monthly fee, which provide users with recognized status, such as priority speaking rights or special symbols over a period of time. Accordingly, live streaming revenue is recognized immediately when the consumable virtual item is used, or in the case of time-based virtual items, revenue is recognized ratably over the fixed period on a straight-line basis. The Group does not have further obligations to the user after the virtual items are consumed immediately or after the stated period of time for time-based items.

The Group may also enter into contracts that can include various combinations of virtual items, which are generally capable of being distinct and accounted for as separate performance obligations, such as the noble member program. Judgments are required as follow: 1) determining whether those virtual items are considered distinct performance obligations that should be accounted for separately versus together, 2) determining the standalone selling price for each distinct performance obligation, and 3) allocating of the arrangement consideration to the separate accounting of each distinct performance obligation based on their relative standalone selling prices. Certain virtual items are provided to customers over time and have the same pattern of transfer to customers. The Group exercises judgement in determining the number of distinct performance obligations by accounting for services that have the same pattern of transfer to customers as a single performance obligation. In instances where standalone selling price is not directly observable as the Group does not sell the virtual item separately, the Group determines the standalone selling price based on pricing strategies, market factors and strategic objectives. The Group recognizes revenue for each of the distinct performance obligations identified in accordance with the applicable revenue recognition method relevant for that obligation.

As the Group's live streaming virtual items are generally sold without right of return and the Group does not provide any other credit and incentive to its users, therefore accounting of variable consideration when estimating the amount of revenue to recognize is not applicable to the Group's live streaming business.

(ii) Others

Other revenues mainly generated from online games, membership, online education, advertising and finance business.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(All amount in thousands, except share, ADS, per share and per ADS data, unless otherwise stated)

2. Principal accounting policies (continued)

(v) Revenue (continued)

Revenue recognition and significant judgments (continued)

(ii) Others (continued)

(1) Online games revenues

The Group generates revenues from offering virtual items in online games developed by third parties or the Group itself to game players. Historically, the majority of online games revenues for the years ended December 31, 2018, 2019 and 2020 were derived from third parties developed games.

Users play games through the Group's platform free of charge and are charged for purchases of virtual items, including consumable and perpetual items, which can be utilized in the online games to enhance their game-playing experience. Consumable items represent virtual items that can be consumed by a specific user within a specified period of time. Perpetual items represent virtual items that are accessible to the users' account over the life of the online games.

Pursuant to contracts signed between the Group and the respective game developers, game developers own the games' copyrights and other intellectual property, and take primary responsibilities of game development and game operation, including designing, developing and updating of the games related to game content, pricing of virtual items, providing ongoing updates of new contents and bug fixing. The Group's responsibilities under the agreements with the game developers to offer certain standard promotions that include providing access to the platform, announcing the new games to users on the platform, and occasional advertising on the Group's platforms. Therefore, revenues derived from third party developed games are recorded on a net basis, net of the amount paid to game developers.

Given that third party developed games are managed and administered by the third party game developers, the Group does not have access to the data on the consumption details such as when the game token is spent on the virtual items or the types of virtual items (consumable or perpetual items) purchased by each individual game player. However, the Group maintains historical data on timing of the conversion of its virtual currency into game specific tokens and the amount of purchases of game tokens. The Group believes that its responsibility to the game developers correspond to the game developers' services to the users. The Group has adopted a policy to recognize revenues relating to game tokens for third party developed games over the estimated user relationship period with the Group on a game-by-game basis, which is approximately one to six months for the periods presented. Future usage patterns may differ from historical usage patterns and therefore the estimated user relationship period with the Group may change in the future.

The estimated user relationship period is based on data collected from those users who have acquired game tokens. To estimate the user relationship period, the Group maintains a system that captures the following information for each user: (a) the frequency that users log into each game via the Group's platform, and (b) the amount and the timing of when the users convert or charge his or her game tokens. The Group estimates the user relationship period for a particular game to be the date a player purchases or converts from virtual currency to a game token through the date the Group estimates the user plays the game for the last time. This computation is performed on a user by user basis. Then, the results for all analyzed users are averaged to determine an estimated end user relationship period for each game. Revenues from in-game payments of each month are recognized over the user relationship period estimated for that game.

The consideration of user relationship period with each online game is based on the Group's best estimate that takes into account all known and relevant information at the time of assessment. The Group assesses the estimated user relationship period for each game on a quarterly basis. Any adjustments arising from changes in the user relationship period as a result of new information will be accounted as a change in accounting estimate in accordance with ASC 250 Accounting Changes and Error Corrections.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(All amount in thousands, except share, ADS, per share and per ADS data, unless otherwise stated)

2. Principal accounting policies (continued)

(v) Revenue (continued)

Revenue recognition and significant judgments (continued)

(ii) Others (continued)

(2) Membership

The Group operates a membership subscription program where subscription members can have enhanced user privileges. The membership fee is collected up-front from subscribers. The receipt of the revenue is initially recorded as deferred revenue and revenue is recognized ratably over the period of the subscription when services are rendered. Unrecognized portion beyond 12 months from balance sheet date is classified as long-term deferred revenue.

(3) Online education revenues

Educational programs and services consist of vocational training, language training courses and K-12 afterschool education courses. The course fee is generally paid in advance and is initially recorded as deferred revenue. Revenue for regular courses is recognized proportionately as the classes are attended, and is reported net of scholarships and course fee refunds. Students are entitled to one trial class of the purchased course and course fee is fully refundable if a student decides not to take the remaining course after the trial class. No refund will be provided to a student who withdraws from a course after the trial period, and revenue is recognized for the amount collected. Course fee refunds were insignificant over the period presented.

In addition to regular courses, the Group also provides a package of several regular courses to students, which has individual fair value in the market. Pursuant to the applicable accounting guidance, the Group has accounted for these course packages as a multiple-element arrangement because each individual course qualifies as a single unit of accounting, and allocated the course fee from the course package to each individual course in the package based on its standalone selling price. The Group recognizes revenue equal to the fair value allocated to individual courses proportionately as the classes are attended.

Students are granted a right to retake the courses at a substantial discount in the circumstances where the students fail to achieve certain score targets for some specific courses. The discount arrangement has a stand-alone value and qualifies as a separate unit of accounting under U.S. GAAP. Therefore, the Group has accounted for those courses as a multiple-element arrangement and allocated a portion of the initial course fee to the substantial discount based on a breakage rate. The breakage rate is determined based on our historical data. The amount allocated to the substantial discount is deferred and recognized as revenue upon the expiration of the retaking right, which is generally six months after the end of the initial course term.

The Group also sells pre-paid cards primarily to distributors. Pre-paid card sales represent prepaid service fees received from students for online courses. The prepaid service fee is recorded as deferred revenue upon receiving the upfront cash payment. Revenue is recognized on a gross basis based on the selling price of the distributors to the students and is recognized over the period the online course is available to the students, which generally is from the enrolment date to the completion of the relevant professional examination date.

(4) Advertising revenues

The Group primarily generates advertising revenues from sales of various forms of advertising and provision of promotion campaigns on the live streaming platforms by way of advertisement display or integrated promotion activities in shows and programs on the live streaming platforms. Advertisements on the Group's platforms are generally charged on the basis of duration, and advertising contracts are signed to establish the fixed price and the advertising services to be provided. Where collectability is reasonably assured, advertising revenues from advertising contracts are recognized ratably over the contract period of display.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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2. Principal accounting policies (continued)

(v) Revenue (continued)

Revenue recognition and significant judgments (continued)

(ii) Others (continued)

(4) Advertising revenues (continued)

The Group enters into advertising contracts directly with advertisers or third-party advertising agencies that represent advertisers. Payment terms and conditions vary by contract type, although terms generally include a requirement of payment within 1 to 3 months. Both third-party advertising agencies and direct advertisers are generally billed at the end of the display period and payments are due usually within 3 months. In instances where the timing of revenue recognition differs from the timing of billing, the Group has determined the advertising contracts generally do not include a significant financing component. The primary purpose of the credits terms is to provide customers with simplified and predictable ways of purchasing the Group's advertising services, not to receive financing from its customers or to provide customers with financing.

Certain customers may receive sales incentives in the forms of discounts and rebates to advertisers or advertising agencies based on purchase volume, which are accounted for as variable consideration. The Group estimates these amounts based on the expected amount to be provided to customers considering the contracted rebate rates and estimated sales volume based on historical experience, and reduce revenues recognized. The Group believes that there will not be significant changes to the estimates of variable consideration.

(5) Financing revenues

The Group generates revenues from micro-credit personal loans provided to individual borrowers and corporate loans to corporate customers. The Group recognizes financing income related to those services over the life of the underlying financing using the effective interest method on unpaid principal amounts after net of loan origination cost.

The Group does not accrue financing revenues when financing receivables is placed on non-accrual status. Financing revenues will be recognized when cash is received on a cash basis cost recovery method by applying first to reduce principal and then to interests thereafter.

Contract balances

The Group collects accounts receivable from various online payment platforms, distribution platforms and advertising customers. The allowance for doubtful accounts reflects the Group's best estimate of probable losses inherent in the accounts receivable balance. The Group determines the allowance based on known troubled accounts, historical experience, and other currently available evidence. The activity in the allowance for doubtful accounts for the periods presented is disclosed and detailed in Note 9.

The opening balance of accounts receivable was RMB148,423 as of January 1, 2019. As of December 31, 2019 and 2020, accounts receivable were RMB668,342 and RMB933,057, respectively. During the years ended December 31, 2018, 2019 and 2020, the Group recognized an addition of RMB566, an addition of RMB117 and an addition of RMB43,606 of allowance for accounts receivable, respectively.

Contract liabilities primarily consists of deferred revenue for unconsumed virtual items and unamortized revenue from virtual items in the Group's platforms, where there is still an obligation to be provided by the Group, which will be recognized as revenue when all of the revenue recognition criteria are met.

The opening balance of deferred revenue related to live streaming business as of January 1, 2019 was RMB4,779. As of December 31, 2019 and 2020, deferred revenue related to live streaming business were RMB174,553 and RMB430,510, respectively. During the years ended December 31, 2019 and 2020, the Group recognized revenue of live streaming business amounted to RMB4,779 and RMB161,868, respectively, that was included in the corresponding contract liability balance at the beginning of the periods.

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2. Principal accounting policies (continued)

(v) Revenue (continued)

Contract balances (continued)

The opening balance of deferred revenue related to other revenue as of January 1, 2019 was RMB56,966. As of December 31, 2019 and 2020, deferred revenue related to other revenue were RMB35,619 and RMB28,596, respectively. During the years ended December 31, 2019 and 2020, the Group recognized revenue of other revenue amounted to RMB52,233 and RMB30,886, respectively, that was included in the corresponding contract liability balance at the beginning of the periods.

During the years ended December 31, 2018, 2019 and 2020, the Group does not have any arrangement where the performance obligations have already been satisfied in the past year, but the corresponding revenue is recognized in a later year.

As of December 31, 2020, the aggregate amount of the transaction price allocated to the remaining performance obligation is RMB459,106, the Group expects to recognize RMB438,669 performance obligation as revenue in 2021, the remaining performance obligation is expected to be recognized as revenue in 2022 and after years. However, the amount and timing of revenue recognition is largely driven by customer usage, which can extend beyond the original contractual term.

(w) Advances from customers and deferred revenue

Advances from customers primarily consist of prepayments from users in the form of the Group's virtual currency that are not yet consumed or converted into tokens, and upon the consumption or conversion, are recognized as revenue according to the prescribed revenue recognition policies described above.

Deferred revenue primarily consists of the unamortized game tokens, prepaid subscriptions under the membership program and unamortized revenue from virtual items in various channels in the Group's platforms, where there is still an implied obligation to be provided by the Group, which will be recognized as revenue when all of the revenue recognition criteria are met.

(x) Cost of revenues

Amounts recorded as cost of revenue relate to direct expenses incurred in order to generate revenue. Such costs are recorded as incurred. Cost of revenues primarily consists of (i) revenue sharing fees and content costs, including payments to various channel owners and performers, and content providers, (ii) bandwidth costs, (iii) payment handling costs, (iv) salary and welfare, (v) technical service fee, (vi) depreciation and amortization expense for servers, other equipment and intangibles directly related to operating the platform, (vii) share-based compensation, (viii) other taxes and surcharges, and (ix) other costs.

The Group was subject to surcharges of VAT, which are calculated based on 12% of the VAT paid for the years ended December 31, 2018, 2019 and 2020.

The Group reported other taxes and surcharges in cost of revenues.

Based on the Group's corporate structure and the contractual arrangements among the Group's PRC subsidiaries, the Group's VIEs and their shareholders, the Group is effectively subject to 6%, 9% or 13% VAT and related surcharges on revenues generated by the Group's subsidiaries based on the Group's contractual arrangements entered into with the Group's VIEs.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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2. Principal accounting policies (continued)

(y) Research and development expenses

Research and development expenses primarily consist of (i) salary and welfare for research and development personnel, (ii) share-based compensation for research and development personnel, (iii) depreciation of office premise and servers utilized by research and development personnel, and (iv) rental expenses. Costs incurred during the research stage are expensed as incurred. Costs incurred in the development stage, prior to the establishment of technological feasibility, which is when a working model is available, are expensed when incurred.

The Group recognizes internal use software development costs in accordance with guidance on intangible assets and internal use software. This requires capitalization of qualifying costs incurred during the software's application development stage and to expense costs as they are incurred during the preliminary project and post implementation/operation stages. The Group has not capitalized any costs related to internal use software during the years ended December 31, 2018, 2019 and 2020, respectively.

(z) Sales and marketing expenses

Sales and marketing expenses primarily consist of (i) advertising and market promotion expenses, (ii) amortization of intangible assets from business acquisitions, and (iii) salary and welfare for sales and marketing personnel. The advertising and market promotion expenses amounted to approximately RMB437,951, RMB2,139,213 and RMB2,675,242 during the years ended December 31, 2018, 2019 and 2020, respectively.

(aa)General and administrative expenses

General and administrative expenses primarily consist of (i) share-based compensation for management and administrative personnel, (ii) salary and welfare for general and administrative personnel, (iii) impairment charge, and (iv) professional service fees.

(bb)Employee social security and welfare benefits

Employees of the Group in the PRC are entitled to staff welfare benefits including pension, work-related injury benefits, maternity insurance, medical insurance, unemployment benefit and housing fund plans through a PRC government-mandated multi-employer defined contribution plan. The Group is required to accrue for these benefits based on certain percentages of the employees' salaries, up to a maximum amount specified by the local government. The Group is required to make contributions to the plans out of the amounts accrued. The PRC government is responsible for the medical benefits and the pension liability to be paid to these employees and the Group's obligations are limited to the amounts contributed and no legal obligation beyond the contributions made. Employee social security and welfare benefits included as expenses in the accompanying statements of comprehensive income amounted to RMB123,502, RMB295,241 and RMB348,671 for the years ended December 31, 2018, 2019 and 2020, respectively

(cc) Share-based compensation

The Group grants stock-based award, such as, but not limited to, share options, restricted shares, restricted share units of the Company, share option, restricted share units and ordinary shares of the Company's subsidiaries to eligible employees, officers, directors, and non-employee consultants.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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2. Principal accounting policies (continued)

(cc) Share-based compensation (continued)

Awards granted to employees, officers, and directors are initially accounted for as equity-classified awards. The related share-based compensation expenses are measured at the grant date fair value of the award and are recognized using the graded vesting method, net of estimated forfeiture rates, over the requisite service period, which is generally the vesting period. Forfeitures are estimated at the time of grant based on historical forfeiture rates and will be revised in the subsequent periods if actual forfeitures differ from those estimates. The Group also granted share options, restricted shares and restricted share units to non-employees, which are also initially accounted for as equity-classified awards. Awards granted to non-employees are initially measured at fair value on the grant date and periodically remeasured thereafter until the earlier of the performance commitment date or the date the service is completed and recognized over the period the service is provided. Awards are remeasured at each reporting date using the fair value as at each period end until the measurement date, generally when the services are completed and share-based awards are vested. Changes in fair value between the interim reporting dates are recorded in consistent with the method used in recognizing the original compensation costs.

For an award with a performance and/or service condition that affects vesting, the performance and/or service condition is not considered in determining the award's fair value on the grant date. Performance and service conditions should be considered when the Group is estimating the quantity of awards that will vest. Compensation cost will reflect the number of awards that are expected to vest and will be adjusted to reflect those awards that do ultimately vest. The Group recognizes compensation cost for awards with performance conditions if and when the Group concludes that it is probable that the performance condition will be achieved, net of an estimate of pre-vesting forfeitures over the requisite service period. The Group reassesses the probability of vesting at each reporting period for awards with performance conditions and adjusts compensation cost based on its probability assessment, unless on certain situations, the Group may not be able to determine that it is probable that a performance condition will be satisfied until the event occurs.

ASU 2017-09, Compensation—Stock Compensation (Topic 718), Scope of Modification Accounting, provides guidance about which changes to the terms or conditions of a share-based payment award require an entity to apply modification accounting in Topic 718.

An entity should account for the effects of a modification unless all the followings are met:

- The fair value (or calculated value or intrinsic value, if such an alternative measurement method is used) of the modified award is the same as the fair value (or calculated value or intrinsic value, if such an alternative measurement method is used) of the original award immediately before the original award is modified. If the modification does not affect any of the inputs to the valuation technique that the entity uses to value the award, the entity is not required to estimate the value immediately before and after the modification.
- The vesting conditions of the modified award are the same as the vesting conditions of the original award immediately before the original award is modified.
- The classification of the modified award as an equity instrument or a liability instrument is the same as the classification immediately before the original award is modified.

The current disclosure requirements in Topic 718 apply regardless of whether an entity is required to apply modification accounting under the amendments in this ASU 2017-09.

The Group adopted these amendments to Subtopic 718-10 and there was no impact on the consolidated financial statements for the years presented.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(All amount in thousands, except share, ADS, per share and per ADS data, unless otherwise stated)

2. Principal accounting policies (continued)

(cc) Share-based compensation (continued)

The details of the Group's share-based awards are disclosed in Note 26. Fair value determination of these share-based awards is summarized as below:

(1) Restricted share units

In determining the fair value of restricted share units granted, the fair value of the underlying shares of JOYY on the grant dates is applied. The grant date fair value of restricted share units is based on stock price of JOYY in the Nasdaq Global Select Market.

(2) Share options

In determining the fair value of share options granted, a binomial option-pricing model is applied. The determination of the fair value is affected by the stock price of JOYY in the Nasdaq Global Select Market, as well as assumptions regarding a number of complex and subjective variables, including risk-free interest rates, exercise multiples, expected forfeiture rates, the expected share price volatility rates, and expected dividends.

(3) Restricted shares

Upon the acquisition of Bigo, Class A common shares are issued for the replacement awards to Bigo's employees to replace their original share-based awards, namely restricted shares. In determining the fair value of restricted share granted to Bigo's employees, the fair value of the underlying shares of JOYY on the grant dates is applied. The grant date fair value of restricted shares is based on stock price of JOYY in the Nasdaq Global Select Market.

(dd) Other income

Other income primarily consists of government grants which represent cash subsidies received from the PRC government by the Group entities. Government grants are originally recorded as deferred revenue when received upfront. After all of the conditions specified in the grants have been met, the grants are recognized as operating income.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(All amount in thousands, except share, ADS, per share and per ADS data, unless otherwise stated)

2. Principal accounting policies (continued)

(ee) Leases

The Group leases facilities in the PRC under non-cancellable operating leases expiring on different dates. On January 1, 2019, the Company adopted ASU No. 2016-02 (Topic 842) "Leases" using the optional transition method. Results and disclosure requirements for reporting periods beginning after January 1, 2019 are presented under Topic 842, while prior period amounts have not been adjusted and continue to be reported in accordance with our historical accounting under Topic 840. Under Topic 842, lessees are required to recognize assets and liabilities on the balance sheet for most leases. A contract is or contains a lease if the contract conveys the right to control the use of identified property, plant, or equipment (an identified asset) for a period of time in exchange for consideration. The Company determines whether a contract conveys the right to control the use of an identified asset for a period of time by assessing whether the Company has both the right to obtain substantially all of the economic benefits from use of the identified asset and the right to direct the use of the identified asset.

The main impact of the adoption of the standard is that assets and liabilities amounting to RMB145.2 million and RMB141.2 million, respectively, are recognized beginning January 1, 2019 for leased office space with terms of more than 12 months. The Company accounts for short-term leases with terms less than 12 months in accordance with ASC 842-20-25-2 to recognize the lease payments in profit or loss on a straight-line basis over the lease term and variable lease payments in the period in which the obligation for those payments is incurred. The adoption of the standard did not have a significant impact on the Group's consolidated financial statements.

Operating leases are included in operating lease right-of-use assets, current lease liabilities and non-current lease liabilities on the consolidated balance sheets.

(i) Right-of-use assets

Right-of-use assets, which mainly comprise of office lease, are initially measured at the present value of the lease payments. Amortization of the right-of-use assets is made over the lease term on a generally straight-line basis.

(ii) Lease liabilities

Lease liabilities are lessees' obligations to make the lease payments arising from a lease, measured on a discounted basis.

As a lessee, the weighted average remaining lease terms of the right-of-use assets was 1.81 years and the discount rate for the lease is the rate implicit in the lease unless that rate cannot be readily determined. In that case, the lessee is required to use its incremental borrowing rate. A weighted average incremental borrowing rate of 5.36% was adopted at commencement date in determining the present value of lease payments.

For the year ended December 31, 2019, operating lease cost and short-term lease cost were RMB86,526 and RMB26,116, respectively. There were no other lease cost other than operating lease cost and short-term lease cost for the year ended December 31, 2019. For the year ended December 31, 2019, cash paid for operating leases included in operating cash flows was RMB86,042. For the year ended December 31, 2019, lease liabilities arising from obtaining right-of-use assets was RMB79,518.

For the year ended December 31, 2020, operating lease cost and short-term lease cost were RMB119,238 and RMB19,539, respectively. There were no other lease cost other than operating lease cost and short-term lease cost for the year ended December 31, 2020. For the year ended December 31, 2020, cash paid for operating leases included in operating cash flows was RMB 109,506. For the year ended December 31, 2020, lease liabilities arising from obtaining right-of-use assets was RMB82,573.

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2. Principal accounting policies (continued)

(ee) Leases (continued)

A maturity analysis of the Company's operating lease liabilities and reconciliation of the undiscounted cash flows to the operating lease liabilities recognized on the consolidated balance sheet was as below:

	Office rental RMB
2021	102,321
2022	45,979
2023	6,680
2024 and after	6,883
Total undiscounted cash flows	161,863
Less: imputed interest	(15,361)
Present value of lease liabilities	146,502

(ff) Income taxes

Current income taxes are provided on the basis of net income for financial reporting purposes, adjusted for income and expense items which are not assessable or deductible for income tax purposes, in accordance with the regulations of the relevant tax jurisdictions. Deferred income taxes are accounted for using an asset and liability method. Under this method, deferred income taxes are recognized for the tax consequences of temporary differences by applying enacted statutory rates applicable to future years to differences between the financial statement carrying amounts and the tax bases of existing assets and liabilities. The tax base of an asset or liability is the amount attributed to that asset or liability for tax purpose. The effect on deferred taxes of a change in tax rates is recognized in statement of comprehensive income in the period of change. A valuation allowance is provided to reduce the amount of deferred tax assets if it is considered more likely than not that some portion of, or all of the deferred tax assets will not be realized.

Uncertain tax positions

The guidance on accounting for uncertainties in income taxes prescribes a more likely than not threshold for financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. Guidance was also provided on derecognition of income tax assets and liabilities, classification of current and deferred income tax assets and liabilities, accounting for interest and penalties associated with tax positions, accounting for income taxes in interim periods, and income tax disclosures. Significant judgment is required in evaluating the Group’s uncertain tax positions and determining its provision for income taxes. The Group recognizes interests and penalties, if any, under accrued expenses and other current liabilities on its balance sheet and under other expenses in its statements of comprehensive income. The Group did not recognize any significant interest and penalties associated with uncertain tax positions for the years ended December 31, 2018, 2019 and 2020. As of December 31, 2019 and 2020, the Group did not have any significant unrecognized uncertain tax positions.

Adoption of ASU 2016-16

In October 2016, the FASB issued ASU 2016-16, Income Taxes: Intra-Entity Transfers of Assets Other Than Inventory (Topic 740). This standard will require entities to recognize the income tax consequences of intra-entity transfers of assets other than inventory at the time of transfer. This standard requires a modified retrospective approach to adoption. The Group adopted ASU 2016-16 from January 1, 2018 using a modified retrospective transition method. There was no material impact to the Company’s consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(All amount in thousands, except share, ADS, per share and per ADS data, unless otherwise stated)

2. Principal accounting policies (continued)

(gg) Statutory reserves

The Group's subsidiaries and VIEs established in the PRC are required to make appropriations to certain non-distributable reserve funds.

In accordance with the laws applicable to China's Foreign Investment Enterprises, the Group's subsidiaries registered as wholly owned foreign enterprises have to make appropriations from its after-tax profit (as determined under the Accounting Standards for Business Enterprises as promulgated by the Ministry of Finance of the People's Republic of China ("PRC GAAP") to reserve funds including general reserve fund, and staff bonus and welfare fund. The appropriation to the general reserve fund must be at least 10% of the after-tax profits calculated in accordance with PRC GAAP. Appropriation is not required if the reserve fund has reached 50% of the registered capital of the company. Appropriation to the staff bonus and welfare fund is at the company's discretion.

In addition, in accordance with the Company Laws of the PRC, the VIEs of the Company registered as PRC domestic companies must make appropriations from its after-tax profit as determined under the PRC GAAP to non-distributable reserve funds including a statutory surplus fund and a discretionary surplus fund. The appropriation to the statutory surplus fund must be at least 10% of the after-tax profits as determined under the PRC GAAP. Appropriation is not required if the surplus fund has reached 50% of the registered capital of the company. Appropriation to the discretionary surplus fund is made at the discretion of the company.

The use of the general reserve fund, statutory surplus fund and discretionary surplus fund are restricted to the offsetting of losses or increasing capital of the respective company. The staff bonus and welfare fund is a liability in nature and is restricted to fund payments of special bonus to staff and for the collective welfare of employees. All these reserves are not allowed to be transferred to the Company in terms of cash dividends, loans or advances, nor can they be distributed except under liquidation.

During the years ended December 31, 2018, 2019 and 2020, appropriations to general reserve fund and statutory surplus fund amounted to RMB39,007, RMB48,236 and RMB29,589, respectively.

(hh) Related parties

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or significant influence, such as a family member or relative, shareholder, or a related corporation.

(ii) Dividends

Dividends are recognized when declared.

(jj) Income per share

Basic income per share is computed on the basis of the weighted-average number of common shares outstanding during the period under measurement. Diluted income per share is based on the weighted-average number of common shares outstanding and potential common shares. Potential common shares result from the assumed exercise of outstanding share options, restricted shares and restricted share units or other potentially dilutive equity instruments, when they are dilutive under the treasury stock method or the if-converted method.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(All amount in thousands, except share, ADS, per share and per ADS data, unless otherwise stated)

2. Principal accounting policies (continued)

(kk) Comprehensive income

Comprehensive income is defined as the change in equity of the Company during a period arising from transactions and other events and circumstances excluding transactions resulting from investments by shareholders and distributions to shareholders. Comprehensive income is reported in the consolidated statements of comprehensive income.

As of December 31, 2019 and 2020, accumulated other comprehensive income/loss of the Group is the foreign currency translation adjustments.

(ll) Segment reporting

Operating segments are defined as components of an enterprise engaging in businesses activities for which separate financial information is available that is regularly evaluated by the Group's chief operating decision makers ("CODM") in deciding how to allocate resources and assess performance. The Group's chief operating decision maker has been identified as the Chief Executive Officer, who reviews segment results when making decisions about allocating resources and assessing performance of the Group.

(mm) Assets held for sale

The Group classifies a long-live asset (disposal group) as held for sale in the period in which all of the following criteria are met: a) Management, having the authority to approve the action, commits to a plan to sell the asset (disposal group); b) The asset (disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such assets (disposal groups); c) An active program to locate a buyer and other actions required to complete the plan to sell the asset (disposal group) have been initiated; d) The sale of the asset (disposal group) is probable, and transfer of the asset (disposal group) is expected to qualify for recognition as a completed sale, within one year, except as permitted by paragraph 360-10-45-11; e) The asset (disposal group) is being actively marketed for sale at a price that is reasonable in relation to its current fair value; and f) Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn. For a component that meets the criteria of held-for-sale, the historical financial results are reflected in the Group's consolidated financial statements as discontinued operations.

(nn) Recently issued accounting pronouncements

In December 2019, the FASB issued ASU 2019-12, "Simplifying the Accounting for Income Taxes" to remove specific exceptions to the general principles in Topic 740 and to simplify accounting for income taxes. The standard is effective for public companies for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2020. For all other entities, the standard is effective for fiscal years beginning after December 15, 2021, and interim periods within fiscal years beginning after December 15, 2022. Early adoption is permitted. The standard is effective for the fiscal year beginning January 1, 2022. The Company is currently in the process of evaluating the impact of adopting ASU 2019-12 on its consolidated financial statements and related disclosure.

In January 2020, the FASB issued ASU 2020-01, Investments—Equity Securities (Topic 321), Investments—Equity Method and Joint Ventures (Topic 323), and Derivatives and Hedging (Topic 815)—Clarifying the Interactions between Topic 321, Topic 323, and Topic 815 (a consensus of the Emerging Issues Task Force). The amendments in this update clarify the interaction of the accounting for equity securities under Topic 321 and investments accounted for under the equity method of accounting in Topic 323 and the accounting for certain forward contracts and purchased options accounted for under Topic 815. For public business entities, the amendments in this Update are effective for fiscal years beginning after December 15, 2020, and interim periods within those fiscal years. For all other entities, the amendments are effective for fiscal years beginning after December 15, 2021, and interim periods within those fiscal years. Early adoption is permitted. The Company does not expect ASU 2020-01 to have a material impact to the Company's consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(All amount in thousands, except share, ADS, per share and per ADS data, unless otherwise stated)

2. Principal accounting policies (continued)

(nn) Recently issued accounting pronouncements (continued)

In August 2020, the FASB issued ASU 2020-06, Accounting for Convertible Instruments and Contracts in an Entity's Own Equity, which focuses on amending the legacy guidance on convertible instruments and the derivatives scope exception for contracts in an entity's own equity. ASU 2020-06 simplifies an issuer's accounting for convertible instruments by reducing the number of accounting models that require separate accounting for embedded conversion features. ASU 2020-06 also simplifies the settlement assessment that entities are required to perform to determine whether a contract qualifies for equity classification. Further, ASU 2020-06 enhances information transparency by making targeted improvements to the disclosures for convertible instruments and earnings-per-share (EPS) guidance, i.e., aligning the diluted EPS calculation for convertible instruments by requiring that an entity use the if-converted method and that the effect of potential share settlement be included in the diluted EPS calculation when an instrument may be settled in cash or shares, adding information about events or conditions that occur during the reporting period that cause conversion contingencies to be met or conversion terms to be significantly changed. This update will be effective for the Company's fiscal years beginning after December 15, 2021, and interim periods within those fiscal years. Early adoption is permitted, but no earlier than fiscal years beginning after December 15, 2020, and interim periods within those fiscal years. Entities can elect to adopt the new guidance through either a modified retrospective method of transition or a fully retrospective method of transition. The Company is currently in the process of evaluating the impact of adopting ASU 2020-06 on its consolidated financial statements and related disclosure.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(All amount in thousands, except share, ADS, per share and per ADS data, unless otherwise stated)

3. Discontinued operations

(a) Disposal of YY Live business

On November 16, 2020, the Company entered into definitive agreements with Baidu to dispose YY Live. Accordingly, YY Live was classified as held for sale and its historical financial results are reflected in the Group's consolidated financial statements as discontinued operations. Additionally, the related assets and liabilities associated with discontinued operations in the prior year consolidated balance sheets were classified as assets/liabilities held for sale to provide the comparable financial information.

The following tables set forth the assets, liabilities, statement of operations and cash flows of discontinued operations which were included in the Group's consolidated financial statements (in thousands):

	As of December 31,	
	2019	2020
	RMB	RMB
Assets		
Current assets		
Cash and cash equivalents	69,722	206,191
Short-term investments	70,327	—
Accounts receivable, net	6,854	101,004
Prepayments and other current assets	31,641	35,548
Total current assets	178,544	342,743
Non-current assets		
Deferred tax assets	14,708	34,180
Property and equipment, net	80,590	59,900
Intangible assets, net	52,519	48,042
Other non-current assets	13,174	24,260
Total non-current assets	160,991	166,382
Total assets	339,535	509,125
Liabilities		
Current liabilities		
Deferred revenue	355,549	326,702
Advances from customers	91,222	80,761
Income taxes payable	3,459	21,014
Accrued liabilities and other current liabilities	729,715	740,190
Total current liabilities	1,179,945	1,168,667
Non-current liabilities		
Deferred revenue	58,210	28,807
Total non-current liabilities	58,210	28,807

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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3. Discontinued operations (continued)

(a) Disposal of YY Live business (continued)

	For the year ended December 31,		
	2018 RMB	2019 RMB	2020 RMB
Net revenues			
Live streaming	10,073,347	10,721,295	9,664,816
Others	199,349	241,243	285,470
Total net revenues	10,272,696	10,962,538	9,950,286
Cost of revenues(1)	(5,357,786)	(5,703,255)	(5,342,372)
Gross profit	4,914,910	5,259,283	4,607,914
Operating expenses(1)			
Research and development expenses	(412,046)	(393,100)	(362,406)
Sales and marketing expenses	(498,211)	(506,605)	(581,091)
General and administrative expenses	(203,678)	(198,450)	(152,866)
Total operating expenses	(1,113,935)	(1,098,155)	(1,096,363)
Other income	67,018	203,408	166,272
Operating income	3,867,993	4,364,536	3,677,823
Interest income and investment income	1,565	2,455	2,899
Income before income tax expenses	3,869,558	4,366,991	3,680,722
Income tax expenses	(433,883)	(591,657)	(345,665)
Net income from discontinued operations	3,435,675	3,775,334	3,335,057
Net cash provided by discontinued operating activities	3,909,671	3,857,386	3,306,835
Net cash (used in) provided by discontinued investing activities	(27,158)	(192,781)	47,139

* There is no financing activity from discontinued operations of YY Live business.

(1) Share-based compensation was allocated in cost of revenues and operating expenses as follows:

	For the year ended December 31,		
	2018 RMB	2019 RMB	2020 RMB
Cost of revenues	17,494	8,655	11,241
Research and development expenses	97,945	56,960	45,861
Sales and marketing expenses	2,473	1,799	1,276
General and administrative expense	75,284	72,914	34,344

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3. Discontinued operations (continued)

(b) Disposal of Huya

On April 3, 2020, Huya ceased to be a subsidiary of the Group and the Group accounted for the investment in Huya using the equity method. Upon completion of the transaction, Huya was deconsolidated from the Group and its historical financial results are reflected in the Group's consolidated financial statements as discontinued operations accordingly. Additionally, the related assets and liabilities associated with discontinued operations in the prior year consolidated balance sheets were classified as assets/liabilities held for sale to provide the comparable financial information.

The following tables set forth the assets, liabilities, statement of operations and cash flows of discontinued operations which were included in the Group's consolidated financial statements (in thousands):

	As of December 31,	
	2019	2020
	RMB	RMB
Assets		
Current assets		
Cash and cash equivalents	1,113,193	—
Restricted cash and cash equivalents	1,392	—
Short-term deposits	6,743,445	—
Short-term investments	2,219,531	—
Accounts receivable, net	86,822	—
Amounts due from related parties	15,553	—
Prepayments and other current assets	401,077	—
Total current assets	10,581,013	—
Non-current assets		
Deferred tax assets	45,816	—
Investments	379,424	—
Property and equipment, net	96,686	—
Intangible assets, net	45,085	—
Right-of-use assets, net	102,824	—
Other non-current assets	104,895	—
Total non-current assets	774,730	—
Total assets	11,355,743	—
Liabilities		
Current liabilities		
Accounts payable	3,725	—
Deferred revenue	795,005	—
Advances from customers	50,961	—
Income taxes payable	26,051	—
Accrued liabilities and other current	1,522,697	—
Amounts due to related parties	16,360	—
Lease liabilities due within one year	31,878	—
Total current liabilities	2,446,677	—
Non-current liabilities		
Deferred revenue	164,913	—
Lease liabilities	70,110	—
Total non-current liabilities	235,023	—

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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3. Discontinued operations (continued)

(b) Disposal of Huya (continued)

	For the year ended December 31,		
	2018 RMB	2019 RMB	2020 RMB
Net revenues			
Live streaming	4,442,845	7,976,214	2,274,490
Others	218,540	398,144	137,458
Total net revenues	4,661,385	8,374,358	2,411,948
Cost of revenues[(1)]	(3,933,647)	(6,892,436)	(1,938,713)
Gross profit	727,738	1,481,922	473,235
Operating expenses[(1)]			
Research and development expenses	(265,152)	(508,714)	(156,776)
Sales and marketing expenses	(187,152)	(438,396)	(106,568)
General and administrative expenses	(287,710)	(352,824)	(145,625)
Total operating expenses	(740,014)	(1,299,934)	(408,969)
Other income	38,938	79,390	11,327
Operating income	26,662	261,378	75,593
Interest income and investment income	156,549	304,491	85,740
Foreign currency exchange gains (losses), net	51	1,157	(1,425)
Gain on fair value changes of investments	—	—	2,160
Fair value change on derivatives	(2,285,223)	—	—
Other non-operating expenses	—	—	(10,010)
(Loss) income before income tax expenses	(2,101,961)	567,026	152,058
Income tax benefits (expenses)	50,943	(96,078)	(37,556)
Net (loss) income	(2,051,018)	470,948	114,502
Share of income in equity method investments, net of income taxes	113,329	(2,775)	(1,013)
Gain on disposal, net of tax	—	—	6,400,992
Net (loss) income from discontinued operations	(1,937,689)	468,173	6,514,481
Net cash provided by discontinued operating activities	717,460	1,955,533	136,056
Net cash (used in) provided by discontinued investing activities	(4,469,548)	(3,684,971)	596,718
Net cash provided by discontinued financing activities	4,126,861	2,123,532	8,591

(1) Share-based compensation was allocated in cost of revenues and operating expenses as follows:

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3. Discontinued operations (continued)

(b) Disposal of Huya (continued)

	For the year ended December 31,		
	2018	2019	2020
	RMB	RMB	RMB
Cost of revenues	10,472	31,593	16,448
Research and development expenses	30,643	86,296	37,041
Sales and marketing expenses	1,832	5,919	2,610
General and administrative expense	183,748	157,936	95,469

(c) Reconciliation with net income from discontinued operations presented in the consolidated statements of comprehensive income is as below:

	For the year ended December 31,		
	2018	2019	2020
	RMB	RMB	RMB
Net income from discontinued operations of YY Live (Note 3(a))	3,435,675	3,775,334	3,335,057
Net (loss) income from discontinued operations of Huya (Note 3(b))	(1,937,689)	468,173	6,514,481
Net income from discontinued operations as presented in the consolidated statements of comprehensive income	1,497,986	4,243,507	9,849,538

4. Certain risks and concentration

(a) PRC regulations

Foreign ownership of internet-based businesses is subject to significant restrictions under the current PRC laws and regulations. The PRC government regulates internet access, the distribution of online information and the conduct of online commerce through strict business licensing requirements and other government regulations. These laws and regulations also limit foreign ownership in PRC companies that provide internet information distribution services. Specifically, foreign ownership in an internet information provider or other value-added telecommunication service providers may not exceed 50%. Foreigners or foreign invested enterprises are currently not able to apply for the required licenses for operating online games in the PRC. The Company is incorporated in the Cayman Islands and accordingly, the Company is considered as a foreign invested enterprise under PRC law.

As mentioned in Note 1(d), in order to comply with the PRC laws restricting foreign ownership in the online business in China, the Group operates the online business in China through contractual arrangements with its principal VIEs, namely Guangzhou Huaduo, Guangzhou Huya and Guangzhou BaiGuoYuan. As of December 31, 2020, Beijing Tuda owns the majority equity interests of Guanghzou Huaduo, and Mr. David Xueling Li owns the majority equity interest of Guangzhou BaiGuoYuan.

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4. Certain risks and concentration (continued)

(a) PRC regulations (continued)

Guangzhou Huaduo, Guangzhou Huya and Guangzhou BaiGuoYuan hold the licenses and permits necessary to conduct its internet value-added services in the PRC. If the Company had direct ownership of the VIE, it would be able to exercise its rights as a shareholder to effect changes in the board of directors, which in turn could affect changes at the management level, subject to any applicable fiduciary obligations. However, under the current contractual arrangements, it relies on the VIE and its shareholders' performance of their contractual obligations to exercise effective control. In addition, the Group's contractual agreements have terms range from 10 to 30 years, which are subject to Beijing Huanju Shidai, Huya Technology and BaiGuoYuan Technology's unilateral termination right. Under the respective service agreements, Beijing Huanju Shidai, Huya Technology and BaiGuoYuan Technology will provide services including technology support, technology services, business support and consulting services to Guangzhou Huaduo, Guangzhou Huya and Guangzhou BaiGuoYuan, respectively, in exchange for service fees. The amount of service fees payable is determined by various factors, including (a) a percentage of Guangzhou Huaduo, Guangzhou Huya and Guangzhou BaiGuoYuan's revenues or earnings, and (b) the expenses that Beijing Huanju Shidai, Huya Technology and BaiGuoYuan Technology incur for providing such services. Beijing Huanju Shidai, Huya Technology and BaiGuoYuan Technology may charge up to 100% of the income in Guangzhou Huaduo, Guangzhou Huya and Guangzhou BaiGuoYuan and a multiple of the expenses incurred for providing such services, as determined by Beijing Huanju Shidai, Huya Technology and BaiGuoYuan Technology, respectively, from time to time. The service fees payable by Guangzhou Huaduo, Guangzhou Huya and Guangzhou BaiGuoYuan to Beijing Huanju Shidai, Huya Technology and BaiGuoYuan Technology are determined to be up to 100% of the profits of Guangzhou Huaduo, Guangzhou Huya and Guangzhou BaiGuoYuan, with the timing of such payment to be determined at the sole discretion of Beijing Huanju Shidai, Huya Technology and BaiGuoYuan Technology. If fees were incurred, it would be significant to the Company and the operating companies' economic performance because it will be incurred and paid at up to 100% of the earnings of the VIE. Fees incurred would be remitted, subject to further PRC restrictions. None of the VIEs or their shareholders are entitled to terminate the contracts prior to the expiration date, unless under remote circumstances such as a material breach of agreement or bankruptcy as it pertains to the service and business operation agreements and their amendment.

For the years ended December 31, 2018, 2019 and 2020, the Company's wholly owned foreign enterprises determined that service fees of RMB201,578, RMB815,463 and RMB1,015,205 were charged to the Group's VIEs, respectively.

Further, the Group believes that the contractual arrangements among Beijing Huanju Shidai, Huya Technology, BaiGuoYuan Technology and Bilin Changxiang, the VIEs, and their shareholders are in compliance with PRC law and are legally enforceable. However, there are substantial uncertainties regarding the interpretation and application of PRC laws and regulations including those that govern the contractual arrangements, which could limit the Group's ability to enforce these contractual arrangements and if the nominee shareholders of the VIEs were to reduce their interests in the Group, their interest may diverge from that of the Group and that may potentially increase the risk that they would seek to act contrary to the contractual arrangements.

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(All amount in thousands, except share, ADS, per share and per ADS data, unless otherwise stated)

4. Certain risks and concentration (continued)

(a) PRC regulations (continued)

In March 2019, the National People's Congress enacted PRC Foreign Investment Law which would be effective starting from January 1, 2020. The Foreign Investment Law does not explicitly classify contractual arrangements as a form of foreign investment, but it contains a catch-all provision under the definition of "foreign investment," which includes investments made by foreign investors through means stipulated in laws or administrative regulations or other methods prescribed by the State Council. Existing laws or administrative regulations remain unclear whether the contractual arrangements with variable interest entities will be deemed to be in violation of the market access requirements for foreign investment under the PRC laws and regulations. However, the possibility that such entities will be deemed as foreign invested enterprise and subject to relevant restrictions in the future shall not be excluded. If VIEs fall within the definition of foreign investment entities, the Group's ability to use the contractual arrangements with its VIEs and the Group's ability to conduct business through the VIEs could be severely limited. The Group's ability to control the VIEs also depends on the power of attorney that the wholly owned subsidiary of the Group has to vote on all matters requiring shareholder approval in the VIEs. As noted above, the Group believes these power of attorney are legally enforceable but may not be as effective as direct equity ownership. In addition, if the Group's corporate structure and the contractual arrangements with the VIEs through which the Group conducts its business in the PRC were found to be in violation of any existing or future PRC laws and regulations, the Group's relevant PRC regulatory authorities could:

- revoke or refuse to grant or renew the Group's business and operating licenses;
- restrict or prohibit related party transactions between the wholly owned subsidiary of the Group and the VIE;
- impose fines, confiscate income or other requirements which the Group may find difficult or impossible to comply with;
- require the Group to alter, discontinue or restrict its operations;
- restrict or prohibit the Group's ability to finance its operations, and;
- take other regulatory or enforcement actions against the Group that could be harmful to the Group's business.

The imposition of any of these restrictions or actions could result in a material adverse effect on the Group's ability to conduct its business. In such case, the Group may not be able to operate or control the VIEs, which may result in deconsolidation of the VIEs in the Group's consolidated financial statements. In the opinion of management, the likelihood for the Group to lose such ability is remote based on current facts and circumstances. The Group's operations depend on the VIEs to honor their contractual arrangements with the Group. These contractual arrangements are governed by PRC law and disputes arising out of these agreements are expected to be decided by arbitration in the PRC. The management believes that each of the contractual arrangements constitutes valid and legally binding obligations of each party to such contractual arrangements under PRC laws. However, the interpretation and implementation of the laws and regulations in the PRC and their application to an effect on the legality, binding effect and enforceability of contracts are subject to the discretion of competent PRC authorities, and therefore there is no assurance that relevant PRC authorities will take the same position as the Group herein in respect of the legality, binding effect and enforceability of each of the contractual arrangements. Meanwhile, since the PRC legal system continues to rapidly evolve, the interpretations of many laws, regulations and rules are not always uniform and enforcement of these laws, regulations and rules involve uncertainties, which may limit legal protections available to the Group to enforce the contractual arrangements should the VIEs or the nominee shareholders of the VIEs fail to perform their obligations under those arrangements.

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4. Certain risks and concentration (continued)

(a) PRC regulations (continued)

The following consolidated financial information of the Group's VIEs excluding the intercompany items with the Group's subsidiaries was included in the accompanying consolidated financial statements as of and for the years ended:

	December 31,	
	2019	2020
	RMB	RMB
Assets		
Current assets		
Cash and cash equivalents	1,589,539	1,620,133
Restricted cash and cash equivalents	3,500	3,497
Short-term deposits	4,000,003	4,370,002
Restricted short-term deposits	650,000	200,000
Short-term investments	3,302,143	1,739,843
Accounts receivable, net	109,222	168,896
Amounts due from related parties	1,707	11,119
Financing receivables, net	74,247	322
Prepayments and other current assets	331,640	362,757
Assets held for sale	2,207,953	330,118
Total current assets	12,269,954	8,806,687
Non-current assets		
Deferred tax assets	60,461	—
Investments	1,496,261	2,491,644
Property and equipment, net	772,619	1,021,111
Land use rights, net	1,736,544	1,688,448
Intangible assets, net	531,438	393,096
Right of use asset, net	54,838	42,157
Other non-current assets	174,286	40,135
Assets held for sale	785,220	129,818
Total non-current assets	5,611,667	5,806,409
Total assets	17,881,621	14,613,096
Liabilities		
Current liabilities		
Accounts payable	89,708	104,691
Deferred revenue	78,877	111,839
Advances from customers	7,908	191
Income taxes payable	296,032	127,186
Accrued liabilities and other current liabilities	877,942	707,610
Amounts due to related parties	194,336	14,837
Lease liabilities due within one year	28,874	30,682
Short-term loans	270,565	669,048
Liabilities held for sale	3,113,821	1,164,022
Total current liabilities	4,958,063	2,930,106
Non-current liabilities		
Lease liabilities	26,305	12,935
Deferred revenue	4,988	9,703
Deferred tax liabilities	85,479	70,900
Other non-current liabilities	11,495	—
Liabilities held for sale	227,923	28,807
Total non-current liabilities	356,190	122,345
Total liabilities	5,314,253	3,052,451

	For the year ended December 31,		
	2018	2019	2020
	RMB	RMB	RMB
Net revenues	810,211	1,950,090	2,740,837
Net income	(470,666)	(352,329)	(914,070)

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4. Certain risks and concentration (continued)

(a) PRC regulations (continued)

	For the year ended December 31,		
	2018	**2019**	**2020**
	RMB	RMB	RMB
Net cash used in operating activities	(200,884)	(216,489)	(510,381)
Net cash used in investing activities	(1,774,355)	(3,768,408)	(330,350)
Net cash provided by financing activities	3,647	271,852	149,942
	(1,971,592)	(3,713,045)	(690,789)

(b) Foreign exchange risk

The revenues and expenses of the Group's entities in the PRC are generally denominated in RMB and their assets and liabilities are denominated in RMB. The Group's oversea operation and investing and financing activities are denominated in U.S. dollars. The RMB is not freely convertible into foreign currencies. Remittances of foreign currencies into the PRC or remittances of RMB out of the PRC as well as exchange between RMB and foreign currencies require approval by foreign exchange administrative authorities and certain supporting documentation. The State Administration for Foreign Exchange, under the authority of the People's Bank of China, controls the conversion of RMB into other currencies.

(c) Credit risk

Assets that potentially expose the Group to credit risk primarily consist of cash and cash equivalents, restricted cash and cash equivalents, short-term deposits, restricted short-term deposits, short-term investments, accounts receivable, financing receivables, amounts due from related parties and prepayments and other current assets.

As of December 31, 2019 and 2020, substantially all of the Group's cash and cash equivalents, restricted cash and cash equivalents, short-term deposits, restricted short-term deposits and short-term investments were placed with the PRC and international financial institutions. Management chooses these institutions because of their reputations and track records for stability, and their known large cash reserves, and management periodically reviews these institutions' reputations, track records, and reported reserves. Management expects that any additional institutions that the Group uses for its cash and bank deposits will be chosen with similar criteria for soundness. Nevertheless under the PRC law, it is required that a commercial bank in the PRC that holds third party cash deposits should maintain a certain percentage of total customer deposits taken in a statutory reserve fund for protecting the depositors' rights over their interests in deposited money. PRC banks are subject to a series of risk control regulatory standards; PRC bank regulatory authorities are empowered to take over the operation and management of any PRC bank that faces a material credit crisis. The Group believes that it is not exposed to unusual risks as these financial institutions are either PRC banks or international banks with high credit quality. The Group had not experienced any losses on its deposits of cash and cash equivalents and term deposits during the years ended December 31, 2018, 2019 and 2020 and believes that its credit risk to be minimal.

The risk with respect to accounts receivable is mitigated by credit evaluations the Group performs on the payment platforms, game platforms, customers and the ongoing monitoring process of outstanding balances.

The Group is exposed to default risk on its financing receivables. The Group conducts credit evaluations of customers in finance business, either on an individual or collective basis. The Group also considers the value of collateral assets when assessing the collectability of certain financing receivables. Credit risk is controlled by the application of credit approvals, limits and monitoring procedures.

Amounts due from related parties, prepayments and other current assets are typically unsecured. In evaluating the collectability of the balance, the Group considers many factors, including the related parties and third parties' repayment history and their credit-worthiness. An allowance for doubtful accounts is made when collection of the full amount is no longer probable.

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5. Business combination

(a) Acquisition of Bigo

Immediately prior to this acquisition, the Company held 31.7% of equity interest of Bigo, a company which is primarily engaged in the video and audio broadcast business through its live-streaming applications and platforms all over the world. The Company had a contingent redemption right on its investment in Bigo, therefore the interest held by the Company did not meet the definition of in-substance common stock under ASC 323. As the investment in Bigo did not have readily determinable fair value, it was accounted for as an investment at cost less impairments, adjusted by observable price changes.

In February 2019, the Group entered into a share purchase agreement with Bigo and its shareholders. Under the agreement, the Group agreed to purchase all outstanding shares of Bigo that were not already owned by the Group. Pursuant to the agreement, the Company paid US$343.1 million in cash and issued 305,127,046 Class A common shares, which were outstanding, and 38,326,579 Class B common shares of the Company to Bigo's selling shareholders. In addition, the Company has also issued 8,761,450 Class A common shares for future grants to employees as share-based awards. The acquisition was completed on March 4, 2019. The Group believed that the acquisition of Bigo helped the Group create enhanced live streaming content, expand global footprint and offer world-class user experiences for global user community. Upon the completion of the acquisition, Bigo became a wholly-owned subsidiary of the Group.

The following table summarizes the components of the purchase consideration transferred based on the closing price of the Company's common share as of the acquisition date:

	As of acquisition date RMB
Cash	2,300,196
Fair value of common shares issued	7,704,420
Fair value of previously held equity interest in Bigo	5,697,154
Elimination of preexisting amounts due from Bigo	323,002
Total consideration	16,024,772

The fair value of common shares issued above does not include post-acquisition share-based compensation amounting to RMB590,346. Out of the 305,127,046 Class A common shares issued and outstanding, 38,042,760 shares are for the replacement awards to Bigo's employees to replace their original share-based awards. The post-acquisition share-based compensation of RMB590,346 are share-based compensation subject to continuous employment and will be recognized as share-based compensation expenses over the remaining required service period.

Immediately before the acquisition, the amounts due from Bigo to the Company amounted to RMB323,002. This amount due from Bigo was effectively eliminated upon the acquisition. The amount of the preexisting amounts due from Bigo of RMB323,002 was included as part of the consideration.

In accordance with ASC 805, the Company's previously held equity interest in Bigo was re-measured to fair value on the acquisition date, and a re-measurement gain of RMB2,669,334 was recognized as gain on fair value changes of investments. Acquisition-related costs of RMB27,162 was recognized as general and administrative expenses.

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5. Business combination (continued)

(a) Acquisition of Bigo (continued)

The acquisition was accounted for as a business combination. The Group made estimates and judgements in determining the fair value of the assets acquired and liabilities assumed with the assistance from an independent valuation firm. The consideration was allocated on the acquisition date as follows:

	As of acquisition date RMB	Amortization period
Net tangible assets acquired:		
-Cash and cash equivalents, restricted cash and cash equivalents and restricted short-term deposits	643,433	
-Accounts receivables	386,517	
-Other current assets	52,432	
-Property and equipment, net	294,030	
-Other non-current assets	174,837	
Identifiable intangible assets acquired:		
-Trademark	2,400,354	10 years
-User Base	1,027,191	3 years
-Non-compete agreement	81,129	1 year
-Others	6,195	
Accrued liabilities and other liabilities	(1,156,854)	
Deferred tax liabilities	(316,859)	
Goodwill	12,432,367	
Total	16,024,772	

The Company estimated the fair value of acquired trademark using the relief from royalty method. The value is estimated as the present value of the after-tax cost savings at an appropriate discount rate. In terms of the fair value of the acquired user base, the excess earnings method was used. The value is estimated as the present value of the revenues calculated at an appropriate discount rate. The Company's determination of the fair values of acquired trademark and user base acquired involved the use of estimates and assumptions related to revenue growth rates, royalty rates, discount rates and attrition rates.

The goodwill was mainly attributable to intangible assets that cannot be recognized separately as identifiable assets under U.S. GAAP, and mainly comprised (a) the assembled work force and (b) the expected future growth, enhancing world-class user experiences and expansion in global markets as a result of the synergy resulting from the acquisition. The goodwill recognized was not expected to be deductible for income tax purpose.

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5. Business combination (continued)

(a) Acquisition of Bigo (continued)

Pro forma information of the acquisition

The following unaudited pro forma information summarizes the results of operations for the years ended December 31, 2018 and 2019 of the Company as if the acquisition had occurred on January 1, 2018. The unaudited pro forma information includes: (i) amortization associated with estimates for the acquired intangible assets and corresponding deferred tax liability; (ii) recognition of the post-combination share-based compensation; (iii) removal of the transaction costs related to the acquisition; (iv) removal of the remeasurement gain of JOYY's previously held interests in Bigo; (v) removal of fair value loss on derivative liabilities related to Bigo's preferred shares; (vi) elimination of transaction between Bigo and the Company and (vii) the associated tax impact on these unaudited pro forma adjustments. The following pro forma financial information is presented for informational purpose only and is not necessarily indicative of the results that would have occurred had the acquisition been completed on January 1, 2018, nor is it indicative of future operating results.

	For the year ended December 31,	
	2018	2019
	RMB	RMB
Pro forma net revenues	3,851,927	6,900,638
Pro forma net loss	(1,651,288)	(3,437,602)

The amounts of revenues and earnings of Bigo since the acquisition date are disclosed in Note 34 "Segment Reporting".

6. Cash and cash equivalents

Cash and cash equivalents represent cash on hand, demand deposits placed with banks or other financial institutions and all highly liquid investments with original maturities of three months or less. Cash and cash equivalents balance as of December 31, 2019 and 2020 primarily consist of the following currencies:

	December 31, 2019		December 31, 2020	
	Amount	RMB equivalent	Amount	RMB equivalent
RMB	1,608,999	1,608,999	2,691,718	2,691,718
US$	140,482	980,029	1,306,404	8,524,157
Others	N/A	121,595	N/A	155,389
Total		2,710,623		11,371,264

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7. Short-term deposits

Short-term deposits represent time deposits placed with banks with original maturities between three months and one year.The term deposits balance as of December 31, 2019 and 2020 primarily consist of the following currencies:

	December 31, 2019		December 31, 2020	
	Amount	RMB equivalent	Amount	RMB equivalent
RMB	4,000,003	4,000,003	4,470,002	4,470,002
US$	864,000	6,027,437	640,000	4,175,937
Total		10,027,440		8,645,939

8. Restricted short-term deposits

As of December 31, 2019, the Group's restricted short-term deposits were RMB653,034, which was mainly pledged as collateral for the banking facilities of HK$320 million and US$40 million.

As of December 31, 2020, the Group's restricted short-term deposits were RMB205,461 which was mainly pledged as collateral for the banking facilities of RMB200 million.

9. Accounts receivable, net

	December 31,	
	2019	2020
	RMB	RMB
Accounts receivable, gross	668,406	981,259
Less: allowance for doubtful receivables	(64)	(48,202)
Accounts receivable, net	668,342	933,057

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9. Accounts receivable, net (continued)

The following table summarizes the details of the Group's allowance for doubtful accounts:

	For the year ended December 31,		
	2018	**2019**	**2020**
	RMB	RMB	RMB
Balance at the beginning of the year	(6,856)	(7,422)	(64)
Adoption of ASC326	—	—	(4,532)
Additions charged to general and administrative expenses, net	(566)	(117)	(43,606)
Write-off during the year	—	7,475	—
Balance at the end of the year	(7,422)	(64)	(48,202)

10. Financing receivables, net

Financing receivables consist of the following:

	December 31,	
	2019	**2020**
	RMB	RMB
Financing receivables, gross		
Micro-credit personal loans	194,517	130,311
Corporate loans	226,977	195,944
Total	421,494	326,255
Less: allowance for financing receivables	(186,770)	(196,489)
Financing receivables, net	234,724	129,766
Current portion	105,344	1,122
Non-current portion	129,380	128,644

As of December 31, 2019 and 2020, micro-credit personal loans were not guaranteed.

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10. Financing receivables, net (continued)

The following table presents the aging of gross financing receivables as of December 31, 2019 and 2020.

	1-90 days past due	91-180 days past due	181-360 days past due	over 1 year past due	Total past due	Current	Total financing receivables
December 31, 2019							
Micro-credit personal loans	29,109	26,192	36,999	20,183	112,483	82,034	194,517
Corporate loans	—	—	195,143	—	195,143	31,834	226,977
	29,109	26,192	232,142	20,183	307,626	113,868	421,494
December 31, 2020							
Micro-credit personal loans	—	24	20,783	109,504	130,311	—	130,311
Corporate loans	—	—	—	195,143	195,143	801	195,944
	—	24	20,783	304,647	325,454	801	326,255

The non-accrual financing receivables related to personal loans as of December 31, 2019 and 2020 amounted to RMB83,374 and RMB130,311, respectively, as they were past due for over 90 days.

An impairment charge of RMB104 million and RMB4.7 million was recognized in general and administrative expenses for the year ended December 31, 2019 and 2020, respectively.

A majority of the Group's corporate loan business was in the form of sale-and-leaseback arrangements, under which the Group purchases equipment from third party companies and lease back the equipment to the sellers. In 2019, one lessee was unable to repay the principal amount of around RMB15 million due in January and was default. Total financial receivable due from the lessee is RMB195 million. The Group has brought certain lawsuits against this lessee to the court, claiming the lessee to repay all the outstanding amount. Upon the date of the issuance of the consolidated financial statements for the year ended December 31, 2019, the court has passed the first instance judgement on all of these lawsuits, which supported the Group's claim and ordered the lessee to repay all the outstanding amounts due to the Group. Furthermore, the Group pledged or preserved additional assets of the lessee or its related entity as collateral. Based on the Group’s assessment on the lessess’ finance condition and the recoverable amount from the collateral, the financial receivable cannot be fully recovered. As a result, an impairment charge of RMB67 million was recognized in general and administrative expenses for the year ended December 31, 2019 against the carrying value of the financing receivables. In 2020, based on the Group’s assessment on the fair value of the pledged assets as of December 31, 2020, no further impairment charge was recognized against the carrying value of the financing receivables for the year ended December 31, 2020.

The financing receivable was placed on non-accrual status. The Group has decided not to further develop corporate loan business so as to avoid further potential risk arising from such business.

Movement of allowance for financing receivables is as follows:

	For the year ended December 31,	
	2019	2020
	RMB	RMB
Balance at the beginning of the year	(15,829)	(186,770)
Adoption of ASC326	—	(5,048)
Charged to general and administrative expenses for the year	(170,941)	(4,671)
Balance at the end of the year	(186,770)	(196,489)

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11. Prepayments and other current assets

	December 31,	
	2019	**2020**
	RMB	RMB
Interests receivable	155,265	234,923
Value added taxes to be deducted	82,561	126,098
Receivables from payment platforms	66,858	88,954
Employee advances	21,474	24,096
Prepayments and deposits to vendors and content providers	36,719	42,723
Deposits	32,903	36,612
Loans to third parties	83,253	646
Receivables from disposal of investments	19,882	—
Others	39,174	117,178
Total	538,089	671,230

12. Investments

	December 31,	
	2019	**2020**
	RMB	RMB
Equity investments accounted for using the equity method (i)	857,412	5,429,647
Equity investments with readily determinable fair values (ii)	115,926	1,206,899
Equity investments without readily determinable fair values (iii)	1,010,145	1,443,592
Available-for-sale debt investment (iv)	—	6,525
Total	1,983,483	8,086,663

(i) Investments have been accounted for under the equity method where the Group has significant influence on these investees and the investments are considered as in-substance common shares.

In 2019 and 2020, the Group acquired minority stake of a number of privately-held entities with total consideration of RMB332,201 and RMB597,349, respectively. Increase in the amounts of investments in 2020 was mainly attributable to the Group's investment in Huya. On April 3, 2020, Huya ceased to be a subsidiary of the Company and the Company recognized its investment in Huya as an equity method investment (Note 3(b)). The Company further disposed of certain equity interest in Huya in August 2020 (Note 1(a)) and also deem-disposed of certain interest of Huya's equity interest as a result of the vesting of Huya's share-based awards, resulting in a net gain from the disposal and deem disposal of around RMB1,802 million.

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12. Investments (continued)

The following tables set forth the summarised financial information of the Group's equity method investments:

	December 31,	
	2019	2020
	RMB	RMB
Current assets	1,456,771	12,710,995
Non-current assets	806,739	1,976,493
Current liabilities	307,199	2,917,594
Non-current liabilities	3,353	279,378
Non-controlling interests	299	—

	For the year ended December 31,		
	2018	2019	2020
	RMB	RMB	RMB
Revenues	987,592	758,550	9,716,934
Gross profit	852,059	627,241	2,673,976
Net income (loss)	541,500	220,262	162,887
Net income (loss) attributable to the investees	541,500	220,279	162,887

(ii) The Group does not have the ability to exercise significant influence over these investments. Therefore, it has been precluded from applying the equity method of accounting.

In 2020, the Group reclassified equity investments without readily determinable fair values of RMB929,965, including fair value gain of RMB813,322 for the year ended December 31, 2020,to equity investments with readily determinable fair values since quoted prices of the investees from active markets could be observed as these investees became listed in 2020.

In 2019 and 2020, the Group disposed of an investment with readily determinable fair values, for a cash consideration of RMB141,875 and RMB 17,058, respectively.

In 2018, 2019 and 2020, fair value loss of RMB 113,677, fair value gain of RMB21,942 and RMB1,014,918 related to investments with readily determinable fair values were recognized in the consolidated statements of comprehensive income (Note 29), respectively.

(iii) Equity securities without readily determinable fair values and over which the Company has neither significant influence nor control through investments in common stock or in-substance common stock.

In 2019 and 2020, the Group acquired minority preferred shares or ordinary shares of a number of privately-held entities with total consideration of RMB563,530 and RMB655,736, respectively. The ownership interests were less than 20% of the investees' total equities or the ownership interests redeemable upon condition. These equity investments are not considered as debt securities or equity securities that have readily determinable fair values. Accordingly the Company elected to account for these investments at cost less impairments, adjusted by observable price changes.

In 2019, the Group completed the acquisition of the remaining 68.3% of equity interests in Bigo and Bigo became a wholly owned subsidiary of the Group. Therefore, the previously held 31.7% of equity interests in Bigo, which was classified as equity investments without readily determinable fair value, was derecognized. Please refer to Note 5(a) for the acquisition of Bigo.

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12. Investments (continued)

In 2019 and 2020, the Group partially disposed of an investment without readily determinable fair values, with a consideration of RMB23,761 and RMB140,132, respectively.

In 2018, fair value gain of RMB1,601,082 due to the observable price change, were recognized in gain on fair value changes of investments (Note 29). Out of the fair value gain of RMB1,601,082 for the year ended December 31, 2018, fair value gain of RMB356,545 was realized and RMB1,244,537 was unrealized. In 2019, fair value gain of RMB2,657,370 due to the observable price change, were recognized in gain on fair value changes of investments (Note 29), which was mainly due to gain on the fair value change on the investment in Bigo before the Company's acquisition of Bigo . Out of the fair value gain of RMB2,657,370 for the year ended December 31, 2019, fair value gain of RMB2,676,014 was realized and fair value loss of RMB18,644 was unrealized. In 2020, fair value gain of RMB101,735 due to the observable price change, were recognized in gain on fair value changes of investments (Note 29).Out of the fair value gain of RMB101,735 for the year ended December 31, 2020, fair value gain of RMB108,089 was unrealized and fair value loss of RMB6,354 was realized.

The Group assesses the existence of indicators for other-than-temporary impairment of the investments by considering factors including, but not limited to, current economic and market conditions, the operating performance of the entities including current earnings trends and other entity-specific information. In 2018, 2019 and 2020, based on the Group's assessment, an impairment charge of RMB35,348, RMB62,334 and RMB43,861 was recognized in general and administrative expenses, respectively, against the carrying value of the investments due to significant deterioration in earnings or unexpected changes in business prospects of the investees as compared to the original investment plans.

(iv) In 2020, the Group entered into convertible bond agreement to acquire convertible bond issued by a private company with a total consideration of RMB6,525. The Group recorded this investment as an available-for-sale debt investment which is measured at fair value since the convertible bond is redeemable at the Group's option.

13. Property and equipment, net

Property and equipment consists of the following:

	December 31,	
	2019	2020
	RMB	RMB
Gross carrying amount		
Servers, computers and equipment	1,309,687	1,968,376
Buildings	867,518	998,916
Construction in progress	333,122	456,027
Decoration of buildings	103,305	103,059
Leasehold improvements	44,522	58,503
Motor vehicles	43,275	43,232
Furniture, fixture and office equipment	30,441	31,241
Total	2,731,870	3,659,354
Less: accumulated depreciation	(647,486)	(1,038,557)
Less: impairment loss	(5,300)	—
Property and equipment, net	2,079,084	2,620,797

Depreciation expense for the years ended December 31, 2018, 2019 and 2020 were RMB65,054, RMB275,741 and RMB535,498, respectively.

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14. Land use rights, net

Land use rights consist of the following:

	December 31, 2020
	RMB
Gross carrying amount	1,924,563
Less: accumulated amortization	(236,115)
Land use rights, net	1,688,448

Amortization expense for the years ended December 31, 2018, 2019 and 2020 were RMB48,100, RMB48,096 and RMB48,096, respectively.

The estimated amortization expenses for each of the following five years are as follows:

	Amortization expense of land use rights
	RMB
2021	48,096
2022	48,096
2023	48,096
2024	48,096
2025	48,096

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15. Intangible assets, net

The following table summarizes the Group's intangible assets:

	December 31,	
	2019	**2020**
	RMB	RMB
Gross carrying amount		
Trademark	2,497,480	2,348,814
User bases	1,069,668	1,004,681
Non-compete agreement	84,412	78,951
Software	56,053	55,284
Operating rights	46,251	46,251
License	63,428	63,428
Technology	18,237	17,662
Domain names	7,567	7,809
Others	2,158	9,221
Total of gross carrying amount	3,845,254	3,632,101
Less: accumulated amortization		
Trademark	(208,128)	(428,357)
User bases	(366,139)	(753,317)
Non-compete agreement	(70,348)	(78,951)
Software	(46,696)	(51,509)
Operating rights	(45,458)	(45,545)
License	(358)	(4,580)
Technology	(11,916)	(11,676)
Domain names	(2,508)	(3,510)
Others	(91)	(757)
Total accumulated amortization	(751,642)	(1,378,202)
Less: accumulated impairment	(11,353)	(7,937)
Intangible assets, net	3,082,259	2,245,962

Amortization expense for the years ended December 31, 2018, 2019 and 2020 were RMB12,146, RMB651,147 and RMB708,331, respectively.

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15. Intangible assets, net (continued)

The estimated amortization expenses for each of the following five years are as follows:

	Amortization expense of intangible assets
	RMB
2021	363,432
2022	303,294
2023	301,696
2024	250,664
2025	240,959

The weighted average amortization periods of intangible assets as of December 31, 2019 and 2020 are as below:

	December 31,	
	2019	**2020**
Trademark	10 years	10 years
User base	3 years	3 years
License	15 years	15 years
Non-compete agreement	1 year	1 year
Operating rights	2 years	2 years
Software	3 years	3 years
Domain names	14 years	14 years
Technology	Not applicable	5 years
Others	10 years	10 years

16. Goodwill

The changes in the carrying amount of goodwill for the years ended December 31, 2019 and 2020 are as follows:

	All other	**Bigo**	**Total**
	RMB	RMB	RMB
Balance as of December 31, 2018	11,763	—	11,763
Increase in goodwill related to acquisition (i)	—	12,432,367	12,432,367
Foreign currency translation adjustments	16	503,046	503,062
Balance as of December 31, 2019	11,779	12,935,413	12,947,192
Increase in goodwill related to acquisition	104,839	—	104,839
Foreign currency translation adjustments	(65)	(836,810)	(836,875)
Balance as of December 31, 2020	116,553	12,098,603	12,215,156

(i) The increase in goodwill in 2019 was related to the acquisition of Bigo. Please refer to Note 5(a) for the acquisition of Bigo.

The Group performs its annual goodwill impairment test of each reporting unit in the fourth quarter, or more frequently, if certain events or circumstances warrant. Events or changes in circumstances which might indicate potential impairment in goodwill include the entity-specific factors, including, but not limited to, stock price volatility, market capitalization relative to net book value, and projected revenue, market growth and operating results.

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16. Goodwill (continued)

The Group performed a goodwill impairment analysis in the fourth quarter of 2019 and 2020. When determining the fair value of Bigo reporting unit, the Group used the income approach. The income approach determines fair value based on discounted cash flow models derived from the reporting units' long-term forecasts which included a five-year future cash flow projection and an estimated terminal value for the impairment analysis of 2020. The discounted cash flow model included a number of significant unobservable inputs. Key assumptions used to determine the estimated fair value include: (a) the future cash flows forecasts including expected revenue growth, (b) an estimated terminal value using a terminal year long-term future growth rate determined based on the growth prospects of the reporting units; and (c) a discount rate that reflects the weighted-average cost of capital adjusted for the relevant risk associated with each reporting unit's operations and the uncertainty inherent in the Group's internally developed forecasts. Based on the Group's assessment, the fair value of Bigo reporting units exceeded their carrying value by around 1% and 10% of the carrying value of the Bigo reporting unit in 2019 and 2020, respectively. Therefore, no impairment for goodwill recognized for the years ended December 31, 2019 and 2020.

17. Deferred revenue

	December 31,	
	2019	**2020**
	RMB	RMB
Deferred revenue, current		
Live streaming	161,868	414,006
Others	30,886	24,663
Total current deferred revenue	192,754	438,669
Deferred revenue, non-current		
Live streaming	12,685	16,504
Others	4,733	3,933
Total non-current deferred revenue	17,418	20,437

18. Accrued liabilities and other current liabilities

	December 31,	
	2019	**2020**
	RMB	RMB
Revenue sharing fees	353,638	779,167
Salaries and welfare	630,730	732,213
Marketing and promotion expenses	625,150	621,571
Value added taxes and other taxes payable	344,387	575,592
Bandwidth costs	203,536	195,652
Payables to merchants	106,814	45,570
Other payable of shares repurchase	—	37,033
Deposits from third parties	9,330	13,974
Other payable to content providers	13,614	10,894
Others	133,389	149,319
Total	2,420,588	3,160,985

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19. Short-term loans

	December 31,	
	2019	**2020**
	RMB	RMB
Short-term loans	557,203	734,371

The Group entered into agreements with banks, pursuant to which the Group borrowed three loans with total principal amount of HK $320 million and US$39 million (equivalent to RMB557 million) within a banking facility of HK$320 million and US$40 million in 2019, respectively. These loans were all with a maturity of less than one year and the annual interest rates ranged from 2.38% to 3.77%. Short-term deposits of RMB650 million were pledged as collateral for the banking facilities, which were classified as restricted short-term deposits.

The Group entered into several agreements with banks, pursuant to which the Group borrowed loans with total principal amount of RMB693 million and US$6.3 million (equivalent to RMB41 million) within a banking facility of RMB546 million and US$95 million in 2020, respectively. These loans were all with a maturity of less than one year and the annual interest rates ranged from 1.36% to 3.90%. Short-term deposits of RMB200 million were pledged as collateral for the banking facilities, which were classified as restricted short-term deposits.

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20. Convertible bonds

	December 31,	
	2019	**2020**
	RMB	RMB
Non-current		
2025 Convertible Senior Notes	2,646,642	2,679,216
2026 Convertible Senior Notes	2,361,929	2,405,146
Total	5,008,571	5,084,362

On June 19, 2019, the Company issued Convertible Senior Notes due 2025 with principal amount of US$500 million (the "Notes due 2025") and Convertible Senior Notes due 2026 with principal amount of US$500 million (the "Notes due 2026") (collective the "Notes"). The Notes due 2025 and Notes due 2026 bear interest at a coupon rate of 0.75% and 1.375% per year, respectively, and both of them are payable semi-annually in arrears on June 15 and December 15 of each year, beginning on December 15, 2019. The Notes due 2025 will mature on June 15, 2025 and the Notes due 2026 will mature on June 15, 2026. The Notes due 2025 and the Notes due 2026 may be converted, under certain circumstances, based on an initial conversion rate of 10.4271 ADS per US$1,000 principal amount of the Notes (equivalent to an initial conversion price of approximately US$95.9 per ADS).

The Notes due 2025 and Notes due 2026 are not redeemable prior to their maturity date, except that the holders of the Notes (the "Holders") have a noncontingent option to require the Company to repurchase for cash all or any portion of their Notes on June 15, 2023 and June 15, 2024, respectively. The repurchase price will equal 100% of the principal amount of the Notes to be repurchased plus accrued and unpaid interest, if any, to, but excluding, the repurchase date.

Upon conversion, the Company may deliver ADS, cash, or a combination of ADS and cash at the option of the Company itself. Therefore, the Notes due 2025 and Notes due 2026 contains cash conversion features, which was an equity component and need to be bifurcated from the debt component of the Notes. Determination of the carrying amount of the debt component was based on the fair value of a similar debt instrument excluding the embedded conversion feature, by using discounted cash flow method. The conversion features were recognized by ascribing the difference between the proceeds and the fair value of the debt component in Additional paid-in capital. As a result, the cash conversion version features for the Notes due 2025 and Notes due 2026 were US$364 million and US$324 million after deducting debt issuance costs, respectively.

The net proceeds to the Company from the issuance of the Notes due 2025 were US$491 million. Debt issuance costs of the Notes due 2025 were US$9 million. Out of the debt issuance costs, US$7 million was amortized to interest expense from the issuance date (June 19, 2019) to the first put date of the Notes (June 15, 2023) and US$2 million was allocated as deduction to the equity component. The net proceeds to the Company from the issuance of the Notes due 2026 were US$491 million. Debt issuance costs of the Notes due 2026 were US$9 million. Out of the debt issuance costs, US$6 million was amortized to interest expense from the issuance date (June 19, 2019) to the first put date of the Notes (June 15, 2024) and US$3 million was allocated as deduction to the equity component.

The value of Notes due 2025 and Notes due 2026 is initially measured by the cash received after deducting the issuance cost and the bifurcation of the conversion features. The Notes due 2025 and Notes due 2026 are subsequently stated at amortized cost. The difference between the principal amount of the Notes due 2025 and Notes due 2026 and the amount of the proceeds allocated to the debt component plus the issuance costs are regarded as a debt discount, which is subsequently amortized through interest expense over the Notes due 2025 and Notes due 2026's expected life using the interest method, respectively.

As of December 31,2019 and 2020, RMB5,008.6 million and RMB5,084.4 million (US$779.2 million) have been accounted for as the value of the convertible bonds in non-current liabilities. Interest expense related to the Notes due 2025 and Notes due 2026 recognized during the years ended December 31, 2019 and 2020 was RMB246,434 and RMB496,767, respectively.

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20. Convertible bonds (continued)

Concurrently with the issuance of the Notes, the Company purchased a capped call option ("Purchased Call Option") in the amount of US$77,000, in order to mitigate the potential future economic dilution associated with the conversion of the Notes and to increase the initial conversion price to US$127.9 per ADS. Counterparty agreed to sell to the Company up to approximately 10.4 million ADS, which is the number of ADS initially issuable upon conversion of the Notes in full, at a price of US$95.9 per ADS. The Purchased Call Option will be settled in ADSs and will terminate upon the maturity date of the Notes. Settlement of the Purchased Call Option in ADSs, based on the number of ADSs issued upon conversion of the Notes, on the expiration date would result in the Company receiving shares equivalent to the number of shares issuable by the Company upon conversion of the Notes. In accordance with ASC 815-10-15-83, the Purchased Call Option meets the definition of a derivative instrument. However, the scope exception in accordance with ASC 815-10-15-74 applies to the Purchased Call Option as it is indexed to its own stock, and the Purchased Call Option meets the requirements of ASC 815 and would be classified in stockholders' equity, therefore, the cost paid for Purchased Call Option was accounted for within stockholders' equity, and subsequent changes in fair value will not be recorded.

21. Cost of revenues

	For the year ended December 31,		
	2018	**2019**	**2020**
	RMB	RMB	RMB
Revenue sharing fees and content costs	287,168	2,118,495	5,601,439
Payment handling costs	17,741	652,458	1,317,205
Bandwidth costs	136,447	706,457	834,146
Salary and welfare	139,221	390,352	707,398
Depreciation and amortization	42,147	204,637	421,272
Technical service fee	33,818	304,499	410,293
Share-based compensation	46,373	41,007	39,910
Other taxes and surcharges	2,766	9,574	10,078
Other costs	20,020	125,179	167,848
Total	725,701	4,552,658	9,509,589

22. Other income

	For the year ended December 31,		
	2018	**2019**	**2020**
	RMB	RMB	RMB
Government grants	10,693	31,226	45,359
Others	1,211	8,080	10,752
Total	11,904	39,306	56,111

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23. Income tax

(i) Cayman Islands

Under the current tax laws of Cayman Islands, the Company and its subsidiaries are not subject to tax on income or capital gains. Besides, upon payment of dividends by the Company to its shareholders, no Cayman Islands withholding tax will be imposed.

(ii) BVI

Duowan BVI is exempted from income tax on its foreign-derived income in the BVI.

(iii) Hong Kong profits tax

Under the current Hong Kong Inland Revenue Ordinance, the subsidiaries of the Group in Hong Kong are subject to 16.5% Hong Kong profit tax on its taxable income generated from operations in Hong Kong. Additionally, payments of dividends by the subsidiary incorporated in Hong Kong are not subject to any Hong Kong withholding tax.

(iv) Singapore

The income tax provision of the Group in respect of its international operations in Singapore was calculated at the tax rate of 17% on the assessable profits, based on the existing legislation, interpretations and practices in respect thereof.

According to the Development and Expansion Incentive (the “Incentive”) pursuant to the provisions of Part IIIB of the Economic Expansion Incentives (Relief from Income Tax) Act, Chapter 86, corporations engaging in new high-value-added projects, expanding or upgrading their operations, or undertaking incremental activities after their pioneer period may apply for their profits to be taxed at a reduced rate of not less than 5% for an initial period of up to ten years. The total tax relief period for each qualifying project or activity is subject to a maximum of 40 years (inclusive of the post-pioneer relief period previously granted, if applicable).

The Group’s Singapore entities provided for income tax are as follows:

- Bigo Singapore applied for the Incentive and received approval in October 2018. Bigo Singapore is entitled to enjoy the beneficial tax rate of 5% as the Incentive for the years 2018 through 2022, and will need to re-apply for the Incentive qualification renewal in 2023.

- Other Singapore entities were subject to 17% income tax for the periods reported.

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23. Income tax (continued)

(v) PRC

The Company's subsidiaries and VIEs in China are governed by the Enterprise Income Tax Law ("EIT Law"), which became effective on January 1, 2008. Pursuant to the EIT Law and its implementation rules, enterprises in China are generally subject to tax at a statutory rate of 25%. Certified High and New Technology Enterprises ("HNTE") are entitled to a favorable tax rate of 15%, but need to re-apply every three years. During this three-year period, an HNTE must conduct a qualification self-review each year to ensure it meets the HNTE criteria and is eligible for the 15% preferential tax rate for that year. If an HNTE fails to meet the criteria for qualification in any year, the enterprise cannot enjoy the preferential tax rate in that year, and must instead use the regular 25% EIT rate.

Enterprises qualified as software enterprises can enjoy an income tax exemption for two years beginning with their first profitable year and a 50% tax reduction to the applicable tax rate for the subsequent three years. An entity that qualifies as a "Key National Software Enterprise" (a "KNSE") is entitled to a further reduced preferential income tax rate of 10%. Enterprises wishing to enjoy the status of a Software Enterprise or a KNSE must perform a self-assessment each year to ensure they meet the criteria for qualification and file required supporting documents with the tax authorities before adopting the preferential EIT rates. These enterprises will be subject to the tax authorities' assessment each year as to whether they are entitled to use the relevant preferential EIT treatments. If at any time during the preferential tax treatment years an enterprise uses the preferential EIT rates but the relevant authorities determine that it fails to meet applicable criteria for qualification, the relevant authorities may revoke the enterprise's Software Enterprise/KNSE status.

The EIT Law also provides that an enterprise established under the laws of a foreign country or region but whose "de facto management body" is located in the PRC be treated as a resident enterprise for PRC tax purposes and consequently be subject to the PRC income tax at the rate of 25% for its global income. The Implementing Rules of the EIT Law merely define the location of the "de facto management body" as "the place where the exercising, in substance, of the overall management and control of the production and business operation, personnel, accounting, properties, etc., of a non-PRC company is located." Based on a review of surrounding facts and circumstances, the Group does not believe that it is likely that its entities registered outside of the PRC should be considered as resident enterprises for the PRC tax purposes.

The Group's principal PRC entities provided for enterprise income tax are as follows:

- Guangzhou Huaduo applied for the renewal of HNTE qualification and received approval in December 2019. Guangzhou Huaduo is entitled to continue to enjoy the beneficial tax rate of 15% as an HNTE for the years 2019 through 2021, and will need to re-apply for HNTE qualification renewal in 2022.
- In 2018, Guangzhou Huanju Shidai was qualified as a KNSE after the relevant government authorities' assessment and was entitled to a preferential income tax rate of 10%. In 2019, Guangzhou Huanju Shidai is expected to enjoy a reduced tax rate of 10% based on its self-assessment.
- In June 2017, Guangzhou Juhui Information Technology Co., Ltd. was qualified as a Software Enterprise, and started to enjoy the zero preferential tax rate beginning from 2016 and 12.5% preferential tax rate beginning from 2018.
- Huya Technology was qualified as a Software Enterprise and enjoyed the zero preferential tax rate in 2018. In 2019, Huya Technology assessed it is qualified as a KNSE and applied the preferential income tax rate of 10%.
- Guangzhou Huya was qualified as an HNTE in 2018. It is entitled to enjoy the preferential tax rate of 15% for three years starting from 2018, and will need to apply for HNTE qualification renewal in 2021.
- Guangzhou BaiGuoYuan Network Technology Co., Ltd. was qualified as a Software Enterprise, and started to enjoy the zero preferential tax rate beginning from 2018 and 12.5% preferential tax rate beginning from 2020.

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23. Income tax (continued)

(v) PRC (continued)

- Guangzhou BaiGuoYuan Information Technology Co., Ltd. was qualified as an HNTE in 2018. It is entitled to enjoy the preferential tax rate of 15% for the years 2018 through 2020, and will need to re-apply for HNTE qualification renewal in 2021.

- Other PRC subsidiaries and VIEs were subject to 25% EIT for the periods reported.

According to a policy promulgated by the State Tax Bureau of the PRC and effective from 2008 onwards, enterprises engaged in research and development activities are entitled to claim an additional tax deduction amounting to 50% of the qualified research and development expenses incurred in determining its tax assessable profits for that year. The additional tax deducting amount of the qualified research and development expenses have been increased from 50% to 75%, effective from 2018 to 2020, according to a new tax incentives policy promulgated by the State Tax Bureau of the PRC in September 2018 (“Super Deduction”).

Qualified subsidiaries and VIEs of the Group claimed the Super Deduction in ascertaining the tax assessable profits for the periods reported.

The EIT Law also imposes a withholding income tax of 10% on dividends distributed by an FIE to its immediate holding company outside of China, if such immediate holding company is considered as a non-resident enterprise without any establishment or place within China or if the received dividends have no connection with the establishment or place of such immediate holding company within China, unless such immediate holding company’s jurisdiction of incorporation has a tax treaty with China that provides for a different withholding arrangement. The Cayman Islands, where the Company incorporated, does not have such tax treaty with China. According to the arrangement between the mainland China and Hong Kong Special Administrative Region on the Avoidance of Double Taxation and Prevention of Fiscal Evasion in August 2006, dividends paid by an FIE in China to its immediate holding company in Hong Kong will be subject to withholding tax at a rate of no more than 5% (if the foreign investor owns directly at least 25% of the shares of the FIE). In accordance with accounting guidance, all undistributed earnings are presumed to be transferred to the parent company and are subject to the withholding taxes. All FIEs are subject to the withholding tax from January 1, 2008. The presumption may be overcome if the Group has sufficient evidence to demonstrate that the undistributed dividends will be re-invested and the remittance of the dividends will be postponed indefinitely.

Aggregate undistributed earnings and reserves of the Group entities located in the PRC that are available for distribution to the Company as of December 31, 2019 and 2020 are approximately RMB16,010,167 and RMB17,011,683 respectively.

The Group has a plan to indefinitely reinvest its aggregate undistributed earnings and reserves and any future earnings in the PRC for use in the operation and expansion of its business. Accordingly, no deferred tax liability on 10% withholding tax of aggregate undistributed earnings and reserves of the Company’s subsidiaries located in the PRC has been accrued that would be payable upon the distribution of those amounts to the Company as of December 31, 2019 and 2020.

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23. Income tax (continued)

Composition of income tax expense

The current and deferred portions of income tax expense included in the consolidated statements of comprehensive income are as follows:

	For the year ended December 31,		
	2018 RMB	2019 RMB	2020 RMB
Income (loss) before income tax expenses			
PRC entities	(754,106)	(903,740)	(1,473,899)
Non-PRC entities	1,318,981	177,839	1,591,617
Total	564,875	(725,901)	117,718
Current income tax (expenses) benefit			
PRC entities	(4,592)	32,684	(43,394)
Non-PRC entities	(48,931)	(30,024)	(61,738)
Total	(53,523)	2,660	(105,132)
Deferred income tax (expenses) benefit			
PRC entities	10,288	34,001	(44,075)
Non-PRC entities	(24,565)	104,447	(43,130)
Total	(14,277)	138,448	(87,205)
Income tax (expenses) benefit			
PRC entities	5,696	66,685	(87,469)
Non-PRC entities	(73,496)	74,423	(104,868)
Total	(67,800)	141,108	(192,337)

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23. Income tax (continued)

Reconciliation of the differences between statutory tax rate and the effective tax rate

The reconciliation of total tax expense computed by applying the respective statutory income tax rate to pre-tax income is as follows:

	For the year ended December 31,		
	2018	2019	2020
PRC Statutory income tax rate	(25.0)%	(25.0)%	(25.0)%
Effect of tax holiday and preferential tax benefit	(7.2)%	23.0 %	(169.3)%
Effect of different tax rates available to different jurisdictions (i)	51.6 %	(60.7)%	357.7 %
Permanent differences (ii)	(5.0)%	0.2 %	(124.8)%
Change in valuation allowance	(39.3)%	59.6 %	(384.5)%
Effect of Super Deduction available to the Group	12.9 %	(16.5)%	182.5 %
Effective income tax rate	(12.0)%	(19.4)%	(163.4)%
Per ADS effect of tax holiday (RMB)	4.45	0.52	0.33
Per share effect of tax holiday (RMB)	0.22	0.03	0.02

(i) The effect of different tax rates available to different jurisdictions was mainly due to the re-measurement gain of the previously held equity interest in Bigo on the acquisition date incurred by Duowan BVI whose applicable tax rate is zero for the year ended December 31, 2019.

(ii) Permanent differences mainly arise from expenses not deductible for tax purposes including primarily share-based compensation costs and expenses incurred by subsidiaries and VIEs.

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23. Income tax (continued)

Deferred tax assets and liabilities

Deferred taxes are measured using the enacted tax rates for the periods in which they are expected to be reversed. The tax effects of temporary differences that give rise to the deferred tax asset balances as of December 31, 2019 and 2020 are as follows:

	December 31,	
	2019	2020
	RMB	RMB
Deferred tax assets:		
Tax loss carried forward	604,949	808,332
Allowance for doubtful receivable, accrued expense and others not currently deductible for tax purposes	158,536	234,696
Deferred revenue	13,841	29,857
Impairment of investment	19,280	23,537
Others	2,479	7,683
Valuation allowance (i)	(607,667)	(980,388)
Amounts offset by deferred tax liabilities	(124,307)	(123,717)
Total deferred tax assets, net	67,111	—
Deferred tax liabilities:		
Related to the fair value changes of investments	50,519	150,841
Related to acquired intangible assets	323,466	239,898
Others	14,961	9,780
Amounts offset by deferred tax assets	(124,307)	(123,717)
Total deferred tax liabilities, net	264,639	276,802

(i) Valuation allowance is provided against deferred tax assets when the Group determines that it is more likely than not that the deferred tax assets will not be utilized in the future. In making such determination, the Group considered factors including future taxable income exclusive of reversing temporary differences and tax loss carry forwards. Valuation allowance was provided for net operating loss carry forward because it was more likely than not that such deferred tax assets would not be realized based on the Group's estimate of its future taxable income. If events occur in the future that allow the Group to realize more of its deferred income tax than the presently recorded amounts, an adjustment to the valuation allowances will result in a decrease in tax expense when those events occur.

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23. Income tax (continued)

Deferred tax assets and liabilities (continued)

Movement of valuation allowance

	For the year ended December 31,		
	2018	2019	2020
	RMB	RMB	RMB
Balance at beginning of the year	(57,281)	(169,179)	(607,667)
Additions	(236,981)	(549,900)	(584,363)
Reversals	125,083	111,412	211,642
Balance at end of the year	(169,179)	(607,667)	(980,388)

Tax loss carry forwards

As of December 31, 2020, total tax loss carry forwards of the Company's subsidiaries and VIEs in the PRC amounted to RMB2,248,432, which were mainly generated by non-HNTEs. The tax losses in PRC can be carried forward for five years to offset future taxable profit, and the period was extended to 10 years for entities qualified as HNTEs in 2019 and thereafter. The tax losses of entities in the PRC will expire from 2021 to 2030, if not utilized. The accumulated tax losses of subsidiaries incorporated in Hong Kong, Singapore and other countries, subject to the agreement of the relevant tax authorities, of RMB30,391, RMB2,721,376 and RMB510,456 respectively, are allowed to be carried forward to offset against future taxable profits. Such carry forward of tax losses in Hong Kong and Singapore have no time limit.

In accordance with PRC Tax Administration Law on the Levying and Collection of Taxes, the PRC tax authorities generally have up to five years to claw back underpaid tax plus penalties and interest for PRC entities' tax filings. In the case of tax evasion, which is not clearly defined in the law, there is no limitation on the tax years open for investigation. There were no ongoing examinations by tax authorities as of December 31, 2020.

24. Mezzanine equity

On July 10, 2017, Huya issued 22,058,823 shares of redeemable convertible preferred shares ("Series A Preferred Shares") at a price of US$3.4 per share with total cash consideration of US$75,000 (equivalent to RMB509,730 as of the issuance date).

On March 8, 2018, Huya issued 64,488,235 shares of redeemable convertible preferred shares ("Series B-2 Preferred Shares") for cash consideration of US$461,600 (equivalent to RMB2,919,112 as of the issuance date) to Linen Investment Limited, a wholly owned subsidiary of Tencent Holdings Limited ("Tencent"). As holders of the Series B-2 Preferred Shares who exercise the redemption rights are allowed to request Huya to issue a convertible note if the Huya's assets or funds legally available for redemption are insufficient, the host contract is considered to be a debt host. As the conversion feature is an equity instrument as it results in conversion of preferred shares into equity shares, this feature is not clearly and closely related to the debt host. In addition, net settlement criteria is met for the conversion right given the holder will receive the greater of a fixed amount or the if-converted value in the occurrence of a liquidation or deemed liquidation. Therefore, Huya determined that conversion feature embedded in the Series B-2 Preferred Shares is required to be bifurcated and accounted for as a derivative liability and measured at fair value at the end of each reporting year prior to the completion of Huya's IPO. Upon the issuance of Series B-2 Preferred Shares, the conversion features of Series A Preferred Shares was also modified to be the same as Series B-2 Preferred Shares. Therefore, the difference between the fair value of the modified Series A Preferred Shares and the carrying value of Series A Preferred Shares on the modification date was recognized as a deemed dividend against retained earnings, amounting to RMB489,284. The initial recognition of the derivative liabilities for Series A Preferred Shares and Series B-2 Preferred Shares amounted to RMB892 million and the fair value loss on derivative liabilities of RMB2,285,223 was recognized in the consolidated statement of comprehensive income for the year ended December 31, 2018.

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24. Mezzanine equity (continued)

Prior to the completion of Huya's IPO, the Group recorded accretion of redemption value in accordance with ASC 480-10. The Group used the interest method to accrete the changes in redemption value over the period from the date of issuance to the earliest redemption date of the redeemable convertible preferred shares. In 2018, the accretion charge of redeemable convertible preferred shares to redemption value was RMB71,628.

Upon the completion of Huya's IPO in May 2018, all the redeemable convertible preferred shares were automatically converted into ordinary share of Huya. The Group derecognized the derivative liability mentioned above and recognized a one-time credit to additional paid-in capital of RMB4,804,947 in shareholders' equity in the consolidated balance sheets to reflect: 1) the increase in the value of the Group's equity in Huya resulted from the proceeds from Huya's IPO amounting to RMB795,073 and 2) conversion of redeemable convertible preferred shares amounting to RMB4,009,874.

In 2018, another subsidiary of the Group issued 500,000,000 shares of redeemable convertible preferred shares for cash consideration of US$50,000 (equivalent to RMB345,420 as of the issuance date) to certain third-party investors. The Group classifies the redeemable convertible preferred shares as mezzanine equity and records accretion of redemption value in accordance with ASC 480-10. The Group used the interest method for the changes of redemption value over the period from the date of issuance to the earliest redemption date of the non-controlling interests. Accretion of redeemable convertible preferred shares to redemption value of RMB5,758, RMB34,448 and RMB34,565 was recognized for the years ended December 31, 2018, 2019 and 2020.

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25. Common shares and treasury shares

During the year ended December 31, 2018, 6,694,940 Class A common shares were issued for the exercised share options, vested restricted shares and restricted share units and 29,800,000 Class B common shares were converted to Class A common shares.

As of December 31, 2018, 10,000,000,000 Class A common shares and 1,000,000,000 Class B common shares had been authorized, 981,740,848 Class A common shares and 288,182,976 Class B common shares had been issued and outstanding, respectively.

On August 13, 2019, the Company's board of directors approved a share repurchase programs (the "Share Repurchase Program"), pursuant to which the Company may repurchase from time to time at management's discretion, at prevailing market prices in the open market in accordance with Rule 10b-18 under the Securities Exchange Act of 1934, up to US$300 million in total of the Company's outstanding ADSs for a period not to exceed twelve (12) months from the date of approval by board of directors. For the year ended December 31, 2019, the Company had repurchased an aggregate of 434,145 ADSs, representing 8,682,900 Class A common shares at an average price of US$54.6194 per ADS, or US$2.7310 per Class A common share, for aggregate consideration of US$23.7 million. Since the shares repurchased hasn't been cancelled, the excess of repurchase price over par value was recorded as treasury shares upon the repurchase date.

Additionally, in order to lower the average cost of acquiring shares in the ongoing share repurchase program, the Company purchased a capped call option of US$11.7 million for the repurchase of shares. Upon expiration of the option, if the closing market price of the Company's common share is at or above the pre-determined price (the "Strike Price"), the Company will have its initial investment returned with a premium in either cash or shares at the Company's election. If the closing market price is below the Strike Price, the Company will receive the number of shares specified in the agreement. As the outcome of these arrangements is based entirely on the Company's stock price and does not require the Company to deliver either shares or cash, other than the initial investment, the entire transaction is recorded in equity. The agreement was expired in January 2020 and the Company received approximate US$12.2 million (approximately RMB84.8 million) of cash that was recorded in equity.

During the year ended December 31, 2019, 6,216,060 Class A common shares were issued for the exercised share options, vested restricted shares and restricted share. 305,127,046 Class A common shares and 38,326,579 Class B common shares were issued to Bigo's selling shareholders during Bigo's acquisition.

As of December 31, 2019, 10,000,000,000 Class A common shares and 1,000,000,000 Class B common shares had been authorized, 1,301,845,404 Class A common shares and 326,509,555 Class B common shares had been issued, 1,293,162,504 Class A common shares and 326,509,555 Class B common shares were outstanding, respectively.

During the year ended December 31, 2020, 12,363,420 Class A common shares were issued for the exercised share options, vested restricted shares and restricted share. The Company also repurchased an aggregate of 1,658,291 ADSs, representing 33,165,820 Class A common shares at an average price of US$69.8407 per ADS or US$3.4920 per Class A common share, for aggregate consideration of US$115.8 million. Since the shares repurchased have not been cancelled, the excess of repurchase price over par value was recorded as treasury shares upon the repurchase date.

As of December 31, 2020, 10,000,000,000 Class A common shares and 1,000,000,000 Class B common shares had been authorized, 1,314,208,824 Class A common shares and 326,509,555 Class B common shares had been issued, 1,272,346,218 Class A common shares and 326,509,555 Class B common shares were outstanding, respectively.

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26. Share-based compensation

(a) JOYY's share-based awards

(i) Restricted Share Units

On September 16, 2011, the board of directors of the Company approved the 2011 Share Incentive Scheme which include share options, restricted share units and restricted shares. In October 2012, the board of directors of the Company resolved that the maximum aggregate number of Class A common shares which may be issued pursuant to all awards under the 2011 Share Incentive Scheme shall be 43,000,000 plus an annual increase of 20,000,000 on the first day of each fiscal year, or such lesser amount of Class A common shares as determined by the board of directors of the Company.

During the years ended December 31, 2018, 2019 and 2020, the Company granted restricted share units to employees of 11,977,794, 16,114,095 and 62,770,405, respectively, pursuant to the 2011 Share Incentive Plan.

The following table summarizes the restricted share units activity for the years ended December 31, 2018, 2019 and 2020:

	Number of restricted shares	Weighted average grant-date fair value (US$)
Outstanding, December 31, 2017	30,874,144	4.4969
Granted	11,977,794	4.7052
Forfeited	(5,115,304)	4.6843
Vested	(12,507,000)	3.6776
Outstanding, December 31, 2018	25,229,634	4.9639
Granted	16,114,095	3.0005
Forfeited	(6,381,786)	4.7840
Vested	(7,848,811)	4.7427
Outstanding, December 31, 2019	27,113,132	3.9034
Granted	62,770,405	3.6059
Forfeited	(10,312,521)	3.9198
Vested	(6,918,126)	4.3045
Outstanding, December 31, 2020	72,652,890	3.6059
Expected to vest as of December 31, 2020	69,119,313	3.5939

For the years ended December 31,2018,2019 and 2020, the Company recorded share-based compensation of RMB197,434, RMB107,977 and RMB325,788 in relation to continuing operations using the graded-vesting attribution method.

As of December 31, 2020, total unrecognized compensation expense relating to the restricted share units was RMB1,114,731. The expense is expected to be recognized over a weighted average period of 1.58 years using the graded-vesting attribution method.

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26. Share-based compensation

(a) JOYY's share-based awards (continued)

(ii) Restricted Shares

In connection with the acquisition of Bigo in March 2019, the Group issued common shares to replace Bigo's share incentive scheme.

There are mainly three types of vesting schedule under Bigo's share incentive scheme, which are: i) 50% of the share-based awards will be vested after 24 months of the grant date and the remaining 50% will be vested in two equal installments over the following 24 months, ii) share-based awards will be vested in four equal installments over the following 48 months, and iii) share-based awards will be vested in three equal installments over the following 36 months. After the acquisition, Bigo's share incentive scheme are replaced by JOYY's restricted shares of 38,042,760 without change in vesting terms. The post-acquisition share-based compensation expenses are recognized over the remaining vesting period after the acquisition date.

In addition, the Company granted additional restricted shares to employees of 4,541,086 during the year ended December 31, 2020.

The following table summarizes the restricted shares activity for the years ended December 31, 2018, 2019 and 2020:

	Number of restricted shares	Weighted average grant-date fair value (US$)
Outstanding, December 31, 2018	—	—
Replacement due to acquisition of Bigo	38,042,760	3.6100
Granted	16,041,327	3.4750
Forfeited	(7,279,877)	3.6302
Vested	(8,599,959)	3.6608
Outstanding, December 31, 2019	38,204,251	3.5267
Granted	4,541,086	3.9739
Forfeited	(4,554,972)	3.5287
Vested	(11,770,000)	3.6290
Outstanding, December 31, 2020	26,420,365	3.5577
Expected to vest as of December 31, 2020	23,362,211	3.5635

For the year ended December 31, 2019 and 2020, the Company recorded share-based compensation for restricted shares in relation to continuing operations of RMB364,907 and RMB267,962 using the graded-vesting attribution method.

As of December 31, 2020, total unrecognized compensation expense relating to the restricted shares was RMB219,226. The expense is expected to be recognized over a weighted average period of 1.69 years using the graded-vesting attribution method.

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26. Share-based compensation (continued)

(a) JOYY's share-based awards (continued)

(iii) Share options

Pre-2009 Scheme Options

Before the adoption of the Employee Equity Incentive Scheme (the "2009 Incentive Scheme"), 12,705,700 and 8,499,050 share options were granted to employees through individually signed share option agreements, to acquire common shares of Duowan BVI on a one-to-one basis on January 1, 2008 and 2009 respectively. In addition, on January 1, 2008, 3,832,290 share options were granted to one non-employee for the provision of consulting services to the Group (collectively defined as "Pre-2009 Scheme Options").

The vesting of the Pre-2009 Scheme Options has already been completed before January 1, 2016. As of December 31, 2018, all outstanding, vested and exercisable share options have been exercised.

2011 Share Incentive Scheme

Grant of options

During the year ended December 31, 2019 and 2020, the Company granted 438,100 and nil share options to employees, pursuant to the 2011 Share Incentive Scheme.

Vesting of options

There are three types of vesting schedule, which are: i) options will be vested in three equal installments over the following 36 months, ii) 50% of the options will be vested after 24 months of the grant date and the remaining 50% will be vested in two equal installments over the following 24 months, and iii) 50% of the options will be vested after 24 months of the grant date and the remaining 50% will be vested in one installments over the following 12 months.

Movements in the number of share options granted and their related weighted average exercise prices are as follows:

	Number of options	Weighted average exercise price (US$)	Weighted average remaining contractual life (years)	Aggregate intrinsic value (US$)
Outstanding, January 1, 2018	—	—	—	—
Granted	10,934,300	4.7025		
Outstanding, December 31, 2018	10,934,300	4.7025	5.29	—
Granted	438,100	3.5350		
Forfeited	(1,065,000)	4.5225		
Outstanding, December 31, 2019	10,307,400	3.8069	5.45	—
Outstanding, December 31, 2020	10,307,400	3.8069	4.45	—
Expected to vest as of December 31, 2020	10,307,400	3.8069	4.45	3,669
Exercisable as of December 31, 2020	3,233,650	4.4016	4.83	387

Forfeitures are estimated at the time of grant. If necessary, forfeitures are revised in subsequent periods if actual forfeitures differ from those estimates.

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26. Share-based compensation (continued)

(a) JOYY's share-based awards (continued)

(iii) Share options (continued)

The aggregate intrinsic value in the table above represents the difference between the Company's common shares as of December 31, 2019 and 2020 and the exercise price. The total intrinsic value was nil due to the higher exercise price compared to the Company's common shares as of December 31, 2018 and 2019 and the exercise price.

For the year ended December 31, 2018, 2019 and 2020, the Company recorded share-based compensation in relation to continuing operations of RMB22,760, RMB49,154 and RMB38,686 using the graded vesting attribution method.

The Company has used binomial option-pricing model to determine the fair value of the share options as of the grant dates. Key assumptions are set as below:

	2019
Weighted average fair value per option granted	1.7582
Weighted average exercise price	3.5350
Weighted average Risk-free interest rate [1]	1.82 %
Expected term (in year) [2]	6
Expected volatility [3]	56 %
Dividend yield [4]	—

(1) The risk-free interest rate of periods within the contractual life of the share option is based on US Treasury Bonds of similar tenor at the valuation dates.

(2) The expected term is the contract life of the option.

(3) Expected volatility is estimated based on the average of historical volatilities of the Company at the valuation dates.

(4) The Company has no history or expectation of paying dividend on its common shares before December 31,2019. The expected dividend yield was estimated based on the Company's expected dividend policy over the expected term of the option.

(b) Other share-based awards

For the years ended December 31, 2018, 2019 and 2020, the Company recorded share-based compensation expense of RMB7,940, RMB4,038 and RMB3,540 for other share-based compensation.

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27. Basic and diluted net income per share

Basic and diluted net income per share for the years ended December 31, 2018, 2019 and 2020 are calculated as follows:

	For the year ended December 31,		
	2018	**2019**	**2020**
	RMB	RMB	RMB
Numerator:			
Net income (loss) from continuing operations attributable to common shareholders of JOYY Inc.	614,630	(582,608)	(171,237)
Numerator for diluted income (loss) per share from continuing operations	614,630	(582,608)	(171,237)
Net income from discontinued operations attributable to common shareholders of JOYY Inc.	1,027,328	3,961,938	9,780,143
Incremental dilution from Huya[(1)]	—	(14,004)	(4,531)
Numerator for diluted income per share from discontinued operations	1,641,958	3,365,326	9,604,375
Denominator:			
Denominator for basic calculation—weighted average number of Class A and Class B common shares outstanding	1,280,847,795	1,544,396,920	1,600,199,759
Dilutive effect of share options	94,254	—	—
Dilutive effect of restricted share units	12,966,689	—	—
Denominator for diluted calculation	1,293,908,738	1,544,396,920	1,600,199,759
Basic net income (loss) per Class A and Class B common share	1.28	2.19	6.00
Continuing operations	0.48	(0.38)	(0.11)
Discontinued operations	0.80	2.57	6.11
Diluted net income (loss) per Class A and Class B common share	1.27	2.18	6.00
Continuing operations	0.48	(0.38)	(0.11)
Discontinued operations	0.79	2.56	6.11
Basic net income (loss) per ADS*	25.64	43.77	120.10
Continuing operations	9.60	(7.54)	(2.14)
Discontinued operations	16.04	51.31	122.24
Diluted net income (loss) per ADS*	25.38	43.59	120.04
Continuing operations	9.50	(7.54)	(2.14)
Discontinued operations	15.88	51.13	122.18

* Each ADS represents 20 common shares.

(1) In calculation of diluted net income per share, assuming a dilutive effect, all of Huya's existing unvested restricted share units and unexercised share options are treated as vested and exercised by Huya under the treasury stock method, causing the decrease percentage of the weighted average number of shares held by the Company in Huya. As a result, Huya's net income (loss) attributable to the Company on a diluted basis decreased accordingly, which is presented as "incremental dilution from Huya" in the table.

For the years ended December 31, 2018, 2019 and 2020, the following shares outstanding were excluded from the calculation of diluted net (loss) income per share, as their inclusion would have been anti-dilutive for the periods prescribed but which could potentially dilute EPS in the future.

	For the year ended December 31,		
	2018	**2019**	**2020**
Shares issuable upon exercise of share options	—	10,307,400	10,307,400
Shares issuable upon exercise of restricted share units	—	27,113,132	72,652,890
Shares issuable upon exercise of restricted share	—	38,204,251	26,420,365
Shares issuable upon conversion of convertible bonds	180,668	208,542,000	210,568,000

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28. Related party transactions

The table below sets forth the major related parties and their relationships with the Group:

Major related parties	Relationship with the Group
Guangzhou Sunhongs Corp., Ltd. ("Guangzhou Sunhongs") (Formerly known as Guangzhou Shanghang Information Technology Co., Ltd.)	Significant influence exercised by a principal shareholder of the Company
Kingsoft Cloud Holdings Limited ("Kingsoft Cloud")	Significant influence exercised by a principal shareholder of the Company
Xiaomi Corporation ("Xiaomi Group")	Controlled by a principal shareholder of the Company
Huya *	Investment with significant influence
Shanghai Chuangsi Enterprise Development Co., Ltd. ("Shanghai Chuangsi")	Investment with significant influence

* Since April 3, 2020, Huya ceased to be a subsidiary of the Group and the Group accounted for the investment in Huya using the equity method.

During the years ended December 31, 2018, 2019 and 2020, significant related party transactions are as follows:

	For the year ended December 31,		
	2018	2019	2020
	RMB	RMB	RMB
Disposal of investments to related parties	—	—	140,132
Bandwidth service provided by Guangzhou Sunhongs	92,454	92,553	98,364
Promotion expense charged from related parties	57	25,534	17,511
Bandwidth service provided by Kingsoft Cloud	2,106	11,899	14,694
Loan to related parties	188,000	170,000	5,000
Purchase of fixed assets from Kingsoft Cloud	—	16,776	2,952
Payments on behalf of related parties, net of repayments	(2,543)	(12,261)	2,317
Online games revenue shared from related parties	31,366	3,588	—
Repayment of loans from related parties	20,000	—	—
Others	9,626	13,878	5,874

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28. Related party transactions (continued)

As of December 31, 2019 and 2020, the amounts due from/to related parties are as follows:

	December 31,	
	2019	**2020**
	RMB	RMB
Amounts due from related parties, current		
Others	1,709	3,986
Amounts due to related parties		
Due to Shanghai Chuangsi*	176,893	5,962
Due to Kingsoft Cloud	641	1,491
Due to Xiaomi Group	11,513	3,221
Due to Guangzhou Sunhongs	8,931	7,568
Others	7,943	6,699
Total	205,921	24,941

*Other receivables and payables from/to related parties are unsecured and payable on demand.

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29. Fair value measurements

Fair value reflects the price that would be received from selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When determining the fair value measurements for assets and liabilities required or permitted to be recorded at fair value, the Group considers the principal or most advantageous market in which it would transact and considers assumptions that market participants would use when pricing the assets or liabilities.

The Group applies a fair value hierarchy that requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. A financial instrument's categorization within the fair value hierarchy is based upon the lowest level of input that is significant to the fair value measurement. This guidance specifies a hierarchy of valuation techniques, which is based on whether the inputs into the valuation technique are observable or unobservable. The hierarchy is as follows:

Level 1—Valuation techniques in which all significant inputs are unadjusted quoted prices from active markets for assets or liabilities that are identical to the assets or liabilities being measured.

Level 2—Valuation techniques in which significant inputs include quoted prices from active markets for assets or liabilities that are similar to the assets or liabilities being measured and/or quoted prices for assets or liabilities that are identical or similar to the assets or liabilities being measured from markets that are not active. Also, model-derived valuations in which all significant inputs and significant value drivers are observable in active markets are Level 2 valuation techniques.

Level 3—Valuation techniques in which one or more significant inputs or significant value drivers are unobservable. Unobservable inputs are valuation technique inputs that reflect the Group's own assumptions about the assumptions that market participants would use in pricing an asset or liability.

The fair value guidance describes three main approaches to measure the fair value of assets and liabilities: (1) market approach; (2) income approach and (3) cost approach. The market approach uses prices and other relevant information generated from market transactions involving identical or comparable assets or liabilities. The income approach uses valuation techniques to convert future amounts to a single present value amount. The measurement is based on the value indicated by current market expectations about those future amounts. The cost approach is based on the amount that would currently be required to replace an asset.

When available, the Group uses quoted market prices to determine the fair value of an asset or liability. If quoted market prices are not available, the Group will measure fair value using valuation techniques that use, when possible, current market-based or independently sourced market parameters, such as interest rates and currency rates.

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29. Fair value measurements (continued)

The following table summarizes the Company's assets that are measured at fair value on a recurring basis and are categorized using the fair value hierarchy as of December 31, 2019 and 2020:

	As of December 31, 2019		
	Level 1	**Level 2**	**Total**
Assets			
Short-term investments (i)	372,767	2,959,564	3,332,331
Equity investment with readily determinable fair values (ii)	115,926	—	115,926
Derivative – forward exchange contracts	—	6,340	6,340
	488,693	2,965,904	3,454,597
Liabilities			
Derivatives – forward exchange contracts	—	(11,495)	(11,495)

	As of December 31, 2020		
	Level 1	**Level 2**	**Total**
Assets			
Short-term investments (i)	810,237	2,381,101	3,191,338
Equity investment with readily determinable fair values (ii)	1,206,899	—	1,206,899
Derivative - forward exchange contracts	—	354	354
	2,017,136	2,381,455	4,398,591
Liabilities			
Derivatives - forward exchange contracts	—	(44,301)	(44,301)

(i) Short-term investments represented the investments issued by commercial banks or other financial institutions with a variable interest rate indexed to the performance of underlying assets within one year. For the instruments whose fair value is provided by banks at the end of each period, the Company classifies the valuation techniques that use these inputs as Level 1 of fair value measurements. For the instruments whose fair value is estimated based on quoted prices of similar products provided by banks at the end of each period, the Company classifies the valuation techniques that use these inputs as Level 2 of fair value measurements.

(ii) Equity investments with readily determinable fair values are valued using the market approach based on the quoted prices in active markets at the reporting date. The Group classifies the valuation techniques that use these inputs as Level 1 of fair value measurements.

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29. Fair value measurements (continued)

The following table presents the changes in Level 3 assets for the years ended December 31, 2020:

	Available-for-sale debt investment — Convertible bond
	RMB
Balance as of January 1, 2020	—
Acquisition	6,525
Balance as of December 31, 2020	6,525

Available-for-sale debt investments do not have readily determinable market value, which were categorized as Level 3 in the fair value hierarchy. The Company uses a combination of valuation methodologies, including market and income approaches based on the Company's best estimate, which is determined by using information including but not limited to the pricing of recent rounds of financing of the investees, future cash flow forecasts, liquidity factors and multiples of a selection of comparable companies. Since the convertible bond was acquired at the end of 2020, no significant change in its fair value as of December 31, 2020.

Fair value measurement on a non-recurring basis

The Company measures investments without readily determinable fair value on a nonrecurring basis when impairment charges and fair value change due to observable price change are recognized. These nonrecurring fair value measurements use significant unobservable inputs (Level 3). The Company uses a combination of valuation methodologies, including market and income approaches based on the Company's best estimate to determine the fair value of these investments. An observable price change is usually resulting from new rounds of financing of the investees. The Company determines whether the securities offered in new rounds of financing are similar to the equity securities held by the Company by comparing the rights and obligations of the securities. When the securities offered in new rounds of financing are determined to be similar to the securities held by the Company, the Company adjusts the observable price of the similar security to determine the amount that should be recorded as an adjustment in the carrying value of the security to reflect the current fair value of the security held by the Company by using the back-solve method based on the equity allocation model with adoption of some key parameters such as risk-free rate and equity volatility. Inputs used in these methodologies primarily include discount rate, the selection of comparable companies operating in similar businesses and etc. For the years ended December 31, 2018, 2019 and 2020, gain on fair value changes of investment of RMB1,601,082, RMB2,657,370 and RMB101,735 due to the observable price change of the investment without readily determinable fair value. The gain on fair value changes of investment for the year ended December 31, 2019 was mainly due to the fair value change of investment in Bigo before the acquisition of Bigo, was recognized in gain on fair value changes of investments.

The Group assesses the existence of indicators for other-than-temporary impairment of the investments by considering factors including, but not limited to, current economic and market conditions, the operating performance of the entities including current earnings trends and other entity-specific information. In 2018, 2019 and 2020, based on the Group's assessment, an impairment charge of RMB35,348, RMB62,334 and RMB43,861 was recognized in general and administrative expenses, respectively, against the carrying value of the investments due to significant deterioration in earnings or unexpected changes in business prospects of the investees as compared to the original investment plans.

Apart from the short-term investments, equity investment measured at fair value through earnings and derivatives, the Company's other financial instruments principally consist of cash and cash equivalent, short-term deposits, long-term deposits, accounts receivable, financing receivables, other receivables, amounts due to/from related parties, accounts payable, certain accrued expenses and convertible bonds. These financial instruments are recorded at cost which approximates fair value. Available-for-sale debt investments do not have readily determinable market value, which were categorized as Level 3 in the fair value hierarchy.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(All amount in thousands, except share, ADS, per share and per ADS data, unless otherwise stated)

30. Commitments and contingencies

(a) Operating lease commitments

The operating lease commitments as of December 31 2020 as presented below mainly consist of the short-term lease commitments and leases that have not yet commenced but that create significant rights and obligations for the Company, which are not included in operating lease right-of-use assets and lease liabilities.

As of December 31, 2020, future minimum payments under non-cancellable operating leases commitments consist of the following:

	Office rental RMB
2021	9,318
2022	4,707
2023	1,495
2024 and after	—
	15,520

(b) Capital commitments

As of December 31, 2019 and 2020, the Group had outstanding capital commitments totaling to RMB915,780 and RMB932,898, which consisted of capital expenditures related to properties and additional investments in equity investments, respectively.

(c) Litigation

The Company and certain of its current and former officers and directors were named as defendants in a federal putative securities class action filed in November 2020 alleging that they made material misstatements and omissions in documents filed with the SEC regarding certain of the allegations contained in a short seller report. Up to the date of this report, the Company is not able to make a reliable estimate of the potential loss from the class action, if any.

31. Dividends

On March 26, 2021, the board of directors declared a dividend of US$0.51 per ADS, or US$0.0255 per common share, for the fourth quarter of 2020, which is expected to be paid on April 30, 2021 to shareholders of record as of the close of business on April 19, 2021.

32. Subsequent events

The transaction to sell YY Live business to Baidu as disclosed in Note 1(a) was substantially completed on February 8, 2021, with certain customary matters remaining to be completed in the near future. The Group is in the process of assessing the financial impact of the transaction.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(All amount in thousands, except share, ADS, per share and per ADS data, unless otherwise stated)

33. Restricted net assets

Relevant PRC laws and regulations permit payments of dividends by the Group's subsidiaries and VIEs incorporated in the PRC only out of their retained earnings, if any, as determined in accordance with PRC accounting standards and regulations. In addition, the Company's subsidiaries and VIEs in the PRC are required to annually appropriate 10% of their net after-tax income to the statutory general reserve fund prior to payment of any dividends, unless such reserve funds have reached 50% of their respective registered capital. As a result of these and other restrictions under PRC laws and regulations, the Group's subsidiaries and VIEs incorporated in the PRC are restricted in their ability to transfer a portion of their net assets to the Company either in the form of dividends, loans or advances, which restricted portion as calculated under U.S. GAAP amounted to approximately RMB6,111,088 and RMB6,402,960 as of December 31, 2019 and 2020, respectively. Even though the Company currently does not require any such dividends, loans or advances from the PRC entities for working capital and other funding purposes, the Company may in the future require additional cash resources from them due to changes in business conditions, to fund future acquisitions and development, or merely to declare and pay dividends or distributions to our shareholders. Except for the above, there is no other restriction on use of proceeds generated by the Group's subsidiaries and VIEs to satisfy any obligations of the Company.

The Company performed a test on the restricted net assets of subsidiaries and VIEs in accordance with Securities and Exchange Commission Regulation S-X Rule 4-08 (e) (3), "General Notes to Financial Statements" and concluded that the restricted net assets did not exceed 25% of the consolidated net assets of the Company as of December 31, 2020 and the condensed financial information of the Company are not required to be presented.

34. Segment Reporting

Historically, there are two segments in the Group, including YY Live and Huya for the years ended December 31, 2018. Starting from the first quarter of 2019, the segment of "YY Live" was renamed as "YY". The Company completed the acquisition of Bigo in March 2019, which is a separate segment of the Group. Therefore, there are three segments in the Group for the year ended December 31, 2019.

Starting from the second quarter of 2020, the Company deconsolidated Huya and Huya's historical financial results were reflected in the Company's consolidated financial statements as discontinued operations accordingly. As a result of the definitive agreements entered into with Baidu on the sale of YY Live, YY Live is represented as discontinued operations. YY segment is renamed as "All other" segment and has been recast to exclude the financial numbers of YY Live.

Therefore, there are only one operating segment in the Group for the year ended December 31, 2018, and two segments, including "Bigo" and "All other" for the years ended December 31, 2019 and 2020. As a result, no segment report was presented for the year ended December 31, 2018.

The Group currently does not allocate assets to all of its segments, as its CODM does not use such information to allocate resources or evaluate the performance of the operating segments.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(All amount in thousands, except share, ADS, per share and per ADS data, unless otherwise stated)

34. Segment Reporting (continued)

(a) The following table presents summary information by segment:

For the year ended December 31, 2020:

	Bigo RMB	All other RMB	Elimination[1] RMB	Total RMB
Net revenues				
Live streaming	11,447,221	1,077,604	—	12,524,825
Others	507,062	199,058	—	706,120
Total net revenues	11,954,283	1,276,662	—	13,230,945
Cost of revenues[2]	(8,330,271)	(1,179,318)	—	(9,509,589)
Gross profit	3,624,012	97,344	—	3,721,356
Operating expenses[2]				
Research and development expenses	(1,343,893)	(752,903)	—	(2,096,796)
Sales and marketing expenses	(3,078,226)	(406,588)	—	(3,484,814)
General and administrative expenses	(593,237)	(423,307)	—	(1,016,544)
Total operating expenses	(5,015,356)	(1,582,798)	—	(6,598,154)
Other income	24,848	31,263	—	56,111
Operating loss	(1,366,496)	(1,454,191)	—	(2,820,687)
Interest expense	(54,632)	(500,753)	33,370	(522,015)
Interest income and investment income	1,058	646,326	(33,370)	614,014
Foreign currency exchange losses, net	(115,915)	(2,944)	—	(118,859)
Gain on disposal and deemed disposal of investments	—	1,897,128	—	1,897,128
Gain on fair value changes of investment	—	1,127,714	—	1,127,714
Fair value change on derivatives	(1,841)	(40,479)	—	(42,320)
Other non-operating expenses	(6,257)	(11,000)	—	(17,257)
(Loss) income before income tax expenses	(1,544,083)	1,661,801	—	117,718
Income tax benefits (expenses)	64,382	(256,719)	—	(192,337)
(Loss) income before share of loss in equity method investments, net of income taxes	(1,479,701)	1,405,082	—	(74,619)
Share of loss in equity method investments, net of income taxes	—	(51,759)	—	(51,759)
Net (loss) income from continuing operations	(1,479,701)	1,353,323	—	(126,378)

(1) The elimination mainly consists of interest income and interest expenses generated from the loan between Bigo and all other segments.

(2) Share-based compensation was allocated in cost of revenues and operating expenses as follows:

	Bigo RMB	All other RMB	Total RMB
Cost of revenues	28,280	11,630	39,910
Research and development expenses	233,928	61,361	295,289
Sales and marketing expenses	4,855	4,163	9,018
General and administrative expense	230,516	61,243	291,759

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(All amount in thousands, except share, ADS, per share and per ADS data, unless otherwise stated)

34. Segment Reporting (continued)

(a) The following table presents summary information by segment: (continued)

For the year ended December 31, 2019:

	Bigo RMB	All other RMB	Elimination [1] RMB	Total RMB
Net revenues				
Live streaming	4,561,760	769,030	—	5,330,790
Others	406,556	501,963	—	908,519
Total net revenues	4,968,316	1,270,993	—	6,239,309
Cost of revenues[2]	(3,508,480)	(1,044,178)	—	(4,552,658)
Gross profit	1,459,836	226,815	—	1,686,651
Operating expenses[2]				
Research and development expenses	(979,153)	(654,515)	—	(1,633,668)
Sales and marketing expenses	(2,058,805)	(735,919)	—	(2,794,724)
General and administrative expenses	(331,461)	(606,758)	—	(938,219)
Total operating expenses	(3,369,419)	(1,997,192)	—	(5,366,611)
Gain on disposal of business	—	82,699	—	82,699
Other income	9,581	29,725	—	39,306
Operating loss	(1,900,002)	(1,657,953)	—	(3,557,955)
Interest expense	(31,956)	(265,513)	30,952	(266,517)
Interest income and investment income	2,684	454,899	(30,952)	426,631
Foreign currency exchange gains (losses), net	13,208	(4,569)	—	8,639
Gain on fair value changes of investment	—	2,679,312	—	2,679,312
Fair value change on derivatives	—	(16,011)	—	(16,011)
(Loss) income before income tax expenses	(1,916,066)	1,190,165	—	(725,901)
Income tax benefits	136,937	4,171	—	141,108
(Loss) income before share of income in equity method investments, net of income taxes	(1,779,129)	1,194,336	—	(584,793)
Share of income in equity method investments, net of income taxes	—	41,315	—	41,315
Net (loss) income from continuing operations	(1,779,129)	1,235,651	—	(543,478)

(1) The elimination mainly consists of interest income and interest expenses generated from the loan between Bigo and all other segments.

(2) Share-based compensation was allocated in cost of revenues and operating expenses as follows:

	Bigo RMB	All other RMB	Total RMB
Cost of revenues	28,250	12,756	41,006
Research and development expenses	300,297	62,144	362,441
Sales and marketing expenses	4,256	744	5,000
General and administrative expense	32,462	85,167	117,629

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(All amount in thousands, except share, ADS, per share and per ADS data, unless otherwise stated)

34. Segment Reporting (continued)

(b) The following tables set forth revenues and property and equipment for the Company's geographic operations:

	For the years ended December 31,		
	2018	2019	2020
	RMB	RMB	RMB
Revenues:			
PRC	827,717	2,052,372	2,505,034
Developed countries	—	1,437,030	4,211,648
Middle East	—	1,267,592	3,293,244
Southeast Asia and others	1,759	1,482,315	3,221,019

Developed countries mainly included the United States of America, Great Britain, Japan, South Korea and Australia, Middle East mainly included Saudi Arabia and other countries located in the region, and Southeast Asia and others mainly included countries located in Southeast Asia and India.

	As of December 31,	
	2019	2020
	RMB	RMB
Property and equipment, net:		
PRC	1,321,640	1,607,248
Non- PRC	757,444	1,013,549

Exhibit 1.1

SECRETARY'S CERTIFICATE
OF
YY Inc.
Cricket Square, Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

We, Conyers Trust Company (Cayman) Limited, Secretary of YY Inc. (the "**Company**") **DO HEREBY CERTIFY** that the following is a true extract of a Special Resolution passed at the annual general meeting on 20th December 2019, and that such resolution has not been modified.

II. OPENING REMARKS AND PROPOSALS

The Chairman declared that the following proposal would be voted on by way of a poll:

1. Proposal No. 1 - The special resolution as set out in the Notice of the Annual General Meeting regarding the approval of the change of name of the Company is set forth below:

   IT IS RESOLVED, as a special resolution:

   "**THAT** subject to and conditional upon the approval of the Registrar of Companies in the Cayman Islands (the "**Registrar**") being obtained, the name of the Company be and is hereby changed from "YY Inc." to "JOYY Inc." with effect from the date of registration as set out in the certificate of incorporation on change of name issued by the Registrar, and that any one director or officer of the Company be and is hereby authorized to take any and every action that might be necessary, appropriate or desirable to give effect to the foregoing resolution as such director or officer, in his/her absolute discretion, thinks fit, including but not limited to, attendance on any filing or registration procedures for and on behalf of the Company in the Cayman Islands."

Sharon Pierson
for and on behalf of
Conyers Trust Company (Cayman) Limited
Secretary

Dated this 20th day of December, 2019

EST

The Companies Law (Revised)
Company Limited by Shares

THE SECOND AMENDED AND RESTATED
ARTICLES OF ASSOCIATION, AS AMENDED

OF

YY Inc.

(Adopted by way of a special resolution
passed on October 12, 2012, effective immediately upon the completion of the Company's initial public offering of its Class A
Common Shares represented by American Depositary Shares on the NASDAQ Global Market and amended by way of a special resolution passed on November 28, 2016)

I N D E X

INTERPRETATION

TABLE A

1. The regulations in Table A in the Schedule to the Companies Law (Revised) do not apply to the Company.

INTERPRETATION

2. (1) In these Articles, unless the context otherwise requires, the words standing in the first column of the following table shall bear the meaning set opposite them respectively in the second column.

WORD	MEANING
"Audit Committee"	the audit committee of the Company formed by the Board pursuant to Article 124) hereof, or any successor audit committee.
"Auditor"	the independent auditor of the Company which shall be an internationally recognized firm of independent accountants.
"Articles"	these Articles in their present form or as supplemented or amended or substituted from time to time.
"Board" or "Directors"	the board of directors of the Company or the directors present at a meeting of directors of the Company at which a quorum is present.
"capital"	the share capital from time to time of the Company.
"Class A Common Share"	a class A common share of par value US$0.00001 each in the share capital of the Company having the rights set out in these Articles.
"Class B Common Share"	a class B common share of par value US$0.00001 each in the share capital of the Company having the rights set out in these Articles.
"Common Shares"	the Class A Common Shares and Class B Common Shares, collectively.
"clear days"	in relation to the period of a notice, that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect.
"clearing house"	a clearing house recognised by the laws of the jurisdiction in which the shares of the Company (or depositary receipts therefor) are listed or quoted on a stock exchange or interdealer quotation system in such jurisdiction.
"Company"	YY Inc.
"competent regulatory authority"	a competent regulatory authority in the territory where the shares of the Company (or depositary receipts therefor) are listed or quoted on a stock exchange or interdealer quotation system in such territory.

“debenture” and “debenture holder”	include debenture stock and debenture stockholder respectively.
“Designated Stock Exchange”	the National Market of The Nasdaq Stock Market, Inc.
“dollars” and “$”	dollars, the legal currency of the United States of America.
“Exchange Act”	the Securities Exchange Act of 1934, as amended.
“head office”	such office of the Company as the Directors may from time to time determine to be the principal office of the Company.
“Law”	The Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands.
“Member”	a duly registered holder from time to time of the shares in the capital of the Company.
“month”	a calendar month.
“NASD”	National Association of Securities Dealers.
“NASD Rules”	the rules set forth in the NASD Manual.
“Notice”	written notice unless otherwise specifically stated and as further defined in these Articles.
“Office”	the registered office of the Company for the time being.
“ordinary resolution”	a resolution shall be an ordinary resolution when it has been passed by a simple majority of votes cast by such Members as, being entitled so to do, vote in person or, in the case of any Member being a corporation, by its duly authorised representative or, where proxies are allowed, by proxy at a general meeting of which not less than ten (10) clear days’ Notice has been duly given;
“paid up”	paid up or credited as paid up.
“Register”	the principal register and where applicable, any branch register of Members of the Company to be maintained at such place within or outside the Cayman Islands as the Board shall determine from time to time.
“Registration Office”	in respect of any class of share capital such place as the Board may from time to time determine to keep a branch register of Members in respect of that class of share capital and where (except in cases where the Board otherwise directs) the transfers or other documents of title for such class of share capital are to be lodged for registration and are to be registered.
“SEC”	the United States Securities and Exchange Commission.
“Seal”	common seal or any one or more duplicate seals of the Company (including a securities seal) for use in the Cayman Islands or in any place outside the Cayman Islands.
“Secretary”	any person, firm or corporation appointed by the Board to perform any of the duties of secretary of the Company and includes any assistant, deputy, temporary or acting secretary.
“special resolution”	a resolution shall be a special resolution when it has been passed by a majority of not less than two-thirds of votes cast by such Members as, being entitled so to do, vote in person or, in the case of such Members as are corporations, by their respective duly authorised representative or, where proxies are allowed, by proxy at a general meeting of which not less than ten (10) clear days’ Notice, specifying

	(without prejudice to the power contained in these Articles to amend the same) the intention to propose the resolution as a special resolution, has been duly given. Provided that, except in the case of an annual general meeting, if it is so agreed by a majority in number of the Members having the right to attend and vote at any such meeting, being a majority together holding not less than ninety-five (95) per cent. in nominal value of the shares giving that right and in the case of an annual general meeting, if it is so agreed by all Members entitled to attend and vote thereat, a resolution may be proposed and passed as a special resolution at a meeting of which less than ten (10) clear days' Notice has been given; a special resolution shall be effective for any purpose for which an ordinary resolution is expressed to be required under any provision of these Articles or the Statutes.
"Statutes"	the Law and every other law of the Legislature of the Cayman Islands for the time being in force applying to or affecting the Company, its Memorandum of Association and/or these Articles.
"year"	a calendar year.

(2) In these Articles, unless there be something within the subject or context inconsistent with such construction:

(a) words importing the singular include the plural and vice versa;

(b) words importing a gender include both gender and the neuter;

(c) words importing persons include companies, associations and bodies of persons whether corporate or not;

(d) the words:

(i) "may" shall be construed as permissive;

(ii) "shall" or "will" shall be construed as imperative;

(e) expressions referring to writing shall, unless the contrary intention appears, be construed as including printing, lithography, photography and other modes of representing words or figures in a visible form, and including where the representation takes the form of electronic display, provided that both the mode of service of the relevant document or notice and the Member's election comply with all applicable Statutes, rules and regulations;

(f) references to any law, ordinance, statute or statutory provision shall be interpreted as relating to any statutory modification or re-enactment thereof for the time being in force;

(g) save as aforesaid words and expressions defined in the Statutes shall bear the same meanings in these Articles if not inconsistent with the subject in the context;

(h) references to a document being executed include references to it being executed under hand or under seal or by electronic signature or by any other method and references to a notice or document include a notice or document recorded or stored in any digital, electronic, electrical, magnetic or other retrievable form or medium and information in visible form whether having physical substance or not;

(i) Section 8 of the Electronic Transactions Law (2003) of the Cayman Islands, as amended from time to time, shall not apply to these Articles to the extent it imposes obligations or requirements in addition to those set out in these Articles.

SHARE CAPITAL

3. (1) The share capital of the Company at the date on which these Articles come into effect shall be divided into (a) 10,000,000,000 Class A Common Shares of a par value of $0.00001 each and (b) 1,000,000,000 Class B Common Shares of a par value of $0.00001 each.

(2) Subject to the Law, the Company's Memorandum and Articles of Association and, where applicable, the rules of the Designated Stock Exchange and/or any competent regulatory authority, any power of the Company to purchase or otherwise acquire its own shares shall be exercisable by the Board in such manner, upon such terms and subject to such conditions as it thinks fit.

(3) No share shall be issued to bearer.

ALTERATION OF CAPITAL

4. The Company may from time to time by ordinary resolution in accordance with the Law alter the conditions of its Memorandum of Association to:

(a) increase its capital by such sum, to be divided into shares of such amounts, as the resolution shall prescribe;

(b) consolidate and divide all or any of its capital into shares of larger amount than its existing shares;

(c) without prejudice to the powers of the Board under Article 12, divide its shares into several classes and without prejudice to any special rights previously conferred on the holders of existing shares attach thereto respectively any preferential, deferred, qualified or special rights, privileges, conditions or such restrictions which in the absence of any such determination by the Company in general meeting, as the Directors may determine provided always that, for the avoidance of doubt, where a class of shares has been authorized by the Company, no resolution of the Company in general meeting is required for the issuance of shares of that class and the Directors may issue shares of that class and determine such rights, privileges, conditions or restrictions attaching thereto as aforesaid, and further provided that where the Company issues shares which do not carry voting rights, the words "non-voting" shall appear in the designation of such shares and where the equity capital includes shares with different voting rights, the designation of each class of shares, other than those with the most favourable voting rights, must include the words "restricted voting" or "limited voting";

(d) sub-divide its shares, or any of them, into shares of smaller amount than is fixed by the Memorandum of Association (subject, nevertheless, to the Law), and may by such resolution determine that, as between the holders of the shares resulting from such sub-division, one or more of the shares may have any such preferred, deferred or other rights or be subject to any such restrictions as compared with the other or others as the Company has power to attach to unissued or new shares;

(e) cancel any shares which, at the date of the passing of the resolution, have not been taken, or agreed to be taken, by any person, and diminish the amount of its capital by the amount of the shares so cancelled or, in the case of shares, without par value, diminish the number of shares into which its capital is divided.

5. The Board may settle as it considers expedient any difficulty which arises in relation to any consolidation and division under the last preceding Article and in particular but without prejudice to the generality of the foregoing may issue certificates in respect of fractions of shares or arrange for the sale of the shares representing fractions and the distribution of the net proceeds of sale (after deduction of the expenses of such sale) in due proportion amongst the Members who would have been entitled to the fractions, and for this purpose the Board may authorise some person to transfer the shares representing fractions to their purchaser or resolve that such net proceeds be paid to the Company for the Company's benefit. Such purchaser will not be bound to see to the application of the purchase money nor will his title to the shares be affected by any irregularity or invalidity in the proceedings relating to the sale.

6. The Company may from time to time by special resolution, subject to any confirmation or consent required by the Law, reduce its share capital or any capital redemption reserve in any manner permitted by law.

7. Except so far as otherwise provided by the conditions of issue, or by these Articles, any capital raised by the creation of new shares shall be treated as if it formed part of the original capital of the Company, and such shares shall be subject to the provisions contained in these Articles with reference to the payment of calls and instalments, transfer and transmission, forfeiture, lien, cancellation, surrender, voting and otherwise.

SHARE RIGHTS

8. Subject to the provisions of the Law, the rules of the Designated Stock Exchange and the Memorandum and Articles of Association and to any special rights conferred on the holders of any shares or class of shares, and without prejudice to Article 12 hereof, any share in the Company (whether forming part of the present capital or not) may be issued with or have attached thereto such rights or restrictions whether in regard to dividend, voting, return of capital or otherwise as the Board may determine, including without limitation on terms that they may be, or at the option of the Company or the holder are, liable to be redeemed on such terms and in such manner, including out of capital, as the Board may deem fit.

9. Subject to the Law, any preferred shares may be issued or converted into shares that, at a determinable date or at the option of the Company or the holder if so authorised by its Memorandum of Association, are liable to be redeemed on such terms and in such manner as the Company before the issue or conversion may by ordinary resolution of the Members determine. Where the Company purchases for redemption a redeemable share, purchases not made through the market or by tender shall be limited to a maximum price as may from time to time be determined by the Board, either generally or with regard to specific purchases. If purchases are by tender, tenders shall comply with applicable laws.

10. The rights and restrictions attaching to the Common Shares are as follows:

(a) Income.

Holders of Common Shares shall be entitled to such dividends as the Directors may in their absolute discretion lawfully declare from time to time.

(b) Capital

Holders of Common Shares shall be entitled to a return of capital on liquidation, dissolution or winding-up of the Company (other than on a conversion, redemption or purchase of shares, or an equity financing or series of financings that do not constitute the sale of all or substantially all of the shares of the Company).

(c) Attendance at General Meetings and Voting

Holders of Common Shares have the right to receive notice of, attend, speak and vote at general meetings of the Company. Holders of shares of Class A Common Shares and Class B Common Shares shall, at all times, vote together as one class on all matters submitted to a vote for Members' consent. Each share of Class A Common Share shall be entitled to one (1) vote on all matters subject to the vote at general meetings of the Company, and each share of Class B Common Share shall be entitled to ten (10) votes on all matters subject to the vote at general meetings of the Company.

(d) Conversion

(i) Each share of Class B Common Share is convertible into one (1) share of Class A Common Share at any time by the holder thereof. In no event shall Class A Common Shares be convertible into Class B Common Shares.

(ii) If at any time Mr. David Xueling Li, Mr. Jun Lei, Mr. Tony Bin Zhao and Mr. Jin Cao (the "Founders"), together with their Affiliates, collectively own less than 5% of the total number of the issued and outstanding Class B Common Shares of the Company, each issued and outstanding share of Class B Common Share shall be automatically and immediately converted into one share of Class A Common Share, and no Class B Common Shares shall be issued by the Company thereafter.

(iii) Upon any sale, transfer, assignment or disposition of Class B Common Shares by a holder thereof to any person or entity which is not an Affiliate of such holder, such Class B Common Shares shall be automatically and immediately converted into an equal number of Class A Common Shares; provided that, except as set forth in Article 10(d)(iv) below, a change in the beneficial ownership of Class B Common Shares from a holder of Class B Common Shares to an Affiliate of such holder shall not cause a conversion under this Article 10(d)(iii). In addition, if at any time more than fifty percent (50%) of the ultimate beneficial ownership of any holder of Class B Common Shares (other than the Founders or the Founders' Affiliates) changes, each such Class B Common Share shall be automatically and immediately converted into one Class A Common Share. For the avoidance of doubt, (a) the transfer, assignment or disposition of Class B Common Shares by a holder thereof to any of the following shall be exempt from, and not trigger, the automatic conversion contemplated under this Article 10(d)(iii): (i) a Founder or a Founder's Affiliate or (ii) to a limited partner or a shareholder of such holder; and (b) the creation of any pledge, charge, encumbrance or other third party right of whatever description on any Class B Common Shares to secure a holder's contractual or legal obligations shall not be deemed as a sale, transfer, assignment or disposition unless and until any such pledge, charge, encumbrance or other third party right is enforced and results in the third party holding legal title to the related Class B Common Shares, in which case all the related Class B Common Shares shall be automatically converted into the same number of Class A Common Shares.

(iv) For the avoidance of doubt, a transfer shall be effective upon the Company's registration of such transfer in its register of Members. For purposes of Article 10(d)(iii) and Article 10(d)(iv), "beneficial ownership" shall have the meaning defined in Rule 13d-3 under the U.S. Securities Exchange Act of 1934, as amended.

(v) Any conversion of Class B Common Shares into Class A Common Shares pursuant to this Article 10 shall be effected by means of the re-designation and re-classification of the relevant Class B Common Share as a Class A Common Share together with such rights and restrictions and which shall rank pari passu in all respects with the Class A Common Shares then in issue. Such conversion shall become effective forthwith upon entries being made in the Register of Members to record the re-designation and re-classification of the relevant Class B Common Shares as Class A Common Shares.

(vi) Upon conversion, the Company shall allot and issue the relevant Class A Common Shares to the converting Member, enter or procure the entry of the name of the relevant holder of Class B Common Shares as the holder of the relevant number of Class A Common Shares resulting from the conversion of the Class B Common Shares in, and make any other necessary and consequential changes to, the Register of Members and shall procure that certificates in respect of the relevant Class A Common Shares, together with a new certificate for any unconverted Class B Common Shares comprised in the certificate(s) surrendered by the holder of the Class B Common Shares, are issued to the holders of the Class A Common Shares and Class B Common Shares, as the case may be.

(vi) Save and except for voting rights and conversion rights as set out in this Article 10(c) and (d), the Class A Commons Shares and the Class B Common Shares shall rank pari passu and shall have the same rights, preferences, privileges and restrictions.

VARIATION OF RIGHTS

11. Subject to the Law and without prejudice to Article 8, all or any of the special rights for the time being attached to the shares or any class of shares may, unless otherwise provided by the terms of issue of the shares of that class, from time to time (whether or not the Company is being wound up) be varied, modified or abrogated with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of that class. To every such separate general meeting all the provisions of these Articles relating to general meetings of the Company shall, mutatis mutandis, apply, but so that:

(a) separate general meetings of the holders of a class or series of shares may be called only by (i) the Chairman of the Board, or (ii) a majority of the entire Board of Directors (unless otherwise specifically provided by the terms of issue of the shares of such class or series). Nothing in this Article 11 shall be deemed to give any Member or Members the right to call a class or series meeting;

(b) the necessary quorum (whether at a separate general meeting or at its adjourned meeting) shall be a person or persons (or in the case of a Member being a corporation, its duly authorized representative) together holding or representing by proxy not less than one-third in nominal value of the issued shares of that class;

(c) every holder of shares of the class shall be entitled on a poll to one vote for every such share held by him; and

(d) any holder of shares of the class present in person or by proxy or authorised representative may demand a poll.

The special rights conferred upon the holders of any shares or class of shares shall not, unless otherwise expressly provided in the rights attaching to or the terms of issue of such shares, be deemed to be varied, modified or abrogated by the creation or issue of further shares ranking pari passu therewith.

SHARES

12. (1) Subject to the Law, these Articles and, where applicable, the rules of the Designated Stock Exchange and without prejudice to any special rights or restrictions for the time being attached to any shares or any class of shares, the unissued shares of the Company (whether forming part of the original or any increased capital) shall be at the disposal of the Board, which may offer, allot, grant options over or otherwise dispose of them to such persons, at such times and for such consideration and upon such terms and conditions as the Board may in its absolute discretion determine but so that no shares shall be issued at a discount. In particular and without prejudice to the generality of the foregoing, the Board is hereby empowered to authorize by resolution or resolutions from time to time the issuance of one or more classes or series of preferred shares and to fix the designations, powers, preferences and relative, participating, optional and other rights, if any, and the qualifications, limitations and restrictions thereof, if any, including, without limitation, the number of shares constituting each such class or series, dividend rights, conversion rights, redemption privileges, voting powers, full or limited or no voting powers, and liquidation preferences, and to increase or decrease the size of any such class or series (but not below the number of shares of any class or series of preferred shares then outstanding) to the extent permitted by Law. Without limiting the generality of the foregoing, the resolution or resolutions providing for the establishment of any class or series of preferred shares may, to the extent permitted by law, provide that such class or series shall be superior to, rank equally with or be junior to the preferred shares of any other class or series.

(2) Neither the Company nor the Board shall be obliged, when making or granting any allotment of, offer of, option over or disposal of shares, to make, or make available, any such allotment, offer, option or shares to Members or others with registered addresses in any particular territory or territories being a territory or territories where, in the absence of a registration statement or other special formalities, this would or might, in the opinion of the Board, be unlawful or impracticable. Members affected as a result of the foregoing sentence shall not be, or be deemed to be, a separate class of members for any purpose whatsoever. Except as otherwise expressly provided in the resolution or resolutions providing for the establishment of any class or series of preferred shares, no vote of the holders of preferred shares of or ordinary shares shall be a prerequisite to the issuance of any shares of any class or series of the preferred shares authorized by and complying with the conditions of the Memorandum and Articles of Association.

(3) The Board may issue options, warrants or convertible securities or securities of similar nature conferring the right upon the holders thereof to subscribe for, purchase or receive any class of shares or securities in the capital of the Company on such terms as it may from time to time determine.

13. The Company may in connection with the issue of any shares exercise all powers of paying commission and brokerage conferred or permitted by the Law. Subject to the Law, the commission may be satisfied by the payment of cash or by the allotment of fully or partly paid shares or partly in one and partly in the other.

14. Except as required by law, no person shall be recognised by the Company as holding any share upon any trust and the Company shall not be bound by or required in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share or any fractional part of a share or (except only as otherwise provided by these Articles or by law) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.

15. Subject to the Law and these Articles, the Board may at any time after the allotment of shares but before any person has been entered in the Register as the holder, recognise a renunciation thereof by the allottee in favour of some other person and may accord to any allottee of a share a right to effect such renunciation upon and subject to such terms and conditions as the Board considers fit to impose.

SHARE CERTIFICATES

16. Every share certificate shall be issued under the Seal or a facsimile thereof and shall specify the number and class and distinguishing numbers (if any) of the shares to which it relates, and the amount paid up thereon and may otherwise be in such form as the Directors may from time to time determine. No certificate shall be issued representing shares of more than one class. The Board may by resolution determine, either generally or in any particular case or cases, that any signatures on any such certificates (or certificates in respect of other securities) need not be autographic but may be affixed to such certificates by some mechanical means or may be printed thereon.

17. (1) In the case of a share held jointly by several persons, the Company shall not be bound to issue more than one certificate therefor and delivery of a certificate to one of several joint holders shall be sufficient delivery to all such holders.

(2) Where a share stands in the names of two or more persons, the person first named in the Register shall as regards service of notices and, subject to the provisions of these Articles, all or any other matters connected with the Company, except the transfer of the shares, be deemed the sole holder thereof.

18. Every person whose name is entered, upon an allotment of shares, as a Member in the Register shall be entitled, without payment, to receive one certificate for all such shares of any one class or several certificates each for one or more of such shares of such class upon payment for every certificate after the first of such reasonable out-of-pocket expenses as the Board from time to time determines.

19. Share certificates shall be issued within the relevant time limit as prescribed by the Law or as the Designated Stock Exchange may from time to time determine, whichever is the shorter, after allotment or, except in the case of a transfer which the Company is for the time being entitled to refuse to register and does not register, after lodgment of a transfer with the Company.

20. (1) Upon every transfer of shares the certificate held by the transferor shall be given up to be cancelled, and shall forthwith be cancelled accordingly, and a new certificate shall be issued to the transferee in respect of the shares transferred to him at such fee as is provided in paragraph (2) of this Article. If any of the shares included in the certificate so given up shall be retained by the transferor a new certificate for the balance shall be issued to him at the aforesaid fee payable by the transferor to the Company in respect thereof.

(2) The fee referred to in paragraph (1) above shall be an amount not exceeding the relevant maximum amount as the Designated Stock Exchange may from time to time determine provided that the Board may at any time determine a lower amount for such fee.

21. If a share certificate shall be damaged or defaced or alleged to have been lost, stolen or destroyed a new certificate representing the same shares may be issued to the relevant Member upon request and on payment of such fee as the Company may determine and, subject to compliance with such terms (if any) as to evidence and indemnity and to payment of the costs and reasonable out-of-pocket expenses of the Company in investigating such evidence and preparing such indemnity as the Board may think fit and, in case of damage or defacement, on delivery of the old certificate to the Company provided always that where share warrants have been issued, no new share warrant shall be issued to replace one that has been lost unless the Board has determined that the original has been destroyed.

LIEN

22. The Company shall have a first and paramount lien on every share (not being a fully paid share) for all moneys (whether presently payable or not) called or payable at a fixed time in respect of that share. The Company shall also have a first and paramount lien on every share (not being a fully paid share) registered in the name of a Member (whether or not jointly with other Members) for all amounts of money presently payable by such Member or his estate to the Company whether the same shall have been incurred before

or after notice to the Company of any equitable or other interest of any person other than such member, and whether the period for the payment or discharge of the same shall have actually arrived or not, and notwithstanding that the same are joint debts or liabilities of such Member or his estate and any other person, whether a Member of the Company or not. The Company's lien on a share shall extend to all dividends or other moneys payable thereon or in respect thereof. The Board may at any time, generally or in any particular case, waive any lien that has arisen or declare any share exempt in whole or in part, from the provisions of this Article.

23. Subject to these Articles, the Company may sell in such manner as the Board determines any share on which the Company has a lien, but no sale shall be made unless some sum in respect of which the lien exists is presently payable, or the liability or engagement in respect of which such lien exists is liable to be presently fulfilled or discharged nor until the expiration of fourteen (14) clear days after a notice in writing, stating and demanding payment of the sum presently payable, or specifying the liability or engagement and demanding fulfilment or discharge thereof and giving notice of the intention to sell in default, has been served on the registered holder for the time being of the share or the person entitled thereto by reason of his death or bankruptcy.

24. The net proceeds of the sale shall be received by the Company and applied in or towards payment or discharge of the debt or liability in respect of which the lien exists, so far as the same is presently payable, and any residue shall (subject to a like lien for debts or liabilities not presently payable as existed upon the share prior to the sale) be paid to the person entitled to the share at the time of the sale. To give effect to any such sale the Board may authorise some person to transfer the shares sold to the purchaser thereof. The purchaser shall be registered as the holder of the shares so transferred and he shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings relating to the sale.

CALLS ON SHARES

25. Subject to these Articles and to the terms of allotment, the Board may from time to time make calls upon the Members in respect of any moneys unpaid on their shares (whether on account of the nominal value of the shares or by way of premium), and each Member shall (subject to being given at least fourteen (14) clear days' Notice specifying the time and place of payment) pay to the Company as required by such notice the amount called on his shares. A call may be extended, postponed or revoked in whole or in part as the Board determines but no member shall be entitled to any such extension, postponement or revocation except as a matter of grace and favour.

26. A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be made payable either in one lump sum or by instalments.

27. A person upon whom a call is made shall remain liable for calls made upon him notwithstanding the subsequent transfer of the shares in respect of which the call was made. The joint holders of a share shall be jointly and severally liable to pay all calls and instalments due in respect thereof or other moneys due in respect thereof.

28. If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest on the amount unpaid from the day appointed for payment thereof to the time of actual payment at such rate (not exceeding twenty per cent. (20%) per annum) as the Board may determine, but the Board may in its absolute discretion waive payment of such interest wholly or in part.

29. No Member shall be entitled to receive any dividend or bonus or to be present and vote (save as proxy for another Member) at any general meeting either personally or by proxy, or be reckoned in a quorum, or exercise any other privilege as a Member until all calls or instalments due by him to the Company, whether alone or jointly with any other person, together with interest and expenses (if any) shall have been paid.

30. On the trial or hearing of any action or other proceedings for the recovery of any money due for any call, it shall be sufficient to prove that the name of the Member sued is entered in the Register as the holder, or one of the holders, of the shares in respect of which such debt accrued, that the resolution making the call is duly recorded in the minute book, and that notice of such call was duly given to the Member sued, in pursuance of these Articles; and it shall not be necessary to prove the appointment of the Directors who made such call, nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.

31. Any amount payable in respect of a share upon allotment or at any fixed date, whether in respect of nominal value or premium or as an instalment of a call, shall be deemed to be a call duly made and payable on the date fixed for payment and if it is not paid the provisions of these Articles shall apply as if that amount had become due and payable by virtue of a call duly made and notified.

32. On the issue of shares the Board may differentiate between the allottees or holders as to the amount of calls to be paid and the times of payment.

33. The Board may, if it thinks fit, receive from any Member willing to advance the same, and either in money or money's worth, all or any part of the moneys uncalled and unpaid or instalments payable upon any shares held by him and upon all or any of the moneys

so advanced (until the same would, but for such advance, become presently payable) pay interest at such rate (if any) as the Board may decide. The Board may at any time repay the amount so advanced upon giving to such Member not less than one month's Notice of its intention in that behalf, unless before the expiration of such notice the amount so advanced shall have been called up on the shares in respect of which it was advanced. Such payment in advance shall not entitle the holder of such share or shares to participate in respect thereof in a dividend subsequently declared.

FORFEITURE OF SHARES

34. (1) If a call remains unpaid after it has become due and payable the Board may give to the person from whom it is due not less than fourteen (14) clear days' Notice:

(a) requiring payment of the amount unpaid together with any interest which may have accrued and which may still accrue up to the date of actual payment; and

(b) stating that if the Notice is not complied with the shares on which the call was made will be liable to be forfeited.

(2) If the requirements of any such Notice are not complied with, any share in respect of which such Notice has been given may at any time thereafter, before payment of all calls and interest due in respect thereof has been made, be forfeited by a resolution of the Board to that effect, and such forfeiture shall include all dividends and bonuses declared in respect of the forfeited share but not actually paid before the forfeiture.

35. When any share has been forfeited, notice of the forfeiture shall be served upon the person who was before forfeiture the holder of the share. No forfeiture shall be invalidated by any omission or neglect to give such Notice.

36. The Board may accept the surrender of any share liable to be forfeited hereunder and, in such case, references in these Articles to forfeiture will include surrender.

37. Any share so forfeited shall be deemed the property of the Company and may be sold, re-allotted or otherwise disposed of to such person, upon such terms and in such manner as the Board determines, and at any time before a sale, re-allotment or disposition the forfeiture may be annulled by the Board on such terms as the Board determines.

38. A person whose shares have been forfeited shall cease to be a Member in respect of the forfeited shares but nevertheless shall remain liable to pay the Company all moneys which at the date of forfeiture were presently payable by him to the Company in respect of the shares, with (if the Directors shall in their discretion so require) interest thereon from the date of forfeiture until payment at such rate (not exceeding twenty per cent. (20%) per annum) as the Board determines. The Board may enforce payment thereof if it thinks fit, and without any deduction or allowance for the value of the forfeited shares, at the date of forfeiture, but his liability shall cease if and when the Company shall have received payment in full of all such moneys in respect of the shares. For the purposes of this Article any sum which, by the terms of issue of a share, is payable thereon at a fixed time which is subsequent to the date of forfeiture, whether on account of the nominal value of the share or by way of premium, shall notwithstanding that time has not yet arrived be deemed to be payable at the date of forfeiture, and the same shall become due and payable immediately upon the forfeiture, but interest thereon shall only be payable in respect of any period between the said fixed time and the date of actual payment.

39. A declaration by a Director or the Secretary that a share has been forfeited on a specified date shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share, and such declaration shall (subject to the execution of an instrument of transfer by the Company if necessary) constitute a good title to the share, and the person to whom the share is disposed of shall be registered as the holder of the share and shall not be bound to see to the application of the consideration (if any), nor shall his title to the share be affected by any irregularity in or invalidity of the proceedings in reference to the forfeiture, sale or disposal of the share. When any share shall have been forfeited, notice of the declaration shall be given to the Member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof, shall forthwith be made in the register, but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or make any such entry.

40. Notwithstanding any such forfeiture as aforesaid the Board may at any time, before any shares so forfeited shall have been sold, re-allotted or otherwise disposed of, permit the shares forfeited to be bought back upon the terms of payment of all calls and interest due upon and expenses incurred in respect of the share, and upon such further terms (if any) as it thinks fit.

41. The forfeiture of a share shall not prejudice the right of the Company to any call already made or instalment payable thereon.

42. The provisions of these Articles as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

REGISTER OF MEMBERS

43. (1) The Company shall keep in one or more books a Register of its Members and shall enter therein the following particulars, that is to say:

(a) the name and address of each Member, the number and class of shares held by him and the amount paid or agreed to be considered as paid on such shares;

(b) the date on which each person was entered in the Register; and

(c) the date on which any person ceased to be a Member.

(2) The Company may keep an overseas or local or other branch register of Members resident in any place, and the Board may make and vary such regulations as it determines in respect of the keeping of any such register and maintaining a Registration Office in connection therewith.

44. The Register and branch register of Members, as the case may be, shall be open to inspection for such times and on such days as the Board shall determine by Members without charge or by any other person, upon a maximum payment of $2.50 or such other sum specified by the Board, at the Office or Registration Office or such other place at which the Register is kept in accordance with the Law. The Register including any overseas or local or other branch register of Members may, after compliance with any notice requirement of the Designated Stock Exchange , be closed at such times or for such periods not exceeding in the whole thirty (30) days in each year as the Board may determine and either generally or in respect of any class of shares.

RECORD DATES

45. For the purpose of determining the Members entitled to notice of or to vote at any general meeting, or any adjournment thereof, or entitled to express consent to corporate action in writing without a meeting, or entitled to receive payment of any dividend or other distribution or allotment of any rights, or entitled to exercise any rights in respect of any change, conversion or exchange of shares or for the purpose of any other lawful action, the Board may fix, in advance, a date as the record date for any such determination of Members, which date shall not be more than sixty (60) days nor less than ten (10) days before the date of such meeting, nor more than sixty (60) days prior to any other such action.

If the Board does not fix a record date for any general meeting, the record date for determining the Members entitled to a notice of or to vote at such meeting shall be at the close of business on the day next preceding the day on which notice is given, or, if in accordance with these Articles notice is waived, at the close of business on the day next preceding the day on which the meeting is held. If corporate action without a general meeting is to be taken, the record date for determining the Members entitled to express consent to such corporate action in writing, when no prior action by the Board is necessary, shall be the first date on which a signed written consent setting forth the action taken or proposed to be taken is delivered to the Company by delivery to its head office. The record date for determining the Members for any other purpose shall be at the close of business on the day on which the Board adopts the resolution relating thereto.

A determination of the Members of record entitled to notice of or to vote at a meeting of the Members shall apply to any adjournment of the meeting; provided, however, that the Board may fix a new record date for the adjourned meeting.

TRANSFER OF SHARES

46. Subject to these Articles, any Member may transfer all or any of his shares by an instrument of transfer in the usual or common form or in a form prescribed by the Designated Stock Exchange or in any other form approved by the Board and may be under hand or, if the transferor or transferee is a clearing house or a central depository house or its nominee(s), by hand or by machine imprinted signature or by such other manner of execution as the Board may approve from time to time.

47. The instrument of transfer shall be executed by or on behalf of the transferor and the transferee provided that the Board may dispense with the execution of the instrument of transfer by the transferee in any case which it thinks fit in its discretion to do so. Without prejudice to the last preceding Article, the Board may also resolve, either generally or in any particular case, upon request by either the transferor or transferee, to accept mechanically executed transfers. The transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the Register in respect thereof. Nothing in these Articles shall preclude the Board from recognising a renunciation of the allotment or provisional allotment of any share by the allottee in favour of some other person.

48. (1) The Board may, in its absolute discretion, and without giving any reason therefor, refuse to register a transfer of any share (not being a fully paid up share) to a person of whom it does not approve, or any share issued under any share incentive scheme for employees upon which a restriction on transfer imposed thereby still subsists, and it may also, without prejudice to the foregoing generality, refuse to register a transfer of any share to more than four joint holders or a transfer of any share (not being a fully paid up share) on which the Company has a lien.

(2) The Board in so far as permitted by any applicable law may, in its absolute discretion, at any time and from time to time transfer any share upon the Register to any branch register or any share on any branch register to the Register or any other branch register. In the event of any such transfer, the shareholder requesting such transfer shall bear the cost of effecting the transfer unless the Board otherwise determines.

(3) Unless the Board otherwise agrees (which agreement may be on such terms and subject to such conditions as the Board in its absolute discretion may from time to time determine, and which agreement the Board shall, without giving any reason therefor, be entitled in its absolute discretion to give or withhold), no shares upon the Register shall be transferred to any branch register nor shall shares on any branch register be transferred to the Register or any other branch register and all transfers and other documents of title shall be lodged for registration, and registered, in the case of any shares on a branch register, at the relevant Registration Office, and, in the case of any shares on the Register, at the Office or such other place at which the Register is kept in accordance with the Law.

49. Without limiting the generality of the last preceding Article, the Board may decline to recognise any instrument of transfer unless:-

(a) a fee of such maximum sum as the Designated Stock Exchange may determine to be payable or such lesser sum as the Board may from time to time require is paid to the Company in respect thereof;

(b) the instrument of transfer is in respect of only one class of share;

(c) the instrument of transfer is lodged at the Office or such other place at which the Register is kept in accordance with the Law or the Registration Office (as the case may be) accompanied by the relevant share certificate(s) and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer (and, if the instrument of transfer is executed by some other person on his behalf, the authority of that person so to do); and

(d) if applicable, the instrument of transfer is duly and properly stamped.

50. If the Board refuses to register a transfer of any share, it shall, within three months after the date on which the transfer was lodged with the Company, send to each of the transferor and transferee notice of the refusal.

51. The registration of transfers of shares or of any class of shares may, after compliance with any notice requirement of the Designated Stock Exchange, be suspended at such times and for such periods (not exceeding in the whole thirty (30) days in any year) as the Board may determine.

TRANSMISSION OF SHARES

52. If a Member dies, the survivor or survivors where the deceased was a joint holder, and his legal personal representatives where he was a sole or only surviving holder, will be the only persons recognised by the Company as having any title to his interest in the shares; but nothing in this Article will release the estate of a deceased Member (whether sole or joint) from any liability in respect of any share which had been solely or jointly held by him.

53. Any person becoming entitled to a share in consequence of the death or bankruptcy or winding-up of a Member may, upon such evidence as to his title being produced as may be required by the Board, elect either to become the holder of the share or to have some person nominated by him registered as the transferee thereof. If he elects to become the holder he shall notify the Company in writing either at the Registration Office or Office, as the case may be, to that effect. If he elects to have another person registered he shall execute a transfer of the share in favour of that person. The provisions of these Articles relating to the transfer and registration of transfers of shares shall apply to such notice or transfer as aforesaid as if the death or bankruptcy of the Member had not occurred and the notice or transfer were a transfer signed by such Member.

54. A person becoming entitled to a share by reason of the death or bankruptcy or winding-up of a Member shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share. However, the Board may, if it thinks fit, withhold the payment of any dividend payable or other advantages in respect of such share until such person shall become the registered holder of the share or shall have effectually transferred such share, but, subject to the requirements of Article 75(2) being met, such a person may vote at meetings.

UNTRACEABLE MEMBERS

55. (1) Without prejudice to the rights of the Company under paragraph (2) of this Article, the Company may cease sending cheques for dividend entitlements or dividend warrants by post if such cheques or warrants have been left uncashed on two consecutive occasions. However, the Company may exercise the power to cease sending cheques for dividend entitlements or dividend warrants after the first occasion on which such a cheque or warrant is returned undelivered.

(2) The Company shall have the power to sell, in such manner as the Board thinks fit, any shares of a Member who is untraceable, but no such sale shall be made unless:

(a) all cheques or warrants in respect of dividends of the shares in question, being not less than three in total number, for any sum payable in cash to the holder of such shares in respect of them sent during the relevant period in the manner authorised by the Articles of the Company have remained uncashed;

(b) so far as it is aware at the end of the relevant period, the Company has not at any time during the relevant period received any indication of the existence of the Member who is the holder of such shares or of a person entitled to such shares by death, bankruptcy or operation of law; and

(c) the Company, if so required by the rules governing the listing of shares on the Designated Stock Exchange, has given notice to, and caused advertisement in newspapers to be made in accordance with the requirements of, the Designated Stock Exchange of its intention to sell such shares in the manner required by the Designated Stock Exchange, and a period of three months or such shorter period as may be allowed by the Designated Stock Exchange has elapsed since the date of such advertisement.

For the purpose of the foregoing, the "relevant period" means the period commencing twelve (12) years before the date of publication of the advertisement referred to in paragraph (c) of this Article and ending at the expiry of the period referred to in that paragraph.

(3) To give effect to any such sale the Board may authorise some person to transfer the said shares and an instrument of transfer signed or otherwise executed by or on behalf of such person shall be as effective as if it had been executed by the registered holder or the person entitled by transmission to such shares, and the purchaser shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings relating to the sale. The net proceeds of the sale will belong to the Company and upon receipt by the Company of such net proceeds it shall become indebted to the former Member for an amount equal to such net proceeds. No trust shall be created in respect of such debt and no interest shall be payable in respect of it and the Company shall not be required to account for any money earned from the net proceeds which may be employed in the business of the Company or as it thinks fit. Any sale under this Article shall be valid and effective notwithstanding that the Member holding the shares sold is dead, bankrupt or otherwise under any legal disability or incapacity.

GENERAL MEETINGS

56. An annual general meeting of the Company shall be held in each year other than the year in which these Articles were adopted at such time and place as may be determined by the Board.

57. Each general meeting, other than an annual general meeting, shall be called an extraordinary general meeting. General meetings may be held at such times and in any location in the world as may be determined by the Board.

58. Only a majority of the Board or the Chairman of the Board may call extraordinary general meetings, which extraordinary general meetings shall be held at such times and locations (as permitted hereby) as such person or persons shall determine.

NOTICE OF GENERAL MEETINGS

59. (1) An annual general meeting and any extraordinary general meeting may be called by not less than ten (10) clear days' Notice but a general meeting may be called by shorter notice, subject to the Law, if it is so agreed:

(a) in the case of a meeting called as an annual general meeting, by all the Members entitled to attend and vote thereat; and

(b) in the case of any other meeting, by a majority in number of the Members having the right to attend and vote at the meeting, being a majority together holding not less than ninety-five per cent. (95%) in nominal value of the issued shares giving that right.

(2) The notice shall specify the time and place of the meeting and, in case of special business, the general nature of the business. The notice convening an annual general meeting shall specify the meeting as such. Notice of every general meeting shall be given to all Members other than to such Members as, under the provisions of these Articles or the terms of issue of the shares they hold, are not entitled to receive such notices from the Company, to all persons entitled to a share in consequence of the death or bankruptcy or winding-up of a Member and to each of the Directors and the Auditors.

60. The accidental omission to give Notice of a meeting or (in cases where instruments of proxy are sent out with the Notice) to send such instrument of proxy to, or the non-receipt of such Notice or such instrument of proxy by, any person entitled to receive such Notice shall not invalidate any resolution passed or the proceedings at that meeting.

PROCEEDINGS AT GENERAL MEETINGS

61. (1) All business shall be deemed special that is transacted at an extraordinary general meeting, and also all business that is transacted at an annual general meeting, with the exception of:

(a) the declaration and sanctioning of dividends;

(b) consideration and adoption of the accounts and balance sheet and the reports of the Directors and Auditors and other documents required to be annexed to the balance sheet;

(c) the election of Directors;

(d) appointment of Auditors (where special notice of the intention for such appointment is not required by the Law) and other officers; and

(e) the fixing of the remuneration of the Auditors, and the voting of remuneration or extra remuneration to the Directors.

(2) No business other than the appointment of a chairman of a meeting shall be transacted at any general meeting unless a quorum is present at the commencement of the business. At any general meeting of the Company, one or more Members entitled to vote and present in person or by proxy or (in the case of a Member being a corporation) by its duly authorised representative representing not less than one-third in nominal value of the total issued voting shares in the Company throughout the meeting shall form a quorum for all purposes.

62. If within thirty (30) minutes (or such longer time not exceeding one hour as the chairman of the meeting may determine to wait) after the time appointed for the meeting a quorum is not present, the meeting shall stand adjourned to the same day in the next week at the same time and place or to such time and place as the Board may determine. If at such adjourned meeting a quorum is not present within half an hour from the time appointed for holding the meeting, the meeting shall be dissolved.

63. The chairman of the Company shall preside as chairman at every general meeting. If at any meeting the chairman is not present within fifteen (15) minutes after the time appointed for holding the meeting, or is not willing to act as chairman, the Directors present shall choose one of their number to act, or if one Director only is present he shall preside as chairman if willing to act. If no Director is present, or if each of the Directors present declines to take the chair, or if the chairman chosen shall retire from the chair, the Members present in person or by proxy and entitled to vote shall elect one of their number to be chairman.

64. The chairman may adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business which might lawfully have been transacted at the meeting had the adjournment not taken place. When a meeting is adjourned for fourteen (14) days or more, at least seven (7) clear days' notice of the adjourned meeting shall be given specifying the time and place of the adjourned meeting but it shall not be necessary to specify in such notice the nature of the business to be transacted at the adjourned meeting and the general nature of the business to be transacted. Save as aforesaid, it shall be unnecessary to give notice of an adjournment.

65. If an amendment is proposed to any resolution under consideration but is in good faith ruled out of order by the chairman of the meeting, the proceedings on the substantive resolution shall not be invalidated by any error in such ruling. In the case of a resolution duly proposed as a special resolution, no amendment thereto (other than a mere clerical amendment to correct a patent error) may in any event be considered or voted upon.

VOTING

66. Subject to any special rights or restrictions as to voting for the time being attached to any shares by or in accordance with these Articles, at any general meeting on a show of hands every Member present in person (or being a corporation, is present by a duly authorised representative), or by proxy shall have one vote and on a poll every Member present in person or by proxy or, in the case of a Member being a corporation, by its duly authorised representative shall have one vote for every fully paid share of which he is the holder but so that no amount paid up or credited as paid up on a share in advance of calls or instalments is treated for the foregoing purposes as paid up on the share. Notwithstanding anything contained in these Articles, where more than one proxy is appointed by a Member which is a clearing house or a central depository house (or its nominee(s)), each such proxy shall have one vote on a show of hands. A resolution put to the vote of a meeting shall be decided on a show of hands unless (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) a poll is demanded by the chairman of such meeting or by any one Member present in person or in the case of a Member being a corporation by its duly authorised representative or by proxy for the time being entitled to vote at the meeting. A demand by a person as proxy for a Member or in the case of a Member being a corporation by its duly authorised representative shall be deemed to be the same as a demand by a Member.

67. Unless a poll is duly demanded and the demand is not withdrawn, a declaration by the chairman that a resolution has been carried, or carried unanimously, or by a particular majority, or not carried by a particular majority, or lost, and an entry to that effect made in the minute book of the Company, shall be conclusive evidence of the facts without proof of the number or proportion of the votes recorded for or against the resolution.

68. If a poll is duly demanded the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. There shall be no requirement for the chairman to disclose the voting figures on a poll.

69. A poll demanded on the election of a chairman, or on a question of adjournment, shall be taken forthwith. A poll demanded on any other question shall be taken in such manner (including the use of ballot or voting papers or tickets) and either forthwith or at such time (being not later than thirty (30) days after the date of the demand) and place as the chairman directs. It shall not be necessary (unless the chairman otherwise directs) for notice to be given of a poll not taken immediately.

70. The demand for a poll shall not prevent the continuance of a meeting or the transaction of any business other than the question on which the poll has been demanded, and, with the consent of the chairman, it may be withdrawn at any time before the close of the meeting or the taking of the poll, whichever is the earlier.

71. On a poll votes may be given either personally or by proxy.

72. A person entitled to more than one vote on a poll need not use all his votes or cast all the votes he uses in the same way.

73. All questions submitted to a meeting shall be decided by a simple majority of votes except where a greater majority is required by these Articles or by the Law. In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of such meeting shall be entitled to a second or casting vote in addition to any other vote he may have.

74. Where there are joint holders of any share any one of such joint holder may vote, either in person or by proxy, in respect of such share as if he were solely entitled thereto, but if more than one of such joint holders be present at any meeting the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the Register in respect of the joint holding. Several executors or administrators of a deceased Member in whose name any share stands shall for the purposes of this Article be deemed joint holders thereof.

75. (1) A Member who is a patient for any purpose relating to mental health or in respect of whom an order has been made by any court having jurisdiction for the protection or management of the affairs of persons incapable of managing their own affairs may vote, whether on a show of hands or on a poll, by his receiver, committee, curator bonis or other person in the nature of a receiver, committee or curator bonis appointed by such court, and such receiver, committee, curator bonis or other person may vote on a poll by proxy, and may otherwise act and be treated as if he were the registered holder of such shares for the purposes of general meetings, provided that such evidence as the Board may require of the authority of the person claiming to vote shall have been deposited at the Office, head office or Registration Office, as appropriate, not less than forty-eight (48) hours before the time appointed for holding the meeting, or adjourned meeting or poll, as the case may be.

(2) Any person entitled under Article 53 to be registered as the holder of any shares may vote at any general meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that forty-eight (48) hours at least before the time of the holding of the meeting or adjourned meeting, as the case may be, at which he proposes to vote, he shall satisfy the Board of his entitlement to such shares, or the Board shall have previously admitted his right to vote at such meeting in respect thereof.

76. No Member shall, unless the Board otherwise determines, be entitled to attend and vote and to be reckoned in a quorum at any general meeting unless he is duly registered and all calls or other sums presently payable by him in respect of shares in the Company have been paid.

77. If:

(a) any objection shall be raised to the qualification of any voter; or

(b) any votes have been counted which ought not to have been counted or which might have been rejected; or

(c) any votes are not counted which ought to have been counted;

the objection or error shall not vitiate the decision of the meeting or adjourned meeting on any resolution unless the same is raised or pointed out at the meeting or, as the case may be, the adjourned meeting at which the vote objected to is given or tendered or at which the error occurs. Any objection or error shall be referred to the chairman of the meeting and shall only vitiate the decision of the meeting on any resolution if the chairman decides that the same may have affected the decision of the meeting. The decision of the chairman on such matters shall be final and conclusive.

PROXIES

78. Any Member entitled to attend and vote at a meeting of the Company shall be entitled to appoint another person as his proxy to attend and vote instead of him. A Member who is the holder of two or more shares may appoint more than one proxy to represent him

and vote on his behalf at a general meeting of the Company or at a class meeting. A proxy need not be a Member. In addition, a proxy or proxies representing either a Member who is an individual or a Member which is a corporation shall be entitled to exercise the same powers on behalf of the Member which he or they represent as such Member could exercise.

79. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under its seal or under the hand of an officer, attorney or other person authorised to sign the same. In the case of an instrument of proxy purporting to be signed on behalf of a corporation by an officer thereof it shall be assumed, unless the contrary appears, that such officer was duly authorised to sign such instrument of proxy on behalf of the corporation without further evidence of the facts.

80. The instrument appointing a proxy and (if required by the Board) the power of attorney or other authority (if any) under which it is signed, or a certified copy of such power or authority, shall be delivered to such place or one of such places (if any) as may be specified for that purpose in or by way of note to or in any document accompanying the notice convening the meeting (or, if no place is so specified at the Registration Office or the Office, as may be appropriate) not less than forty-eight (48) hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote or, in the case of a poll taken subsequently to the date of a meeting or adjourned meeting, not less than twenty-four (24) hours before the time

appointed for the taking of the poll and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of twelve (12) months from the date named in it as the date of its execution, except at an adjourned meeting or on a poll demanded at a meeting or an adjourned meeting in cases where the meeting was originally held within twelve (12) months from such date. Delivery of an instrument appointing a proxy shall not preclude a Member from attending and voting in person at the meeting convened and in such event, the instrument appointing a proxy shall be deemed to be revoked.

81. Instruments of proxy shall be in any common form or in such other form as the Board may approve (provided that this shall not preclude the use of the two-way form) and the Board may, if it thinks fit, send out with the notice of any meeting forms of instrument of proxy for use at the meeting. The instrument of proxy shall be deemed to confer authority to demand or join in demanding a poll and to vote on any amendment of a resolution put to the meeting for which it is given as the proxy thinks fit. The instrument of proxy shall, unless the contrary is stated therein, be valid as well for any adjournment of the meeting as for the meeting to which it relates.

82. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal, or revocation of the instrument of proxy or of the authority under which it was executed, provided that no intimation in writing of such death, insanity or revocation shall have been received by the Company at the Office or the Registration Office (or such other place as may be specified for the delivery of instruments of proxy in the notice convening the meeting or other document sent therewith) two hours at least before the commencement of the meeting or adjourned meeting, or the taking of the poll, at which the instrument of proxy is used.

83. Anything which under these Articles a Member may do by proxy he may likewise do by his duly appointed attorney and the provisions of these Articles relating to proxies and instruments appointing proxies shall apply mutatis mutandis in relation to any such attorney and the instrument under which such attorney is appointed.

CORPORATIONS ACTING BY REPRESENTATIVES

84. (1) Any corporation which is a Member may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the Company or at any meeting of any class of Members. The person so authorised shall be entitled to exercise the same powers on behalf of such corporation as the corporation could exercise if it were an individual Member and such corporation shall for the purposes of these Articles be deemed to be present in person at any such meeting if a person so authorised is present thereat.

(2) If a clearing house (or its nominee(s)) or a central depository entity, being a corporation, is a Member, it may authorise such persons as it thinks fit to act as its representatives at any meeting of the Company or at any meeting of any class of Members provided that the authorisation shall specify the number and class of shares in respect of which each such representative is so authorised. Each person so authorised under the provisions of this Article shall be deemed to have been duly authorised without further evidence of the facts and be entitled to exercise the same rights and powers on behalf of the clearing house or central depository entity (or its nominee(s)) as if such person was the registered holder of the shares of the Company held by the clearing house or a central depository entity (or its nominee(s)) including the right to vote individually on a show of hands.

(3) Any reference in these Articles to a duly authorised representative of a Member being a corporation shall mean a representative authorised under the provisions of this Article.

BOARD OF DIRECTORS

86. (1) Unless otherwise determined by the Company in general meeting, the number of Directors shall not be less than two (2). There shall be no maximum number of Directors unless otherwise determined from time to time by the Members in general meeting. The Directors shall be elected or appointed in the first place by the subscribers to the Memorandum of Association or by a majority of them and shall hold office until their successors are elected or appointed.

(2) Subject to the Articles and the Law, the Company may by ordinary resolution elect any person to be a Director either to fill a casual vacancy or as an addition to the existing Board.

(3) The Directors shall have the power from time to time and at any time to appoint any person as a Director to fill a casual vacancy on the Board or as an addition to the existing Board. Each Director shall hold office until the expiration of his term and until his successor shall have been elected and qualified.

(4) No Director shall be required to hold any shares of the Company by way of qualification and a Director who is not a Member shall be entitled to receive notice of and to attend and speak at any general meeting of the Company and of all classes of shares of the Company.

(5) Subject to any provision to the contrary in these Articles, a Director may be removed by special resolution of the Members at any time before the expiration of his period of office notwithstanding anything in these Articles or in any agreement between the Company and such Director (but without prejudice to any claim for damages under any such agreement).

(6) A vacancy on the Board created by the removal of a Director under the provisions of subparagraph (5) above may be filled by the election or appointment by ordinary resolution of the Members at the meeting at which such Director is removed or by the affirmative vote of a simple majority of the remaining Directors present and voting at a Board meeting.

(7) The Company may from time to time in general meeting by ordinary resolution increase or reduce the number of Directors but so that the number of Directors shall never be less than two (2).

DISQUALIFICATION OF DIRECTORS

87. The office of a Director shall be vacated if the Director:

(1) resigns his office by notice in writing delivered to the Company at the Office or tendered at a meeting of the Board;

(2) becomes of unsound mind or dies;

(3) without special leave of absence from the Board, is absent from meetings of the Board for six consecutive months and the Board resolves that his office be vacated; or

(4) becomes bankrupt or has a receiving order made against him or suspends payment or compounds with his creditors;

(5) is prohibited by law from being a Director; or

(6) ceases to be a Director by virtue of any provision of the Statutes or is removed from office pursuant to these Articles.

EXECUTIVE DIRECTORS

88. The Board may from time to time appoint any one or more of its body to be a managing director, joint managing director or deputy managing director or to hold any other employment or executive office with the Company for such period (subject to their continuance as Directors) and upon such terms as the Board may determine and the Board may revoke or terminate any of such appointments. Any such revocation or termination as aforesaid shall be without prejudice to any claim for damages that such Director may have against the Company or the Company may have against such Director. A Director appointed to an office under this Article shall be subject to the same provisions as to removal as the other Directors of the Company, and he shall (subject to the provisions of any contract between him and the Company) ipso facto and immediately cease to hold such office if he shall cease to hold the office of Director for any cause.

89. Notwithstanding Articles 94, 95 and 96, an executive director appointed to an office under Article 88 hereof shall receive such remuneration (whether by way of salary, commission, participation in profits or otherwise or by all or any of those modes) and such other benefits (including pension and/or gratuity and/or other benefits on retirement) and allowances as the Board may from time to time determine, and either in addition to or in lieu of his remuneration as a Director.

ALTERNATE DIRECTORS

90. Any Director may at any time by Notice delivered to the Office or head office or at a meeting of the Directors appoint any person (including another Director) to be his alternate Director. Any person so appointed shall have all the rights and powers of the Director or Directors for whom such person is appointed in the alternative provided that such person shall not be counted more than once in determining whether or not a quorum is present. An alternate Director may be removed at any time by the body which appointed him and, subject thereto, the office of alternate Director shall continue until the happening of any event which, if we were a Director, would cause him to vacate such office or if his appointer ceases for any reason to be a Director. Any appointment or removal of an alternate Director shall be effected by Notice signed by the appointor and delivered to the Office or head office or tendered at a meeting of the Board. An alternate Director may also be a Director in his own right and may act as alternate to more than one Director. An alternate Director shall, if his appointor so requests, be entitled to receive notices of meetings of the Board or of committees of the Board to the same extent as, but in lieu of, the Director appointing him and shall be entitled to such extent to attend and vote as a Director at any such meeting at which the Director appointing him is not personally present and generally at such meeting to exercise and discharge all the functions, powers and duties of his appointor as a Director and for the purposes of the proceedings at such meeting the provisions of these Articles shall apply as if he were a Director save that as an alternate for more than one Director his voting rights shall be cumulative.

91. An alternate Director shall only be a Director for the purposes of the Law and shall only be subject to the provisions of the Law insofar as they relate to the duties and obligations of a Director when performing the functions of the Director for whom he is appointed in the alternative and shall alone be responsible to the Company for his acts and defaults and shall not be deemed to be the agent of or for the Director appointing him. An alternate Director shall be entitled to contract and be interested in and benefit from contracts or arrangements or transactions and to be repaid expenses and to be indemnified by the Company to the same extent mutatis mutandis as if he were a Director but he shall not be entitled to receive from the Company any fee in his capacity as an alternate Director except only such part, if any, of the remuneration otherwise payable to his appointor as such appointor may by Notice to the Company from time to time direct.

92. Every person acting as an alternate Director shall have one vote for each Director for whom he acts as alternate (in addition to his own vote if he is also a Director). If his appointor is for the time being absent from the People's Republic of China or otherwise not available or unable to act, the signature of an alternate Director to any resolution in writing of the Board or a committee of the Board of which his appointor is a member shall, unless the notice of his appointment provides to the contrary, be as effective as the signature of his appointor.

93. An alternate Director shall *ipso facto* cease to be an alternate Director if his appointor ceases for any reason to be a Director, however, such alternate Director or any other person may be re-appointed by the Directors to serve as an alternate Director PROVIDED always that, if at any meeting any Director retires but is re-elected at the same meeting, any appointment of such alternate Director pursuant to these Articles which was in force immediately before his retirement shall remain in force as though he had not retired.

DIRECTORS' FEES AND EXPENSES

94. The Directors shall receive such remuneration as the Board may from time to time determine. Each Director shall be entitled to be repaid or prepaid all traveling, hotel and incidental expenses reasonably incurred or expected to be incurred by him in attending meetings of the Board or committees of the board or general meetings or separate meetings of any class of shares or of debenture of the Company or otherwise in connection with the discharge of his duties as a Director.

95. Any Director who, by request, goes or resides abroad for any purpose of the Company or who performs services which in the opinion of the Board go beyond the ordinary duties of a Director may be paid such extra remuneration (whether by way of salary, commission, participation in profits or otherwise) as the Board may determine and such extra remuneration shall be in addition to or in substitution for any ordinary remuneration provided for by or pursuant to any other Article.

96. The Board shall from time to time determine the amount and terms payment to any Director or past Director of the Company by way of compensation for loss of office, or as consideration for or in connection with his retirement from office (not being payment to which the Director is contractually entitled).

DIRECTORS' INTERESTS

97. A Director may:

(a) hold any other office or place of profit with the Company (except that of Auditor) in conjunction with his office of Director for such period and upon such terms as the Board may determine. Any remuneration (whether by way of salary, commission, participation in profits or otherwise) paid to any Director in respect of any such other office or place of profit shall be in addition to any remuneration provided for by or pursuant to any other Article;

(b) act by himself or his firm in a professional capacity for the Company (otherwise than as Auditor) and he or his firm may be remunerated for professional services as if he were not a Director;

(c) continue to be or become a director, managing director, joint managing director, deputy managing director, executive director, manager or other officer or member of any other company promoted by the Company or in which the Company may be interested as a vendor, shareholder or otherwise and (unless otherwise agreed) no such Director shall be accountable for any remuneration, profits or other benefits received by him as a director, managing director, joint managing director, deputy managing director, executive director, manager or other officer or member of or from his interests in any such other company. Subject as otherwise provided by these Articles the Directors may exercise or cause to be exercised the voting powers conferred by the shares in any other company held or owned by the Company, or exercisable by them as Directors of such other company in such manner in all respects as they think fit (including the exercise thereof in favour of any resolution appointing themselves or any of them directors, managing directors, joint managing directors, deputy managing directors, executive directors, managers or other officers of such company) or voting or providing for the payment of remuneration to the director, managing director, joint managing director, deputy managing director, executive director, manager or other officers of such other company and any Director may vote in favour of the exercise of such voting rights in manner aforesaid notwithstanding that he may be, or about to be, appointed a director, managing director, joint managing director, deputy managing director, executive director, manager or other officer of such a company, and that as such he is or may become interested in the exercise of such voting rights in manner aforesaid.

Notwithstanding the foregoing, no "Independent Director" as defined in NASD Rules or in Rule 10A-3 under the Exchange Act, and with respect of whom the Board has determined constitutes an "Independent Director" for purposes of compliance with applicable law or the Company's listing requirements, shall without the consent of the Audit Committee take any of the foregoing actions or any other action that would reasonably be likely to affect such Director's status as an "Independent Director" of the Company.

98. Subject to the Law and to these Articles, no Director or proposed or intending Director shall be disqualified by his office from contracting with the Company, either with regard to his tenure of any office or place of profit or as vendor, purchaser or in any other manner whatever, nor shall any such contract or any other contract or arrangement in which any Director is in any way interested be liable to be avoided, nor shall any Director so contracting or being so interested be liable to account to the Company or the Members for any remuneration, profit or other benefits realised by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relationship thereby established provided that such Director shall disclose the nature of his interest in any contract or arrangement in which he is interested in accordance with Article 102 herein. Any such transaction that would reasonably be likely to affect a Director's status as an "Independent Director", or that would constitute a "related party transaction" as defined by Item 7.N of Form 20F promulgated by the SEC, shall require the approval of the Audit Committee.

99. A Director who to his knowledge is in any way, whether directly or indirectly, interested in a contract or arrangement or proposed contract or arrangement with the Company shall declare the nature of his interest at the meeting of the Board at which the question of entering into the contract or arrangement is first considered, if he knows his interest then exists, or in any other case at the first meeting of the Board after he knows that he is or has become so interested. For the purposes of this Article, a general Notice to the Board by a Director to the effect that:

(a) he is a member or officer of a specified company or firm and is to be regarded as interested in any contract or arrangement which may after the date of the Notice be made with that company or firm; or

(b) he is to be regarded as interested in any contract or arrangement which may after the date of the Notice be made with a specified person who is connected with him;

shall be deemed to be a sufficient declaration of interest under this Article in relation to any such contract or arrangement, provided that no such Notice shall be effective unless either it is given at a meeting of the Board or the Director takes reasonable steps to secure that it is brought up and read at the next Board meeting after it is given.

100. Following a declaration being made pursuant to the last preceding two Articles, subject to any separate requirement for Audit Committee approval under applicable law or the listing rules of the Company's Designated Stock Exchange, and unless disqualified by the chairman of the relevant Board meeting, a Director may vote in respect of any contract or proposed contract or arrangement in which such Director is interested and may be counted in the quorum at such meeting.

GENERAL POWERS OF THE DIRECTORS

101. (1) The business of the Company shall be managed and conducted by the Board, which may pay all expenses incurred in forming and registering the Company and may exercise all powers of the Company (whether relating to the management of the business of the Company or otherwise) which are not by the Statutes or by these Articles required to be exercised by the Company in general meeting, subject nevertheless to the provisions of the Statutes and of these Articles and to such regulations being not inconsistent with such

provisions, as may be prescribed by the Company in general meeting, but no regulations made by the Company in general meeting shall invalidate any prior act of the Board which would have been valid if such regulations had not been made. The general powers given by this Article shall not be limited or restricted by any special authority or power given to the Board by any other Article.

(2) Any person contracting or dealing with the Company in the ordinary course of business shall be entitled to rely on any written or oral contract or agreement or deed, document or instrument entered into or executed as the case may be by any two of the Directors acting jointly on behalf of the Company and the same shall be deemed to be validly entered into or executed by the Company as the case may be and shall, subject to any rule of law, be binding on the Company.

(3) Without prejudice to the general powers conferred by these Articles it is hereby expressly declared that the Board shall have the following powers:

(a) To give to any person the right or option of requiring at a future date that an allotment shall be made to him of any share at par or at such premium as may be agreed.

(b) To give to any Directors, officers or employees of the Company an interest in any particular business or transaction or participation in the profits thereof or in the general profits of the Company either in addition to or in substitution for a salary or other remuneration.

(c) To resolve that the Company be deregistered in the Cayman Islands and continued in a named jurisdiction outside the Cayman Islands subject to the provisions of the Law.

102. The Board may establish any regional or local boards or agencies for managing any of the affairs of the Company in any place, and may appoint any persons to be members of such local boards, or any managers or agents, and may fix their remuneration (either by way of salary or by commission or by conferring the right to participation in the profits of the Company or by a combination of two or more of these modes) and pay the working expenses of any staff employed by them upon the business of the Company. The Board may delegate to any regional or local board, manager or agent any of the powers, authorities and discretions vested in or exercisable by the Board (other than its powers to make calls and forfeit shares), with power to sub-delegate, and may authorise the members of any of them to fill any vacancies therein and to act notwithstanding vacancies. Any such appointment or delegation may be made upon such terms and subject to such conditions as the Board may think fit, and the Board may remove any person appointed as aforesaid, and may revoke or vary such delegation, but no person dealing in good faith and without notice of any such revocation or variation shall be affected thereby.

103. The Board may by power of attorney appoint any company, firm or person or any fluctuating body of persons, whether nominated directly or indirectly by the Board, to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these Articles) and for such period and subject to such conditions as it may think fit, and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Board may think fit, and may also authorise any such attorney to sub-delegate all or any of the powers, authorities and discretions vested in him. Such attorney or attorneys may, if so authorised under the Seal of the Company, execute any deed or instrument under their personal seal with the same effect as the affixation of the Company's Seal.

104. The Board may entrust to and confer upon a managing director, joint managing director, deputy managing director, an executive director or any Director any of the powers exercisable by it upon such terms and conditions and with such restrictions as it thinks fit, and either collaterally with, or to the exclusion of, its own powers, and may from time to time revoke or vary all or any of such powers but no person dealing in good faith and without notice of such revocation or variation shall be affected thereby.

105. All cheques, promissory notes, drafts, bills of exchange and other instruments, whether negotiable or transferable or not, and all receipts for moneys paid to the Company shall be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, in such manner as the Board shall from time to time by resolution determine. The Company's banking accounts shall be kept with such banker or bankers as the Board shall from time to time determine.

106. (1) The Board may establish or concur or join with other companies (being subsidiary companies of the Company or companies with which it is associated in business) in establishing and making contributions out of the Company's moneys to any schemes or funds for providing pensions, sickness or compassionate allowances, life assurance or other benefits for employees (which expression as used in this and the following paragraph shall include any Director or ex-Director who may hold or have held any executive office or any office of profit under the Company or any of its subsidiary companies) and ex-employees of the Company and their dependants or any class or classes of such person.

(2) The Board may pay, enter into agreements to pay or make grants of revocable or irrevocable pensions or other benefits to employees and ex-employees and their dependants, or to any of such persons, including pensions or benefits additional to those, if any, to which such employees or ex-employees or their dependants are or may become entitled under any such scheme or fund as mentioned in the last preceding paragraph. Any such pension or benefit may, as the Board considers desirable, be granted to an

employee either before and in anticipation of or upon or at any time after his actual retirement, and may be subject or not subject to any terms or conditions as the Board may determine.

BORROWING POWERS

107. The Board may exercise all the powers of the Company to raise or borrow money and to mortgage or charge all or any part of the undertaking, property and assets (present and future) and uncalled capital of the Company and, subject to the Law, to issue debentures, bonds and other securities, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.

108. Debentures, bonds and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.

109. Any debentures, bonds or other securities may be issued at a discount (other than shares), premium or otherwise and with any special privileges as to redemption, surrender, drawings, allotment of shares, attending and voting at general meetings of the Company, appointment of Directors and otherwise.

110. (1) Where any uncalled capital of the Company is charged, all persons taking any subsequent charge thereon shall take the same subject to such prior charge, and shall not be entitled, by notice to the Members or otherwise, to obtain priority over such prior charge.

(2) The Board shall cause a proper register to be kept, in accordance with the provisions of the Law, of all charges specifically affecting the property of the Company and of any series of debentures issued by the Company and shall duly comply with the requirements of the Law in regard to the registration of charges and debentures therein specified and otherwise.

PROCEEDINGS OF THE DIRECTORS

111. The Board may meet for the despatch of business, adjourn and otherwise regulate its meetings as it considers appropriate. Questions arising at any meeting shall be determined by a majority of votes. In the case of any equality of votes the chairman of the meeting shall have an additional or casting vote.

112. A meeting of the Board may be convened by the Secretary on request of a Director or by any Director. The Secretary shall convene a meeting of the Board of which notice may be given in writing or by telephone or in such other manner as the Board may from time to time determine whenever he shall be required so to do by the president or chairman, as the case may be, or any Director.

113. (1) The quorum necessary for the transaction of the business of the Board may be fixed by the Board and, unless so fixed at any other number, shall be the majority of the Board. An alternate Director shall be counted in a quorum in the case of the absence of a Director for whom he is the alternate provided that he shall not be counted more than once for the purpose of determining whether or not a quorum is present.

(2) Directors may participate in any meeting of the Board by means of a conference telephone or other communications equipment through which all persons participating in the meeting can communicate with each other simultaneously and instantaneously and, for the purpose of counting a quorum, such participation shall constitute presence at a meeting as if those participating were present in person.

(3) Any Director who ceases to be a Director at a Board meeting may continue to be present and to act as a Director and be counted in the quorum until the termination of such Board meeting if no other Director objects and if otherwise a quorum of Directors would not be present.

114. The continuing Directors or a sole continuing Director may act notwithstanding any vacancy in the Board but, if and so long as the number of Directors is reduced below the minimum number fixed by or in accordance with these Articles, the continuing Directors or Director, notwithstanding that the number of Directors is below the number fixed by or in accordance with these Articles as the quorum or that there is only one continuing Director, may act for the purpose of filling vacancies in the Board or of summoning general meetings of the Company but not for any other purpose.

115. The Chairman of the Board shall be the chairman of all meetings of the Board. If the Chairman of the Board is not present at any meeting within five (5) minutes after the time appointed for holding the same, the Directors present may choose one of their number to be chairman of the meeting.

116. A meeting of the Board at which a quorum is present shall be competent to exercise all the powers, authorities and discretions for the time being vested in or exercisable by the Board.

117. (1) The Board may delegate any of its powers, authorities and discretions to committees (including, without limitation, the Audit Committee), consisting of such Director or Directors and other persons as it thinks fit, and they may, from time to time, revoke such delegation or revoke the appointment of and discharge any such committees either wholly or in part, and either as to persons or purposes. Any committee so formed shall, in the exercise of the powers, authorities and discretions so delegated, conform to any regulations which may be imposed on it by the Board.

(2) All acts done by any such committee in conformity with such regulations, and in fulfilment of the purposes for which it was appointed, but not otherwise, shall have like force and effect as if done by the Board, and the Board (or if the Board delegates such power, the committee) shall have power to remunerate the members of any such committee, and charge such remuneration to the current expenses of the Company.

118. The meetings and proceedings of any committee consisting of two or more members shall be governed by the provisions contained in these Articles for regulating the meetings and proceedings of the Board so far as the same are applicable and are not superseded by any regulations imposed by the Board under the last preceding Article, indicating, without limitation, any committee charter adopted by the Board for purposes or in respect of any such committee.

119. A resolution in writing signed by all the Directors except such as are temporarily unable to act through ill-health or disability shall (provided that such number is sufficient to constitute a quorum and further provided that a copy of such resolution has been given or the contents thereof communicated to all the Directors for the time being entitled to receive notices of Board meetings in the same manner as notices of meetings are required to be given by these Articles) be as valid and effectual as if a resolution had been passed at a meeting of the Board duly convened and held. Such resolution may be contained in one document or in several documents in like form each signed by one or more of the Directors and for this purpose a facsimile signature of a Director shall be treated as valid.

120. All acts bona fide done by the Board or by any committee or by any person acting as a Director or members of a committee, shall, notwithstanding that it is afterwards discovered that there was some defect in the appointment of any member of the Board or such committee or person acting as aforesaid or that they or any of them were disqualified or had vacated office, be as valid as if every such person had been duly appointed and was qualified and had continued to be a Director or member of such committee.

AUDIT COMMITTEE

121. Without prejudice to the freedom of the Directors to establish any other committees, for so long as the shares of the Company (or depositary receipts therefor) are listed or quoted on the Designated Stock Exchange, the Board shall establish and maintain an Audit Committee as a committee of the Board, the composition and responsibilities of which shall comply with the NASD Rules and the rules and regulations of the SEC.

122. (1) The Board shall adopt a formal written audit committee charter and review and assess the adequacy of the formal written charter on an annual basis.

(2) The Audit Committee shall meet at least once every financial quarter, or more frequently as circumstances dictate.

123. For so long as the shares of the Company (or depositary receipts therefor) are listed or quoted on the Designated Stock Exchange, the Company shall conduct an appropriate review of all related party transactions on an ongoing basis and shall utilize the Audit Committee for the review and approval of potential conflicts of interest. Specially, the Audit Committee shall approve any transaction or transactions between the Company and any f the following parties: (i) any shareholder owning an interest in the voting power of the Company or any subsidiary of the Company that gives such shareholder significant influence over the Company or any subsidiary of the Company, (ii) any director or executive officer of the Company or any subsidiary of the Company and any relative of such director or executive officer, (iii) any person in which a substantial interest in the voting power of the Company is owned, directly or indirectly, by any person described in (i) or (ii) or over which such a person is able to exercise significant influence, and (iv) any affiliate (other than a subsidiary) of the Company.

OFFICERS

124. (1) The officers of the Company shall consist of the Chairman of the Board, the Directors and Secretary and such additional officers (who may or may not be Directors) as the Board may from time to time determine, all of whom shall be deemed to be officers for the purposes of the Law and these Articles.

(2) The Directors shall, as soon as may be after each appointment or election of Directors, elect amongst the Directors a chairman and if more than one Director is proposed for this office, the election to such office shall take place in such manner as the Directors may determine.

(3) The officers shall receive such remuneration as the Directors may from time to time determine.

125. (1) The Secretary and additional officers, if any, shall be appointed by the Board and shall hold office on such terms and for such period as the Board may determine. If thought fit, two or more persons may be appointed as joint Secretaries. The Board may also appoint from time to time on such terms as it thinks fit one or more assistant or deputy Secretaries.

(2) The Secretary shall attend all meetings of the Members and shall keep correct minutes of such meetings and enter the same in the proper books provided for the purpose. He shall perform such other duties as are prescribed by the Law or these Articles or as may be prescribed by the Board.

126. The officers of the Company shall have such powers and perform such duties in the management, business and affairs of the Company as may be delegated to them by the Directors from time to time.

127. A provision of the Law or of these Articles requiring or authorising a thing to be done by or to a Director and the Secretary shall not be satisfied by its being done by or to the same person acting both as Director and as or in place of the Secretary.

REGISTER OF DIRECTORS AND OFFICERS

128. The Company shall cause to be kept in one or more books at its Office a Register of Directors and Officers in which there shall be entered the full names and addresses of the Directors and Officers and such other particulars as required by the Law or as the Directors may determine. The Company shall send to the Registrar of Companies in the Cayman Islands a copy of such register, and shall from time to time notify to the said Registrar of any change that takes place in relation to such Directors and Officers as required by the Law.

MINUTES

129.(1) The Board shall cause minutes to be duly entered in books provided for the purpose:

(a) of all elections and appointments of officers;

(b) of the names of the Directors present at each meeting of the Directors and of any committee of the Directors;

(c) of all resolutions and proceedings of each general meeting of the Members, meetings of the Board and meetings of committees of the Board and where there are managers, of all proceedings of meetings of the managers.

(2) Minutes shall be kept by the Secretary at the Office.

SEAL

130. (1) The Company shall have one or more Seals, as the Board may determine. For the purpose of sealing documents creating or evidencing securities issued by the Company, the Company may have a securities seal which is a facsimile of the Seal of the Company with the addition of the word “Securities” on its face or in such other form as the Board may approve. The Board shall provide for the custody of each Seal and no Seal shall be used without the authority of the Board or of a committee of the Board authorised by the Board in that behalf. Subject as otherwise provided in these Articles, any instrument to which a Seal is affixed shall be signed autographically by one Director and the Secretary or by two Directors or by such other person (including a Director) or persons as the Board may appoint, either generally or in any particular case, save that as regards any certificates for shares or debentures or other securities of the Company the Board may by resolution determine that such signatures or either of them shall be dispensed with or affixed by some method or system of mechanical signature. Every instrument executed in manner provided by this Article shall be deemed to be sealed and executed with the authority of the Board previously given.

(2) Where the Company has a Seal for use abroad, the Board may by writing under the Seal appoint any agent or committee abroad to be the duly authorised agent of the Company for the purpose of affixing and using such Seal and the Board may impose restrictions on the use thereof as may be thought fit. Wherever in these Articles reference is made to the Seal, the reference shall, when and so far as may be applicable, be deemed to include any such other Seal as aforesaid.

AUTHENTICATION OF DOCUMENTS

131. Any Director or the Secretary or any person appointed by the Board for the purpose may authenticate any documents affecting the constitution of the Company and any resolution passed by the Company or the Board or any committee, and any books, records, documents and accounts relating to the business of the Company, and to certify copies thereof or extracts therefrom as true copies or extracts, and if any books, records, documents or accounts are elsewhere than at the Office or the head office the local manager or other officer of the Company having the custody thereof shall be deemed to be a person so appointed by the Board. A document purporting to be a copy of a resolution, or an extract from the minutes of a meeting, of the Company or of the Board or any committee

which is so certified shall be conclusive evidence in favour of all persons dealing with the Company upon the faith thereof that such resolution has been duly passed or, as the case may be, that such minutes or extract is a true and accurate record of proceedings at a duly constituted meeting.

DESTRUCTION OF DOCUMENTS

132. (1) The Company shall be entitled to destroy the following documents at the following times:

(a) any share certificate which has been cancelled at any time after the expiry of one (1) year from the date of such cancellation;

(b) any dividend mandate or any variation or cancellation thereof or any notification of change of name or address at any time after the expiry of two (2) years from the date such mandate variation cancellation or notification was recorded by the Company;

(c) any instrument of transfer of shares which has been registered at any time after the expiry of seven (7) years from the date of registration;

(d) any allotment letters after the expiry of seven (7) years from the date of issue thereof; and

(e) copies of powers of attorney, grants of probate and letters of administration at any time after the expiry of seven (7) years after the account to which the relevant power of attorney, grant of probate or letters of administration related has been closed;

and it shall conclusively be presumed in favour of the Company that every entry in the Register purporting to be made on the basis of any such documents so destroyed was duly and properly made and every share certificate so destroyed was a valid certificate duly and properly cancelled and that every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered and that every other document destroyed hereunder was a valid and effective document in accordance with the recorded particulars thereof in the books or records of the Company. Provided always that: (1) the foregoing provisions of this Article shall apply only to the destruction of a document in good faith and without express notice to the Company that the preservation of such document was relevant to a claim; (2) nothing contained in this Article shall be construed as imposing upon the Company any liability in respect of the destruction of any such document earlier than as aforesaid or in any case where the conditions of proviso (1) above are not fulfilled; and (3) references in this Article to the destruction of any document include references to its disposal in any manner.

(2) Notwithstanding any provision contained in these Articles, the Directors may, if permitted by applicable law, authorise the destruction of documents set out in sub-paragraphs (a) to (e) of paragraph (1) of this Article and any other documents in relation to share registration which have been microfilmed or electronically stored by the Company or by the share registrar on its behalf provided always that this Article shall apply only to the destruction of a document in good faith and without express notice to the Company and its share registrar that the preservation of such document was relevant to a claim.

DIVIDENDS AND OTHER PAYMENTS

133. Subject to the Law, the Company in general meeting or the Board may from time to time declare dividends in any currency to be paid to the Members but no dividend shall be declared in excess of the amount recommended by the Board.

134. Dividends may be declared and paid out of the profits of the Company, realised or unrealised, or from any reserve set aside from profits which the Directors determine is no longer needed. The Board may also declare and pay dividends out of share premium account or any other fund or account which can be authorised for this purpose in accordance with the Law.

135.Except in so far as the rights attaching to, or the terms of issue of, any share otherwise provide:

(a) all dividends shall be declared and paid according to the amounts paid up on the shares in respect of which the dividend is paid, but no amount paid up on a share in advance of calls shall be treated for the purposes of this Article as paid up on the share; and

(b) all dividends shall be apportioned and paid pro rata according to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid.

136. The Board, and only the Board, may from time to time declare to pay to the Members such interim dividends as appear to the Board to be justified by the profits of the Company and in particular (but without prejudice to the generality of the foregoing) if at any time the share capital of the Company is divided into different classes, the Board may pay such interim dividends in respect of those shares in the capital of the Company which confer on the holders thereof deferred or non-preferential rights as well as in respect of

those shares which confer on the holders thereof preferential rights with regard to dividend and provided that the Board acts bona fide the Board shall not incur any responsibility to the holders of shares conferring any preference for any damage that they may suffer by reason of the payment of an interim dividend on any shares having deferred or non-preferential rights and may also pay any fixed dividend which is payable on any shares of the Company half-yearly or on any other dates, whenever such profits, in the opinion of the Board, justifies such payment.

137. The Board may deduct from any dividend or other moneys payable to a Member by the Company on or in respect of any shares all sums of money (if any) presently payable by him to the Company on account of calls or otherwise.

138. No dividend or other moneys payable by the Company on or in respect of any share shall bear interest against the Company.

139. Any dividend, interest or other sum payable in cash to the holder of shares may be paid by cheque or warrant sent through the post addressed to the holder at his registered address or, in the case of joint holders, addressed to the holder whose name stands first in the Register in respect of the shares at his address as appearing in the Register or addressed to such person and at such address as the holder or joint holders may in writing direct. Every such cheque or warrant shall, unless the holder or joint holders otherwise direct, be made payable to the order of the holder or, in the case of joint holders, to the order of the holder whose name stands first on the Register in respect of such shares, and shall be sent at his or their risk and payment of the cheque or warrant by the bank on which it is drawn shall constitute a good discharge to the Company notwithstanding that it may subsequently appear that the same has been stolen or that any endorsement thereon has been forged. Any one of two or more joint holders may give effectual receipts for any dividends or other moneys payable or property distributable in respect of the shares held by such joint holders.

140. All dividends or bonuses unclaimed for one (1) year after having been declared may be invested or otherwise made use of by the Board for the benefit of the Company until claimed. Any dividend or bonuses unclaimed after a period of six (6) years from the date of declaration shall be forfeited and shall revert to the Company. The payment by the Board of any unclaimed dividend or other sums payable on or in respect of a share into a separate account shall not constitute the Company a trustee in respect thereof.

141. Whenever the Board or the Company in general meeting has resolved that a dividend be paid or declared, the Board may further resolve that such dividend be satisfied wholly or in part by the distribution of specific assets of any kind and in particular of paid up shares, debentures or warrants to subscribe securities of the Company or any other company, or in any one or more of such ways, and where any difficulty arises in regard to the distribution the Board may settle the same as it thinks expedient, and in particular may issue certificates in respect of fractions of shares, disregard fractional entitlements or round the same up or down, and may fix the value for distribution of such specific assets, or any part thereof, and may determine that cash payments shall be made to any Members upon the footing of the value so fixed in order to adjust the rights of all parties, and may vest any such specific assets in trustees as may seem expedient to the Board and may appoint any person to sign any requisite instruments of transfer and other documents on behalf of the persons entitled to the dividend, and such appointment shall be effective and binding on the Members. The Board may resolve that no such assets shall be made available to Members with registered addresses in any particular territory or territories where, in the absence of a registration statement or other special formalities, such distribution of assets would or might, in the opinion of the Board, be unlawful or impracticable and in such event the only entitlement of the Members aforesaid shall be to receive cash payments as aforesaid. Members affected as a result of the foregoing sentence shall not be or be deemed to be a separate class of Members for any purpose whatsoever.

142.(1) Whenever the Board or the Company in general meeting has resolved that a dividend be paid or declared on any class of the share capital of the Company, the Board may further resolve either:

(a) that such dividend be satisfied wholly or in part in the form of an allotment of shares credited as fully paid up, provided that the Members entitled thereto will be entitled to elect to receive such dividend (or part thereof if the Board so determines) in cash in lieu of such allotment. In such case, the following provisions shall apply:

  (i) the basis of any such allotment shall be determined by the Board;

  (ii) the Board, after determining the basis of allotment, shall give not less than ten (10) days' Notice to the holders of the relevant shares of the right of election accorded to them and shall send with such notice forms of election and specify the procedure to be followed and the place at which and the latest date and time by which duly completed forms of election must be lodged in order to be effective;

  (iii) the right of election may be exercised in respect of the whole or part of that portion of the dividend in respect of which the right of election has been accorded; and

  (iv) the dividend (or that part of the dividend to be satisfied by the allotment of shares as aforesaid) shall not be payable in cash on shares in respect whereof the cash election has not been duly exercised ("the non-elected shares") and in satisfaction thereof shares of the relevant class shall be allotted credited as fully paid up to the holders of the non-elected shares on the basis of allotment determined as aforesaid and for such purpose the Board shall capitalise and apply out of any part of the undivided profits of the Company (including profits carried and standing to the credit of any reserves or other special account, share premium account, capital redemption reserve other than the Subscription

Rights Reserve) as the Board may determine, such sum as may be required to pay up in full the appropriate number of shares of the relevant class for allotment and distribution to and amongst the holders of the non-elected shares on such basis; or

(b) that the Members entitled to such dividend shall be entitled to elect to receive an allotment of shares credited as fully paid up in lieu of the whole or such part of the dividend as the Board may think fit. In such case, the following provisions shall apply:

(i) the basis of any such allotment shall be determined by the Board;

(ii) the Board, after determining the basis of allotment, shall give not less than ten (10) days' Notice to the holders of the relevant shares of the right of election accorded to them and shall send with such notice forms of election and specify the procedure to be followed and the place at which and the latest date and time by which duly completed forms of election must be lodged in order to be effective;

(iii) the right of election may be exercised in respect of the whole or part of that portion of the dividend in respect of which the right of election has been accorded; and

(iv) the dividend (or that part of the dividend in respect of which a right of election has been accorded) shall not be payable in cash on shares in respect whereof the share election has been duly exercised ("the elected shares") and in lieu thereof shares of the relevant class shall be allotted credited as fully paid up to the holders of the elected shares on the basis of allotment determined as aforesaid and for such purpose the Board shall capitalise and apply out of any part of the undivided profits of the Company (including profits carried and standing to the credit of any reserves or other special account, share premium account, capital redemption reserve other than the Subscription Rights Reserve) as the Board may determine, such sum as may be required to pay up in full the appropriate number of shares of the relevant class for allotment and distribution to and amongst the holders of the elected shares on such basis.

(2) (a) The shares allotted pursuant to the provisions of paragraph (1) of this Article shall rank pari passu in all respects with shares of the same class (if any) then in issue save only as regards participation in the relevant dividend or in any other distributions, bonuses or rights paid, made, declared or announced prior to or contemporaneously with the payment or declaration of the relevant dividend unless, contemporaneously with the announcement by the Board of their proposal to apply the provisions of sub-paragraph (a) or (b) of

paragraph (2) of this Article in relation to the relevant dividend or contemporaneously with their announcement of the distribution, bonus or rights in question, the Board shall specify that the shares to be allotted pursuant to the provisions of paragraph (1) of this Article shall rank for participation in such distribution, bonus or rights.

(b) The Board may do all acts and things considered necessary or expedient to give effect to any capitalisation pursuant to the provisions of paragraph (1) of this Article, with full power to the Board to make such provisions as it thinks fit in the case of shares becoming distributable in fractions (including provisions whereby, in whole or in part, fractional entitlements are aggregated and sold and the net proceeds distributed to those entitled, or are disregarded or rounded up or down or whereby the benefit of fractional entitlements accrues to the Company rather than to the Members concerned). The Board may authorise any person to enter into on behalf of all Members interested, an agreement with the Company providing for such capitalisation and matters incidental thereto and any agreement made pursuant to such authority shall be effective and binding on all concerned.

(3) The Company may upon the recommendation of the Board by ordinary resolution resolve in respect of any one particular dividend of the Company that notwithstanding the provisions of paragraph (1) of this Article a dividend may be satisfied wholly in the form of an allotment of shares credited as fully paid up without offering any right to shareholders to elect to receive such dividend in cash in lieu of such allotment.

(4) The Board may on any occasion determine that rights of election and the allotment of shares under paragraph (1) of this Article shall not be made available or made to any shareholders with registered addresses in any territory where, in the absence of a registration statement or other special formalities, the circulation of an offer of such rights of election or the allotment of shares would or might, in the opinion of the Board, be unlawful or impracticable, and in such event the provisions aforesaid shall be read and construed subject to such determination. Members affected as a result of the foregoing sentence shall not be or be deemed to be a separate class of Members for any purpose whatsoever.

(5) Any resolution declaring a dividend on shares of any class, whether a resolution of the Company in general meeting or a resolution of the Board, may specify that the same shall be payable or distributable to the persons registered as the holders of such shares at the close of business on a particular date, notwithstanding that it may be a date prior to that on which the resolution is passed, and thereupon the dividend shall be payable or distributable to them in accordance with their respective holdings so registered, but without prejudice to the rights inter se in respect of such dividend of transferors and transferees of any such shares. The provisions

of this Article shall mutatis mutandis apply to bonuses, capitalisation issues, distributions of realised capital profits or offers or grants made by the Company to the Members.

RESERVES

143.(1) The Board shall establish an account to be called the share premium account and shall carry to the credit of such account from time to time a sum equal to the amount or value of the premium paid on the issue of any share in the Company. Unless otherwise provided by the provisions of these Articles, the Board may apply the share premium account in any manner permitted by the Law. The Company shall at all times comply with the provisions of the Law in relation to the share premium account.

(2) Before recommending any dividend, the Board may set aside out of the profits of the Company such sums as it determines as reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied and pending such application may, also at such discretion, either be employed in the business of the Company or be invested in such investments as the Board may from time to time think fit and so that it shall not be necessary to keep any investments constituting the reserve or reserves separate or distinct from any other investments of the Company. The Board may also without placing the same to reserve carry forward any profits which it may think prudent not to distribute.

CAPITALISATION

144. The Company may, upon the recommendation of the Board, at any time and from time to time pass an ordinary resolution to the effect that it is desirable to capitalise all or any part of any amount for the time being standing to the credit of any reserve or fund (including a share premium account and capital redemption reserve and the profit and loss account) whether or not the same is available for distribution and accordingly that such amount be set free for distribution among the Members or any class of Members who would be entitled thereto if it were distributed by way of dividend and in the same proportions, on the footing that the same is not paid in cash but is applied either in or towards paying up the amounts for the time being unpaid on any shares in the Company held by such Members respectively or in paying up in full unissued shares, debentures or other obligations of the Company, to be allotted and distributed credited as fully paid up among such Members, or partly in one way and partly in the other, and the Board shall give effect to such resolution provided that, for the purposes of this Article, a share premium account and any capital redemption reserve or fund representing unrealised profits, may be applied only in paying up in full unissued shares of the Company to be allotted to such Members credited as fully paid.

145. The Board may settle, as it considers appropriate, any difficulty arising in regard to any distribution under the last preceding Article and in particular may issue certificates in respect of fractions of shares or authorise any person to sell and transfer any fractions or may resolve that the distribution should be as nearly as may be practicable in the correct proportion but not exactly so or may ignore fractions altogether, and may determine that cash payments shall be made to any Members in order to adjust the rights of all parties, as may seem expedient to the Board. The Board may appoint any person to sign on behalf of the persons entitled to participate in the distribution any contract necessary or desirable for giving effect thereto and such appointment shall be effective and binding upon the Members.

SUBSCRIPTION RIGHTS RESERVE

146. The following provisions shall have effect to the extent that they are not prohibited by and are in compliance with the Law:

(1) If, so long as any of the rights attached to any warrants issued by the Company to subscribe for shares of the Company shall remain exercisable, the Company does any act or engages in any transaction which, as a result of any adjustments to the subscription price in accordance with the provisions of the conditions of the warrants, would reduce the subscription price to below the par value of a share, then the following provisions shall apply:

(a) as from the date of such act or transaction the Company shall establish and thereafter (subject as provided in this Article) maintain in accordance with the provisions of this Article a reserve (the “Subscription Rights Reserve”) the amount of which shall at no time be less than the sum which for the time being would be required to be capitalised and applied in paying up in full the nominal amount of the additional shares required to be issued and allotted credited as fully paid pursuant to sub-paragraph (c) below on the exercise in full of all the subscription rights outstanding and shall apply the Subscription Rights Reserve in paying up such additional shares in full as and when the same are allotted;

(b) the Subscription Rights Reserve shall not be used for any purpose other than that specified above unless all other reserves of the Company (other than share premium account) have been extinguished and will then only be used to make good losses of the Company if and so far as is required by law;

(c) upon the exercise of all or any of the subscription rights represented by any warrant, the relevant subscription rights shall be exercisable in respect of a nominal amount of shares equal to the amount in cash which the holder of such warrant is required to pay on exercise of the subscription rights represented thereby (or, as the case may be the relevant portion thereof

in the event of a partial exercise of the subscription rights) and, in addition, there shall be allotted in respect of such subscription rights to the exercising warrantholder, credited as fully paid, such additional nominal amount of shares as is equal to the difference between:

(i) the said amount in cash which the holder of such warrant is required to pay on exercise of the subscription rights represented thereby (or, as the case may be, the relevant portion thereof in the event of a partial exercise of the subscription rights); and

(ii) the nominal amount of shares in respect of which such subscription rights would have been exercisable having regard to the provisions of the conditions of the warrants, had it been possible for such subscription rights to represent the right to subscribe for shares at less than par and immediately upon such exercise so much of the sum standing to the credit of the Subscription Rights Reserve as is required to pay up in full such additional nominal amount of shares shall be capitalised and applied in paying up in full such additional nominal amount of shares which shall forthwith be allotted credited as fully paid to the exercising warrantholders; and

(d) if, upon the exercise of the subscription rights represented by any warrant, the amount standing to the credit of the Subscription Rights Reserve is not sufficient to pay up in full such additional nominal amount of shares equal to such difference as aforesaid to which the exercising warrantholder is entitled, the Board shall apply any profits or reserves then or thereafter becoming available (including, to the extent permitted by law, share premium account) for such purpose until such additional nominal amount of shares is paid up and allotted as aforesaid and until then no dividend or other distribution shall be paid or made on the fully paid shares of the Company then in issue. Pending such payment and allotment, the exercising warrantholder shall be issued by the Company with a certificate evidencing his right to the allotment of such additional nominal amount of shares. The rights represented by any such certificate shall be in registered form and shall be transferable in whole or in part in units of one share in the like manner as the shares for the time being are transferable, and the Company shall make such arrangements in relation to the maintenance of a register therefor and other matters in relation thereto as the Board may think fit and adequate particulars thereof shall be made known to each relevant exercising warrantholder upon the issue of such certificate.

(2) Shares allotted pursuant to the provisions of this Article shall rank pari passu in all respects with the other shares allotted on the relevant exercise of the subscription rights represented by the warrant concerned. Notwithstanding anything contained in paragraph (1) of this Article, no fraction of any share shall be allotted on exercise of the subscription rights.

(3) The provision of this Article as to the establishment and maintenance of the Subscription Rights Reserve shall not be altered or added to in any way which would vary or abrogate, or which would have the effect of varying or abrogating the provisions for the benefit of any warrantholder or class of warrantholders under this Article without the sanction of a special resolution of such warrantholders or class of warrantholders.

(4) A certificate or report by the auditors for the time being of the Company as to whether or not the Subscription Rights Reserve is required to be established and maintained and if so the amount thereof so required to be established and maintained, as to the purposes for which the Subscription Rights Reserve has been used, as to the extent to which it has been used to make good losses of the Company, as to the additional nominal amount of shares required to be allotted to exercising warrantholders credited as fully paid, and as to any other matter concerning the Subscription Rights Reserve shall (in the absence of manifest error) be conclusive and binding upon the Company and all warrantholders and shareholders.

ACCOUNTING RECORDS

147. The Board shall cause true accounts to be kept of the sums of money received and expended by the Company, and the matters in respect of which such receipt and expenditure take place, and of the property, assets, credits and liabilities of the Company and of all other matters required by the Law or necessary to give a true and fair view of the Company's affairs and to explain its transactions.

148. The accounting records shall be kept at the Office or, at such other place or places as the Board decides and shall always be open to inspection by the Directors. No Member (other than a Director) shall have any right of inspecting any accounting record or book or document of the Company except as conferred by law or authorised by the Board or the Company in general meeting.

149. Subject to Article 150, a printed copy of the Directors' report, accompanied by the balance sheet and profit and loss account, including every document required by law to be annexed thereto, made up to the end of the applicable financial year and containing a summary of the assets and liabilities of the Company under convenient heads and a statement of income and expenditure, together with a copy of the Auditors' report, shall be sent to each person entitled thereto at least ten (10) days before the date of the general meeting and laid before the Company at the annual general meeting held in accordance with Article 56 provided that this Article shall not require a copy of those documents to be sent to any person whose address the Company is not aware or to more than one of the joint holders of any shares or debentures.

150. Subject to due compliance with all applicable Statutes, rules and regulations, including, without limitation, the rules of the Designated Stock Exchange, and to obtaining all necessary consents, if any, required thereunder, the requirements of Article 152 shall be deemed satisfied in relation to any person by sending to the person in any manner not prohibited by the Statutes, a summary financial statement derived from the Company's annual accounts and the directors' report which shall be in the form and containing the information required by applicable laws and regulations, provided that any person who is otherwise entitled to the annual financial statements of the Company and the directors' report thereon may, if he so requires by notice in writing served on the Company, demand that the Company sends to him, in addition to a summary financial statement, a complete printed copy of the Company's annual financial statement and the directors' report thereon.

151. The requirement to send to a person referred to in Article 149 the documents referred to in that article or a summary financial report in accordance with Article 153 shall be deemed satisfied where, in accordance with all applicable Statutes, rules and regulations, including, without limitation, the rules of the Designated Stock Exchange, the Company publishes copies of the documents referred to in Article 149 and, if applicable, a summary financial report complying with Article 150, on the Company's computer network or in any other permitted manner (including by sending any form of electronic communication), and that person has agreed or is deemed to have agreed to treat the publication or receipt of such documents in such manner as discharging the Company's obligation to send to him a copy of such documents.

AUDIT

152.Subject to applicable law and rules of the Designated Stock Exchange:

(1) The Board shall appoint an auditor to audit the accounts of the Company and such auditor shall hold office until the Board appoints another auditor. Such auditor may be a Member but no Director or officer or employee of the Company shall, during his continuance in office, be eligible to act as an auditor of the Company.

(2) The Board may remove the Auditor at any time before the expiration of his term of office and shall by ordinary resolution at that meeting appoint another Auditor in his stead for the remainder of his term.

153. Subject to the Law the accounts of the Company shall be audited at least once in every year.

154. The remuneration of the Auditor shall be fixed by the Board.

155. If the office of auditor becomes vacant by the resignation or death of the Auditor, or by his becoming incapable of acting by reason of illness or other disability at a time when his services are required, the Directors shall fill the vacancy and determine the remuneration of such Auditor.

156. The Auditor shall at all reasonable times have access to all books kept by the Company and to all accounts and vouchers relating thereto; and he may call on the Directors or officers of the Company for any information in their possession relating to the books or affairs of the Company.

157. The statement of income and expenditure and the balance sheet provided for by these Articles shall be examined by the Auditor and compared by him with the books, accounts and vouchers relating thereto; and he shall make a written report thereon stating whether such statement and balance sheet are drawn up so as to present fairly the financial position of the Company and the results of its operations for the period under review and, in case information shall have been called for from Directors or officers of the Company, whether the same has been furnished and has been satisfactory. The financial statements of the Company shall be audited by the Auditor in accordance with generally accepted auditing standards. The Auditor shall make a written report thereon in accordance with generally accepted auditing standards and the report of the Auditor shall be submitted to the Members in general meeting. The generally accepted auditing standards referred to herein may be those of a country or jurisdiction other than the Cayman Islands. If so, the financial statements and the report of the Auditor should disclose this act and name such country or jurisdiction.

NOTICES

158. Any Notice or document, whether or not, to be given or issued under these Articles from the Company to a Member shall be in writing or by cable, telex or facsimile transmission message or other form of electronic transmission or communication and any such Notice and document may be served or delivered by the Company on or to any Member either personally or by sending it through the post in a prepaid envelope addressed to such Member at his registered address as appearing in the Register or at any other address supplied by him to the Company for the purpose or, as the case may be, by transmitting it to any such address or transmitting it to any telex or facsimile transmission number or electronic number or address or website supplied by him to the Company for the giving of Notice to him or which the person transmitting the notice reasonably and bona fide believes at the relevant time will result in the Notice being duly received by the Member or may also be served by advertisement in appropriate newspapers in accordance with the

requirements of the Designated Stock Exchange or, to the extent permitted by the applicable laws, by placing it on the Company's website and giving to the member a notice stating that the notice or other document is available there (a "notice of availability"). The notice of availability may be given to the Member by any of the means set out above. In the case of joint holders of a share all notices shall be given to that one of the joint holders whose name stands first in the Register and notice so given shall be deemed a sufficient service on or delivery to all the joint holders.

159. Any Notice or other document:

(a) if served or delivered by post, shall where appropriate be sent by airmail and shall be deemed to have been served or delivered on the day following that on which the envelope containing the same, properly prepaid and addressed, is put into the post; in proving such service or delivery it shall be sufficient to prove that the envelope or wrapper containing the notice or document was properly addressed and put into the post and a certificate in writing signed by the Secretary or other officer of the Company or other person appointed by the Board that the envelope or wrapper containing the notice or other document was so addressed and put into the post shall be conclusive evidence thereof;

(b) if sent by electronic communication, shall be deemed to be given on the day on which it is transmitted from the server of the Company or its agent. A notice placed on the Company's website is deemed given by the Company to a Member on the day following that on which a notice of availability is deemed served on the Member;

(c) if served or delivered in any other manner contemplated by these Articles, shall be deemed to have been served or delivered at the time of personal service or delivery or, as the case may be, at the time of the relevant despatch or transmission; and in proving such service or delivery a certificate in writing signed by the Secretary or other officer of the Company or other person appointed by the Board as to the act and time of such service, delivery, despatch or transmission shall be conclusive evidence thereof; and

(d) may be given to a Member in the English language or such other language as may be approved by the Directors, subject to due compliance with all applicable Statutes, rules and regulations.

160.(1) Any Notice or other document delivered or sent by post to or left at the registered address of any Member in pursuance of these Articles shall, notwithstanding that such Member is then dead or bankrupt or that any other event has occurred, and whether or not the Company has notice of the death or bankruptcy or other event, be deemed to have been duly served or delivered in respect of any share registered in the name of such Member as sole or joint holder unless his name shall, at the time of the service or delivery of the notice or document, have been removed from the Register as the holder of the share, and such service or delivery shall for all purposes be deemed a sufficient service or delivery of such Notice or document on all persons interested (whether jointly with or as claiming through or under him) in the share.

(2) A notice may be given by the Company to the person entitled to a share in consequence of the death, mental disorder or bankruptcy of a Member by sending it through the post in a prepaid letter, envelope or wrapper addressed to him by name, or by the title of representative of the deceased, or trustee of the bankrupt, or by any like description, at the address, if any, supplied for the purpose by the person claiming to be so entitled, or (until such an address has been so supplied) by giving the notice in any manner in which the same might have been given if the death, mental disorder or bankruptcy had not occurred.

(3) Any person who by operation of law, transfer or other means whatsoever shall become entitled to any share shall be bound by every notice in respect of such share which prior to his name and address being entered on the Register shall have been duly given to the person from whom he derives his title to such share.

SIGNATURES

161. For the purposes of these Articles, a cable or telex or facsimile or electronic transmission message purporting to come from a holder of shares or, as the case may be, a Director, or, in the case of a corporation which is a holder of shares from a director or the secretary thereof or a duly appointed attorney or duly authorised representative thereof for it and on its behalf, shall in the absence of express evidence to the contrary available to the person relying thereon at the relevant time be deemed to be a document or instrument in writing signed by such holder or Director in the terms in which it is received.

WINDING UP

162.(1) The Board shall have power in the name and on behalf of the Company to present a petition to the court for the Company to be wound up.

(2) A resolution that the Company be wound up by the court or be wound up voluntarily shall be a special resolution.

163.(1) Subject to any special rights, privileges or restrictions as to the distribution of available surplus assets on liquidation for the time being attached to any class or classes of shares (i) if the Company shall be wound up and the assets available for distribution

amongst the Members of the Company shall be more than sufficient to repay the whole of the capital paid up at the commencement of the winding up, the excess shall be distributed pari passu amongst such members in proportion to the amount paid up on the shares held by them respectively and (ii) if the Company shall be wound up and the assets available for distribution amongst the Members as such shall be insufficient to repay the whole of the paid-up capital such assets shall be distributed so that, a nearly as may be, the losses shall be borne by the Members in proportion to the capital paid up, or which ought to have been paid up, at the commencement of the winding up on the shares held by them respectively.

(2) If the Company shall be wound up (whether the liquidation is voluntary or by the court) the liquidator may, with the authority of a special resolution and any other sanction required by the Law, divide among the Members in specie or kind the whole or any part of the assets of the Company and whether or not the assets shall consist of properties of one kind or shall consist of properties to be divided as aforesaid of different kinds, and may for such purpose set such value as he deems fair upon any one or more class or classes of property and may determine how such division shall be carried out as between the Members or different classes of Members. The liquidator may, with the like authority, vest any part of the assets in trustees upon such trusts for the benefit of the Members as the liquidator with the like authority shall think fit, and the liquidation of the Company may be closed and the Company dissolved, but so that no contributory shall be compelled to accept any shares or other property in respect of which there is a liability.

INDEMNITY

164.(1) The Directors, Secretary and other officers for the time being of the Company and the liquidator or trustees (if any) for the time being acting in relation to any of the affairs of the Company and everyone of them, and everyone of their heirs, executors and administrators, shall be indemnified and secured harmless out of the assets and profits of the Company from and against all actions, costs, charges, losses, damages and expenses which they or any of them, their or any of their heirs, executors or administrators, shall or may incur or sustain by or by reason of any act done, concurred in or omitted in or about the execution of their duty, or supposed duty, in their respective offices or trusts; and none of them shall be answerable for the acts, receipts, neglects or defaults of the other or others of them or for joining in any receipts for the sake of conformity, or for any bankers or other persons with whom any moneys or effects belonging to the Company shall or may be lodged or deposited for safe custody, or for insufficiency or deficiency of any security upon which any moneys of or belonging to the Company shall be placed out on or invested, or for any other loss, misfortune or damage which may happen in the execution of their respective offices or trusts, or in relation thereto; PROVIDED THAT this indemnity shall not extend to any matter in respect of any fraud or dishonesty which may attach to any of said persons.

(2) Each Member agrees to waive any claim or right of action he might have, whether individually or by or in the right of the Company, against any Director on account of any action taken by such Director, or the failure of such Director to take any action in the performance of his duties with or for the Company; PROVIDED THAT such waiver shall not extend to any matter in respect of any fraud or dishonesty which may attach to such Director.

AMENDMENT TO MEMORANDUM AND ARTICLES OF ASSOCIATION AND NAME OF COMPANY

165. No Article shall be rescinded, altered or amended and no new Article shall be made until the same has been approved by a special resolution of the Members. A special resolution shall be required to alter the provisions of the Memorandum of Association or to change the name of the Company.

INFORMATION

166. No Member shall be entitled to require discovery of or any information respecting any detail of the Company's trading or any matter which is or may be in the nature of a trade secret or secret process which may relate to the conduct of the business of the Company and which in the opinion of the Directors it will be inexpedient in the interests of the members of the Company to communicate to the public.

EQUITY PLEDGE AGREEMENT

THIS EQUITY PLEDGE AGREEMENT (this "**Agreement**") is entered into on January 15, 2021 ("**Execution Date**")

BY AND AMONG:

1. **Guangzhou Qianxun Internet Technology Co., Ltd.** (the "**Pledgor**")
   Registered address: 4/F, 5/F, 6/F, 13/F, 14/F, 15/F, 16/F, Jisheng Business Center, No. 278 Xingtai Road, Shiqiao Street, Panyu District, Guangzhou
   Legal representative: Wenxian Zhong

2. **Guangzhou Baiguoyuan Internet Technology Co., Ltd.** (the "**Company**")
   Registered address: 4/F, 5/F, 6/F, 13/F, 14/F, 15/F, 16/F, Jisheng Business Center, No. 278 Xingtai Road, Shiqiao Street, Panyu District, Guangzhou
   Legal representative: Wenxian Zhong

3. **Guangzhou Baiguoyuan Information Technology Co., Ltd.** (the "**Pledgee**")
   Registered address: 5/F to 13/F, West Tower, Building C, No. 274 Xingtai Road, Shiqiao Street, Panyu District, Guangzhou
   Legal representative: Wenxian Zhong

In this Agreement, the aforementioned parties are referred to individually as a "**Party**" and collectively as the "**Parties**".

WHEREAS:

1. The Pledgor is the registered shareholder of the Company and lawfully hold all equity interest in the Company ("**Company Equity**"). As of the Execution Date, the amount of its contribution to the registered capital of the Company is Renminbi Ten Million, and its shareholding percentage in total is 100%. The registered capital has not been paid in. The basic information of the Company sets forth in Schedule 1 hereto.

2. The Parties hereto entered into a Shareholder Voting Rights Proxy Agreement ("**Proxy Agreement**") on January 15, 2021, pursuant to which the each of the Pledgor has irrevocably granted a general power of attorney to such persons as may then be appointed by the Pledgee to exercise its entire shareholder voting rights in the Company on behalf of the Pledgor.

3. The Company and the Pledgee entered into an Exclusive Service Agreement ("**Service Agreement**") on January 15, 2021, pursuant to which the Company has, on an exclusive basis, engaged the Pledgee to provide it with relevant services and agrees to pay relevant service fees to the Pledgee for such services.

4. The Parties hereto entered into an Exclusive Option Agreement ("**Option Agreement**") on January 15, 2021, pursuant to which the Pledgor and the Company shall, to the extent permitted by the PRC Laws, transfer, at the request of the Pledgee, all or part of their equity interests in the Company or all or part of the assets of the Company respectively to the Pledgee and/or any entity and/or

individual designated by it, or the Company shall decrease its capital and the Pledgee and/or any entity and/or individual designated by it shall subscribe for the newly increased registered capital of the Company.

5. As security for the performance by the Pledgor of their Contractual Obligations (as defined below) and their repayment of the Secured Indebtedness (as defined below), each Pledgor is willing to pledge all of its Company Equity to the Pledgee and create first priority pledge in favor of the Pledgee; and the Company has agreed to such equity pledge arrangement.

NOW, THEREFORE, upon consensus through consultation, the Parties agree as follows:

ARTICLE I DEFINITIONS

1.1 Unless otherwise required by the context, the following terms shall have the following meanings in this Agreement:

"**Contractual Obligations**"	means all of the each Pledgor's contractual obligations under the Proxy Agreement and the Option Agreement; all of the Company's contractual obligations under the Proxy Agreement, the Service Agreement and the Option Agreement; and all of the contractual obligations of the each Pledgor and the Company under this Agreement.
"Secured Indebtedness"	means all direct, indirect or consequential losses and loss of projectable benefits suffered by the Pledgee as a result of any Event of Default (as defined below) of the Pledgor and/or the Company, and the basis for determining the amounts of such losses shall include, without limitation, reasonable commercial plans and profit forecasts of the Pledgee and all costs incurred by the Pledgee in connection with its enforcement of the Contractual Obligations of each Pledgor and/or the Company.
"Transaction Agreements"	means the Proxy Agreement, the Service Agreement and the Option Agreement.
"Event of Default"	means a breach by any Pledgor of any of its Contractual Obligations under the Proxy Agreement, the Option Agreement and/or this Agreement, and a breach by the Company of any of its Contractual Obligations under the Proxy Agreement, the Service Agreement, the Option Agreement and/or this Agreement.
"Pledged Equity"	means all of the Company Equity lawfully owned by the Pledgor as of the effectiveness of this Agreement and to be pledged hereunder to the Pledgee as security

	for the performance by the Pledgor and the Company of their respective Contractual Obligations and increased capital contribution amounts and dividends under Sections 2.6 and 2.7 hereof.
"PRC Laws"	means the then effective laws, administrative regulations, administrative rules, local regulations, judicial interpretations and other binding regulatory documents of the People's Republic of China.

1.2 In this Agreement, any reference to any PRC Law shall be deemed to include (i) a reference to such PRC Law as modified, amended, supplemented or reenacted, effective either before or after the date hereof; and (ii) a reference to any other decision, circular or rule made thereunder or effective as a result thereof.

1.3 Unless otherwise required by the context, a reference to an article, section, clause or paragraph herein shall be a reference to an article, section, clause or paragraph of this Agreement.

ARTICLE II EQUITY PLEDGE

2.1 The Pledgor hereby agrees to pledge, in accordance with the terms hereof, its lawfully owned and rightfully disposable Pledged Equity to the Pledgee as security for the performance by such Pledgor of its Contractual Obligations and its repayment of the Secured Indebtedness. The Company hereby agrees for the Pledgor to so pledge the Pledged Equity to the Pledgee in accordance with the terms hereof.

2.2 The Pledgor covenants that it will assume the responsibility of recording the equity pledge arrangement ("**Equity Pledge**") hereunder in the shareholder's register of the Company on the Execution Date. Each Pledgor further covenants that it will use its best efforts and take all necessary measures to register the Equity Pledge as soon as possible with the competent administrative authority for market regulation of the Company after the Execution Date.

2.3 During the validity term hereof, the Pledgee shall not be liable in whatsoever manner for any diminution in value of the Pledged Equity and the Pledgor shall have no right to seek any form of recourse or bring any claims against the Pledgee in connection therewith, except where such diminution arises out of any willful conduct of the Pledgee or its gross negligence having immediate causal link with such result.

2.4 Subject to Section 2.3 above, if the Pledged Equity is likely to suffer such a manifest value diminution as to impair the rights of the Pledgee, the Pledgee may at any time auction or sell the Pledged Equity on behalf of the Pledgor and may, as agreed with the Pledgor, apply the proceeds from such auction or sale towards early repayment of the Secured Indebtedness, or deposit (entirely at the cost of the Pledgee) such proceeds with a notary organ of the place of

the Pledgee. In addition, upon request by the Pledgee, the Pledgor shall provide other property as security for the Secured Indebtedness.

2.5 Upon occurrence of any Event of Default, the Pledgee shall be entitled to dispose of the Pledged Equity in such manner as prescribed by Article IV hereof.

2.6 The Pledgor shall not increase the capital of the Company except with prior consent of the Pledgee. Any increase in the capital contribution made by the Pledgor to the registered capital of the Company as a result of any capital increase shall equally become part of the Pledged Equity, and the Pledgor shall register the pledge of the Company Equity corresponding to such capital contribution with the competent administrative authority for market regulation of the Company.

2.7 The Pledgor shall not receive any dividend or profit in respect of the Pledged Equity except with prior consent of the Pledgee. Any dividend or profit received by the Pledgor in respect of the Pledged Equity shall be deposited into an account designated by the Pledgee, monitored by the Pledgee and first applied towards repayment of the Secured Indebtedness.

2.8 Upon occurrence of an Event of Default, the Pledgee shall be entitled to dispose of any Pledged Equity of the Pledgor in accordance with the terms hereof.

ARTICLE III RELEASE OF PLEDGE

3.1 Upon full and complete performance by the Pledgor and the Company of all of their Contractual Obligations and full repayment of the Secured Indebtedness, the Pledgee shall, at the request of the Pledgor, release the Equity Pledge hereunder and cooperate with the Pledgor in relation to both the deregistration of the Equity Pledge in the shareholder's register of the Company and the deregistration of the Equity Pledge with the relevant administrative authority for market regulation; reasonable costs arising out of such release of the Equity Pledge shall be borne by the Pledgee.

ARTICLE IV DISPOSAL OF PLEDGED EQUITY

4.1 The Parties hereby agree that upon occurrence of any Event of Default, the Pledgee shall be entitled to exercise, upon written notice to the Pledgor, all of the remedies, rights and powers available to it under the PRC Laws, the Transaction Agreements and this Agreement, including, without limitation, the right to auction or sell the Pledged Equity for prior satisfaction of claims. The Pledgee shall not be held liable for any losses resulting from its reasonable exercise of such rights and powers.

The Pledgor further acknowledges and agrees that its breach of Article IX hereof shall constitute its material breach of this Agreement; the Company further acknowledges and agrees that its breach of Article X hereof shall constitute its material breach of this Agreement.

4.2 The Pledgee shall be entitled to appoint, in writing, its counsels or other agents to exercise any and all of its foregoing rights and powers, and neither any Pledgor nor the Company shall object thereto.

4.3 The Pledgee shall have the right to fully deduct all reasonable costs incurred by it in connection with its exercise of any or all of its foregoing rights and powers from the proceeds obtained as a result of such exercise of rights and powers.

4.4 The proceeds obtained as a result of the exercise by the Pledgee of its rights and powers shall be applied in the following order of precedence:

(a) towards payment of all costs arising out of the disposal of the Pledged Equity and the exercise by the Pledgee of its rights and powers (including fees paid to its counsels and agents);

(b) towards payment of the taxes payable in connection with the disposal of the Pledged Equity; and

(c) towards repayment of the Secured Indebtedness to the Pledgee.

Any balance after the deduction of the foregoing payments shall either be returned by the Pledgee to the Pledgor or any other person who may be entitled to such balance under relevant laws and regulations or be deposited by the Pledgee with a notary organ of the place of the Pledgee (any costs arising out of such deposit shall be borne by the Pledgee).

4.5 The Pledgee shall have the right to exercise, at its option, concurrently or successively, any of its breach of contract remedies; the Pledgee shall not be required to first exercise other breach of contract remedies prior to the exercise of its right to auction or sell the Pledged Equity hereunder.

ARTICLE V COSTS AND EXPENSES

5.1 All actual costs and expenses arising in connection with the creation of the Equity Pledge hereunder, including, without limitation, the stamp duty, any other taxes and all legal costs, shall be borne by the Parties severally.

ARTICLE VI CONTINUING GUARANTEE AND NON-WAIVER

6.1 The Equity Pledge created hereunder shall constitute a continuing guarantee and shall remain valid until full performance of the Contractual Obligations or full repayment of the Secured Indebtedness, whichever occurs later. Neither any waiver or grace granted by the Pledgee with respect to any breach by any Pledgor nor any delay of the Pledgee in its exercise of any of its rights under the Transaction Agreements and this Agreement shall affect the right of the Pledgee under this Agreement, relevant PRC Laws and the Transaction Agreements to require at any time thereafter the Pledgor to strictly perform the Transaction Agreements and this Agreement or any right that may be available

to the Pledgee as a result of any subsequent breach by the Pledgor of the Transaction Agreements and/or this Agreement.

ARTICLE VII REPRESENTATIONS AND WARRANTIES BY THE PLEDGOR

The Pledgor represents and warrants to the Pledgee that:

7.1 It is a is a limited partnership duly registered and validly existing under the PRC Laws; and has full and independent legal status and capacity to execute, deliver and perform this Agreement and may sue or be sued as an independent party.

7.2 All reports, documents and information provided by it to the Pledgee prior to the effectiveness of this Agreement with respect to all matters pertaining to such Pledgor or required by this Agreement are true, correct, complete and not misleading in all material respects as of the effectiveness of this Agreement.

7.3 All reports, documents and information provided by it to the Pledgee subsequent to the effectiveness of this Agreement with respect to all matters pertaining to such Pledgor or required by this Agreement are true and valid in all material respects as of the time of provision of the same.

7.4 As of the effectiveness of this Agreement, such Pledgor is the sole lawful owner of the Pledged Equity free from any ongoing or potential dispute or any third party claim as to the ownership thereof; and such Pledgor has the right to dispose of the Pledged Equity or any part thereof.

7.5 Other than the security interest created on the Pledged Equity hereunder and the rights created under the Transaction Agreements, the Pledged Equity is free from any other security interests, third party rights or interests or any other restrictions.

7.6 The Pledged Equity may be lawfully pledged and assigned, and such Pledgor has full rights and powers to pledge the Pledged Equity to the Pledgee in accordance with the terms hereof.

7.7 Once duly executed by such Pledgor, this Agreement will constitute lawful, valid and binding obligations of such Pledgor.

7.8 Other than the registration of the Equity Pledge with the relevant administrative authority for market regulation, any consents, permissions, waivers or authorizations by any third party or any approval, license or exemption from or any registration or filing formalities with any governmental body (if required by law), requisite in each case for the execution and performance of this Agreement and the creation of the Equity Pledge hereunder, have been obtained or completed and will remain fully valid during the validity term hereof.

7.9 The execution and performance by such Pledgor of this Agreement do not

violate or conflict with any law applicable to such Pledgor, any agreement to which such Pledgor is a party or by which he is bound, any court judgment, any arbitral award, or any decision of any administrative authority.

7.10 The pledge hereunder constitutes a first priority security interest on the Pledged Equity.

7.11 All taxes and costs payable in connection with the acquisition of the Pledged Equity have been paid in full by such Pledgor.

7.12 There are no pending, or to the knowledge of such Pledgor, threatened, suits, legal proceedings or claims before any court or arbitral tribunal or by any governmental body or administrative authority against such Pledgor or its property or the Pledged Equity having a material or adverse effect on the financial condition of such Pledgor or its ability to perform its obligations and the guarantee liability hereunder.

7.13 The Pledgor hereby warrants to the Pledgee that the foregoing representations and warranties will remain true and correct and be fully complied with under all circumstances at any time prior to the full performance of the Contractual Obligations or full repayment of the Secured Indebtedness.

ARTICLE VIII REPRESENTATIONS AND WARRANTIES BY THE COMPANY

The Company represents and warrants to the Pledgee that:

8.1 It is a limited liability company duly registered and lawfully existing under the PRC Laws with independent legal personality; and has full and independent legal status and capacity to execute, deliver and perform this Agreement and may sue or be sued as an independent party.

8.2 All reports, documents and information provided by it to the Pledgee prior to the effectiveness of this Agreement with respect to all matters pertaining to the Pledged Equity or required by this Agreement are true, correct, complete and not misleading in all material respects as of the effectiveness of this Agreement.

8.3 All reports, documents and information provided by it to the Pledgee subsequent to the effectiveness of this Agreement with respect to all matters pertaining to the Pledged Equity or required by this Agreement are true and valid in all material respects as of the time of provision of the same.

8.4 Once duly executed by it, this Agreement will constitute lawful, valid and binding obligations of the Company.

8.5 It has full internal corporate power and authority to execute and deliver this Agreement and all other documents to be executed by it in connection with the transactions contemplated hereunder as well as full power and authority to consummate the transactions contemplated hereunder.

8.6 There are no pending, or to the knowledge of the Company, threatened, suits, legal proceedings or claims before any court or arbitral tribunal or by any governmental body or administrative authority against the Pledged Equity, the Company or its assets having a material or adverse effect on the financial condition of the Company or the ability of the Pledgor to perform its obligations and the guarantee liability hereunder.

8.7 The Company hereby agrees to be severally and jointly liable to the Pledgee for the representations and warranties made by the Pledgor under Sections 7.4, 7.5, 7.6, 7.8 and 7.10 hereof.

8.8 The Company hereby warrants to the Pledgee that the foregoing representations and warranties will remain true and correct and be fully complied with under all circumstances at any time prior to the full performance of the Contractual Obligations or full repayment of the Secured Indebtedness.

ARTICLE IX UNDERTAKINGS BY THE PLEDGORS

The Pledgor hereby agree and irrevocably undertake to the Pledgee that:

9.1 Without prior written consent of the Pledgee, the Pledgor will not create or permit to be created any new pledge or any other security interest on the Pledged Equity, and any pledge or any other security interest created on all or part of the Pledged Equity without prior written consent of the Pledgee shall be null and void.

9.2 Without prior written notice to and prior written consent of the Pledgee, (i) the Pledgor will not assign or otherwise dispose of the Pledged Equity or request the Company to decrease its capital, and any of such actions taken by the Pledgor without prior consent of the Pledgee shall be null and void; (ii) the Pledgor will not assist or permit other existing shareholders (as applicable) to take any of the foregoing actions without prior written consent of the Pledgee. The proceeds received by the Pledgor from the assignment or other disposal of the Pledged Equity shall be first applied towards early full repayment of the Secured Indebtedness to the Pledgee or deposited with a third party to be agreed with the Pledgee.

9.3 Should there arise any suit, arbitration or other claims which are likely to have an adverse effect on the interests of the Pledgor or the Pledgee under the Transaction Agreements and this Agreement or on the Pledged Equity, the Pledgor warrants that it will notify the Pledgee in writing of the same as soon as possible and without delay and will, in accordance with the reasonable request of the Pledgee, take all necessary actions to ensure the Pledgee’s pledge rights and interests in and to the Pledged Equity.

9.4 The Pledgor warrants that it shall complete the business term extension registration formalities of the Company within three (3) months prior to the expiry of the business term of the Company such that the validity of this Agreement shall be maintained.

9.5 The Pledgor shall not do or permit to be done any act or action likely to have an adverse effect on the interests of the Pledgee under the Transaction Agreements and this Agreement or on the Pledged Equity.

9.6 The Pledgor will use its best efforts and take all necessary measures to register the Equity Pledge hereunder as soon as possible with the relevant administrative authority for market regulation after the execution of this Agreement, and the Pledgor warrant, in accordance with the reasonable request of the Pledgee, to take all necessary actions and execute all necessary documents (including, without limitation, any supplement hereto) to ensure the Pledgee's pledge rights and interests in and to the Pledged Equity as well as the exercise and realization by the Pledgee of such rights and interests.

9.7 Should the exercise of the pledge rights hereunder result in an assignment of any Pledged Equity, the Pledgor warrants that it will take all actions to realize such assignment.

9.8 The Pledgor ensures that the shareholder's resolutions adopted, convening procedures of, the methods of voting at and the contents of the shareholders' meeting (as applicable) and board meetings of the Company held in connection with the execution of this Agreement and the creation and exercise of the pledge rights hereunder shall not violate laws, administrative regulations or the articles of association of the Company.

9.9 Once the Pledgor knows or should have known any possible transfer of the Pledged Equity held by him to any third parties other than the Pledgee or any individual or entity designated by the Pledgee as a result of applicable PRC Laws or any judgment or award rendered by a court or arbitral body or for any other reasons, it shall notify the Pledgee immediately and without delay.

ARTICLE X UNDERTAKINGS BY THE COMPANY

The Company hereby agrees and irrevocably undertakes to the Pledgee that:

10.1 The Company will use every effort to assist with the obtainment of any consents, permissions, waivers or authorizations by any third party or any approval, license or exemption from any governmental body or the completion of any registration or filing formalities with any governmental body (if required by law), requisite in each case for the execution and performance of this Agreement and the creation of the Equity Pledge hereunder, and the maintenance of the same in full force and effect during the validity term hereof.

10.2 Without prior written consent of the Pledgee, the Company will not assist or permit the Pledgor to create any new pledge or any other security interest on the Pledged Equity.

10.3 Without prior written consent of the Pledgee, the Company will not assist or permit the Pledgor to assign or otherwise dispose of the Pledged Equity.

10.4 Should there arise any suit, arbitration or other claims which are likely to have

an adverse effect on the Company, the Pledged Equity or the interests of the Pledgee under the Transaction Agreements and this Agreement, the Company warrants that it will notify the Pledgee in writing of the same as soon as possible and without delay and will, in accordance with the reasonable request of the Pledgee, take all necessary actions to ensure the Pledgee's pledge rights and interests in and to the Pledged Equity.

10.5 The Company warrants that it shall complete its business term extension registration formalities within three (3) months prior to the expiry of its business term such that the validity of this Agreement shall be maintained.

10.6 The Company shall not do or permit to be done any act, action or omission likely to have an adverse effect on the interests of the Pledgee under the Transaction Agreements and this Agreement or on the Pledged Equity.

10.7 The Company will, during the first month of each calendar quarter, submit to the Pledgee the financial statements of the Company for the preceding calendar quarter, including, without limitation, the balance sheet, the income statement and the cash flow statement.

10.8 The Company warrants, in accordance with the reasonable request of the Pledgee, to take all necessary actions and execute all necessary documents (including, without limitation, any supplement hereto) to ensure the Pledgee's pledge rights and interests in and to the Pledged Equity as well as the exercise and realization by the Pledgee of such rights and interests.

10.9 Should the exercise of the pledge rights hereunder result in an assignment of any Pledged Equity, the Company warrants that it will take all actions to realize such assignment.

10.10 The Company covenants that it will assist the Pledgor to register the Equity Pledge hereunder with the competent administrative authority for market regulation of the Company as soon as possible after the execution of this Agreement and provide all necessary cooperation to complete such registration in a timely manner.

10.11 Once the Company knows or should have known any possible transfer of the Pledged Equity held by the Pledgor to any third parties other than the Pledgee or any individual or entity designated by the Pledgee as a result of applicable PRC Laws or any judgment or award rendered by a court or arbitral body or for any other reasons, it shall notify the Pledgee immediately and without delay.

ARTICLE XI FUNDAMENTAL CHANGES OF CIRCUMSTANCES

11.1 As a supplementary agreement and without contravening other provisions of the Transaction Agreements and this Agreement, if, at any time, in the opinion of the Pledgee, as a result of any promulgation of or amendment to any PRC Laws, regulations or rules, or any change in the interpretation or application of such laws, regulations or rules, or any change in relevant registration procedures, the maintenance of the validity of this Agreement and/or the

disposal of the Pledged Equity in the manner prescribed hereby becomes illegal or contravenes such laws, regulations or rules, the Pledgor and the Company shall, based on the Pledgee's written instructions and in accordance with its reasonable request, immediately take any actions and/or execute any agreements or other documents so as to:

(a) maintain the validity of this Agreement;

(b) facilitate the disposal of the Pledged Equity in the manner prescribed hereby; and/or

(c) maintain or realize the security created or purported to be created hereunder.

ARTICLE XII EFFECTIVENESS AND TERM OF AGREEMENT

12.1 This Agreement shall become effective when all of the following conditions are met：

(a) this Agreement has been duly executed by the parties; and

(b) the pledge of equity under this Agreement has been recorded in the register of shareholders of the Company in accordance with law.

12.2 The term of this Agreement shall end when the Contractual Obligations have been fully performed or the Secured Indebtedness have been fully repaid, whichever is later.

ARTICLE XIII NOTICES

13.1 Any notice, request, demand and other correspondences required by or made pursuant to this Agreement shall be made in writing and delivered to the relevant Parties.

13.2 Such notice or other correspondences shall be deemed delivered when it is transmitted if transmitted by fax or email; or upon delivery if delivered in person; or two (2) days after posting if delivered by mail.

ARTICLE XIV MISCELLANEOUS

14.1 The Pledgor and the Company agree that the Pledgee may, immediately upon notice to the Pledgor and the Company, assign its rights and/or obligations hereunder to any third party; provided that without prior written consent of the Pledgee, neither the Pledgor nor the Company may assign their respective rights, obligations or liabilities hereunder to any third party.

14.2 The sum of the Secured Indebtedness determined by the Pledgee in its discretion in connection with its exercise of its pledge rights to the Pledged Equity in accordance with the terms hereof shall constitute the conclusive evidence for the Secured Indebtedness hereunder.

14.3 This Agreement is made in Chinese in five (5) originals, of which one (1) copy shall be held by the Company, one (1) copy shall be used for governmental approval/registration purposes and the three (3) copies shall be kept by the Pledgee.

14.4 The entry into, effectiveness and interpretation of, and resolution of disputes under, this Agreement shall be governed by the PRC Laws.

14.5 Dispute Resolution

(a) All disputes arising out of or in connection with this Agreement shall be first settled by the relevant Parties through amiable consultations; if such Parties fail to resolve the dispute through consultations, the dispute shall be submitted to China Guangzhou Arbitration Commission ("**CGAC**") for arbitration according to CGAC arbitration rules in effect at the time of applying for arbitration. The seat of arbitration shall be in Guangzhou. The arbitration award shall be final and binding on the relevant Parties. Except as otherwise required by the arbitration award, the arbitration fees shall be borne by the losing party. The losing party shall also indemnify for the attorneys' fee and other expenses incurred by the winning party.

(b) Pending the resolution of such dispute, the Parties shall continue to perform the remaining provisions of this Agreement other than the disputed matters.

14.6 No right, power or remedy empowered to any Party by any provision of this Agreement shall preclude any other right, power or remedy enjoyed by such Party in accordance with law or any other provisions hereof and no exercise by a Party of any of its rights, powers and remedies shall preclude its exercise of its other rights, powers and remedies.

14.7 No failure or delay by a Party in exercising any right, power or remedy under this Agreement or laws ("**Party's Rights**") shall result in a waiver of such rights; and no single or partial waiver by a Party of the Party's Rights shall preclude such Party from exercising such rights in any other way or exercising the remaining part of the Party's Rights.

14.8 The section headings herein are inserted for convenience of reference only and shall in no event be used in or affect the interpretation of the provisions hereof.

14.9 Each provision contained herein shall be severable and independent of any other provisions hereof, and if at any time any one or more provisions hereof become invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions hereof shall not be affected thereby.

14.10 (i) Once executed, this Agreement shall replace any other legal documents previously entered into by the Parties in respect of the same subject matter

hereof. To clarify, despite the foregoing agreement, all parties irrevocably promise, agree and recognize to sign a simplified version of equity pledge agreement ("**Simplified Pledge Agreement**"), only for the purpose of the pledge registration of the company's competent administrative department for industry and commerce. If the simplified pledge agreement is inconsistent with this agreement, the agreement is not as clear as this agreement, or the simplified pledge agreement does not cover matters, this agreement shall prevail. (ii) Any amendments or supplements to this Agreement shall be made in writing. Except for the transfer of rights hereunder by the Pledgee according to Section 14.1 hereof, such amendments or supplements shall become effective only if they are duly signed by the Parties hereto.

14.11 This Agreement shall be binding upon the legal assignees or successors of the Parties. The successors or permitted assignees (if any) of the Pledgor and the Company shall continue to perform the respective obligations of the Pledgor and the Company hereunder. The Pledgor warrant to the Pledgee that he has made all appropriate arrangements and executed all necessary documents to ensure that, in the event of its bankruptcy, dissolution or occurrence of other circumstances that might affect exercise of its shareholder rights, his legal assignee, successor, heir, creditor, liquidator, bankruptcy administrator and other persons that might consequently acquire the Company Equity or relevant rights cannot affect or impede the performance of this Agreement. For this purpose, the Pledgor and the Company shall promptly sign all other documents and take all other actions (including, without limitation, notarization of this Agreement) as required by the Pledgee.

14.12 Concurrently with the execution of this Agreement, the Pledgor shall execute a power of attorney ("**Power of Attorney**") in the form of Schedule 2 hereto, entrusting any nominee of the Pledgee to execute, on its behalf in accordance with this Agreement, any and all legal documents as may be required in order for the Pledgee to exercise its rights hereunder. Such Power of Attorney shall be submitted to the Pledgee for custody and may be presented by the Pledgee to relevant governmental authorities whenever necessary.

[THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK. EXECUTION PAGE FOLLOWS]

Pledgor:

Guangzhou Qianxun Internet Technology Co., Ltd. (seal)
/seal/ Guangzhou Qianxun Internet Technology Co., Ltd.
/s/ Wenxian Zhong
Name: Wenxian Zhong
Title: Legal Representative
Ting Li
/s/ Ting Li

Company:

Guangzhou Baiguoyuan Internet Technology Co., Ltd. (seal)
/seal/ Guangzhou Qianxun Internet Technology Co., Ltd.
/s/ Wenxian Zhong
Name: Wenxian Zhong
Title: Legal Representative

Pledgee:

Guangzhou Baiguoyuan Information Technology Co., Ltd. (seal)
/seal/ Guangzhou Baiguoyuan Information Technology Co., Ltd.
/s/ Wenxian Zhong
Name: Wenxian Zhong
Title: Legal Representative

Exhibit 4.16

Exclusive Service Agreement

This Exclusive Service Agreement (this "***Agreement***") is made and entered into by and between the following parties on January 15, 2021:

(1) **Guangzhou Baiguoyuan Internet Technology Co., Ltd.** ("***Party A***")
Registered address: 4/F, 5/F, 6/F, 13/F, 14/F, 15/F, 16/F, Jisheng Business Center, No. 278 Xingtai Road, Shiqiao Street, Panyu District, Guangzhou Legal representative: Wenxian Zhong

(2) **Guangzhou Baiguoyuan Information Technology Co., Ltd.** ("***Party B***")
Registered address: 5/F to 13/F, West Tower, Building C, No. 274 Xingtai Road, Shiqiao Street, Panyu District, Guangzhou Legal representative: Wenxian Zhong

Each of Party A and Party B shall be hereinafter referred to as a "Party" respectively, and as the "Parties" collectively.

PREAMBLE

1. Party A is a limited liability company registered and validly existing in Guangzhou, China, which engages in integrated circuit chip design and service; engineering and technology research and experimental development; recreational boat and sports boat sales; data processing and storage support services; arts and crafts and ceremonial products manufacturing (except ivory and its products); jewelry wholesale; arts and crafts retail of goods and collectibles (except ivory and its products); retail of jewelry; software sales; information consulting services (excluding license required information consulting services); technology intermediary services; clock sales; internet sales (except for the sale of commodities that require a license); personal hygiene products sales; cosmetics wholesale; hygiene products and disposable medical products sales; technical services, technology development, technology consulting, technology exchanges, technology transfer, technology promotion; information system integration services; shoes and hats wholesale; shoes and hats retail; leather products sales; luggage sales; glasses sales (excluding contact lenses); information technology consulting services; metal chains and other metal products sales; geographic remote sensing information services; clothing and apparel wholesale; clothing accessories sales; software development; digital cultural creative content applications services; digital cultural and creative software development; sales of entertainment and entertainment products; wholesale of hardware products; sales of daily necessities; sales of household appliances; wholesale of sporting goods and equipment; sales of knitting textiles; sales of knitting textiles and raw materials; wholesale of stationery products; sales of furniture; mother and baby supplies sales; wholesale of fresh vegetables; retail of fresh fruits; wholesale of fresh fruits; toy sales; electronic product sales; automobile new car sales; human resources services (excluding professional intermediary activities and labor dispatch services); kitchenware and sanitary wares and daily sundries wholesale; motorcycles and wholesale of parts and accessories; retail of clothing and accessories; retail of stationery; advertising (non-radio, television, newspaper publishing units);

advertising production; advertising design, agency; labor services (excluding labor dispatch); occupational intermediary activities; the second category of value-added telecommunications services; the first category of value-added telecommunications services; goods import and export; technology import and export.

2. Party B is a wholly-foreign-owned enterprise registered and validly existing in Guangzhou, China, which engages in information technology consulting services; information system integration services; software development; computer software and hardware and auxiliary equipment wholesale; computer software, hardware and auxiliary equipment retail; software sales; corporate management; corporate management consulting; goods import and export; various engineering construction activities; technology import and export.

3. Party A needs Party B to provide services related to the Party A Business, and Party B agrees to provide such services to Party A.

NOW, THEREFORE, the Parties have reached the following agreements:

1. DEFINITIONS

1.1 Unless otherwise provided, in this Agreement:

Party A's Business means all business activities that Party A currently operates and operates at any time during the term of this Agreement.

Services means services exclusively provided by Party B to Party A with respect to the Party A's Business, which may include but without limitation:

(a) Approval of Party A to use the software related to the Party A's Business that Party B has legal rights;

(b) Providing economic information, computer technology, commercial and management consulting or advices for Party A;

(c) Providing business planning, design, marketing plan;

(d) Daily management, maintenance and update of hardware equipment and databases or software resources and customer resources;

(e) Providing comprehensive operation and solution plan in information technology/operation management required by Party A's business;

(f) Software development, maintenance, and update which the Party A's Business requires;

(g) Providing business training, support and assistance of relevant personnel of Party A;

(h) Other relevant services that are required to be provided by Party A from time to time.

Service Fee means all the fees Party A shall pay to Party B for the Services Party B provides subject to Section 3.

Annual Business Plan means according to this Agreement, the Party A's Business development plan and budget report for the next calendar year prepared by Party A before November 30 of each year, with the assistance of Party B.

Business Related Intellectual Property Rights means any and all intellectual property rights related to the Party A's business developed by Party A on the basis of the services provided by Party B under this agreement.

Confidential Information has the meaning assigned to it in Section 6.1.

Defaulting Party has the meaning assigned to it in Section 12.1.

Default has the meaning assigned to it in Section 12.1.

Such Party's Right has the meaning assigned to it in Section 14.5.

1.2 Any referring to any law or statutory provision under this Agreement shall be deemed to:

(a) also include referring to any revision, extension, combination and replacement related to such law or provision; and

(b) also include referring to orders, ordinances, instructions and other subordinate legislation promulgated in accordance with relevant law or provisions.

1.3 All references in this Agreement to designated "Sections" and other subdivisions are to the designated Sections and other subdivisions of the body of this Agreement unless explicitly stated otherwise

2. SERVICES

2.1 During the term of this Agreement, Party A hereby exclusively engages Party B to provide the Services, and Party B shall provide the Services to Party A diligently pursuant to the requirement of Party A's Business. Both Parties understand that, the actual Services provided by Party B shall be limited to the approved business scope of Party B; if the Services Party A requires exceed the approved business scope of Party B, Party B will apply for extension of its business scope under the maximum scope permitted by the laws, and will provide related Services after permission of such extension.

2.2 For the purpose of providing Services in accordance with this Agreement, Party B shall communicate with Party A and exchange various information related to the Party A's Business.

2.3 Notwithstanding any other provisions of this Agreement, Party B is entitled to appoint any third party to provide any or all of the Services under this Agreement, or perform any obligations under this Agreement on behalf of Party B. Party A hereby agrees that Party B has the right to transfer or assign the rights and obligations of Party B under this Agreement to any third party.

3. SERVICE FEE

3.1 The Party A shall pay Party B the Service Fee for the Services contemplated in this Agreement as following:

3.1.1 After mutual consents between both Parties, for the Services provided by Party B to Party A in each calendar year within the term of this agreement, Party A shall pay Party B the relevant Service Fee on an annual basis; and

3.1.2 With respect to the Service Fee incurred by the specific Services Party B provided as required by Party A from time to time, after mutual consents between both Parties, Party A shall pay the Service Fee separately.

3.2 Party B shall issue a payment notice and value-added tax invoice to Party A in a timely manner, and calculate on an annual basis. Party A shall pay the Service Fee to Party B within one (1) month upon the receipt of Party B's tax invoice.

3.3 Both Parties agree, without violating any mandatory requirement of any laws and regulations, the amount of the Service Fee and service scope as set forth in Section 3.1 and 3.2, may be confirmed and adjusted by both Parties in accordance with advices made by Party B from time to time.

3.4 The parties shall bear the taxes they shall pay and withhold the taxes (if any) in accordance with the applicable law.

4. PARTY A'S OBLIGATION

4.1 The Services provided by Party B is exclusive. During the term of this Agreement, without prior written consent of Party B, the Party A shall not enter into any agreement with any third party and accept any services identical or similar to the Services hereunder from any third party.

4.2 Party A shall provide the Annual Business Plan to Party B before November 30 of each year, to the extent that Party B could arrange Services plan and add necessary personnel and resources. If Party A requires personnel supplement temporarily, Party A shall negotiate with Party B with 15 days in advance to reach an agreement.

4.3 For better Services provided by Party B, Party A shall timely provide related materials that Party B requires.

4.4 Party A shall pay the Service Fee in a timely and sufficient manner in accordance with Section 3.

4.5 Party A should maintain its own good reputation, actively expand its business, and strive to maximize revenue.

4.6 During the term of this Agreement, Party A agrees to cooperate with Party B and Party B's parent company (including direct or indirect) to conduct related-party transaction audits and other audits, and provide Party B, its parent company, or its authorized auditors with information on Party A's operations, business, customers, finances, employees and other related information and materials, and agree that Party B's parent company shall disclose such information and materials in order to meet the regulatory requirements of the place where its securities are listed.

5. INTELLECTUAL PROPERTY RIGHTS

5.1 Party B shall have proprietary rights and interests in all rights, ownership, interests of the intellectual property rights it already has before entering into this Agreement, and created or arising out of providing of Services during the term of this Agreement.

5.2 Since the operation of Party A's Business depends on the Services provided by Party B under this Agreement, Party A agrees to the following arrangements regarding the Business Related Intellectual Property Rights developed by Party A on the basis of such Services:

(1) If the Business Related Intellectual Property Rights are developed by Party A entrusted by Party B, or obtained through cooperation between Party A and Party B, the ownership and the right to apply for related intellectual property rights shall belong to Party B.

(2) If the Business Related Intellectual Property Rights are independently developed and acquired by Party A, the ownership shall belong to Party A, provided that (A) Party A informs Party B of the details of the Business Related Intellectual Property Rights in a timely manner, and provides relevant information that Party B has reasonably requested; (B) If Party A wants to license or transfer such Business Related Intellectual Property Rights, Party A shall transfer to Party B or grant Party B an exclusive license prior to any third party, without violating the mandatory provisions of the laws of China, and Party B may use such Business Related Intellectual Property Rights within the scope of such transfer or license from Party A (but Party B has the right to decide whether to accept such transfer or license); Party A can only transfer or license the Business Related Intellectual Property Rights to a third party without offering more favorable conditions than which Party A offers to Party B (including but not limited to the transfer price or license fee) provided that Party B has waived the priority to purchase the ownership of the Business Related Intellectual Property Rights or the exclusive right to use the Business Related Intellectual Property Rights, and shall ensure that such third party fully complies with and performs the obligations of Party A under this Agreement; (C) Except for the circumstances mentioned in item (B) above, during the term of this Agreement, Party B has the right to purchase such Business Related Intellectual Property Rights; then Party A shall agree to Party B's such purchase request provided that there would be no violation of the mandatory provisions of the laws of China, and the purchase price shall be the lowest price allowed by the laws of China at that time.

5.3 If Party B is licensed to exclusively use the Business Related Intellectual Property Rights according to Section 5.2 (2) of this Agreement, such license shall be implemented in according with the following rules:

(1) Licensing period shall not be less than five (5) years (calculated from the effective date of relevant licensing agreement);

(2) The scope of license shall be the maximum scope as far as possible;

(3) Within the licensing period and scope of license, any other parties (include Party A) except Party B shall not use or license others to use the Business Related Intellectual Property Rights;

(4) Without prejudicing to Section 5.3 (3), Party A is entitled to, at its own discretion, license the Business Related Intellectual Property Rights to any other third parties;

(5) After expiration of licensing period, Party B is entitled to request the renewal of the license agreement and Party A shall agree to it. The terms of the license agreement shall remain unchanged, except for changes approved by Party B.

5.4 Notwithstanding Section 5.2 (2) above, if any Business Related Intellectual Property Rights described in such Section can be valid only after registration of ownership under applicable laws, then the application for registration of ownership shall be implemented in according with the following rules:

(1) Party A shall obtain prior written consent from Party B if Party A would apply for registration of ownership with regard to any Business Related Intellectual Property Rights described in such Section;

(2) Party A can only apply for registration of ownership on its own or transfer such right of applying for registration of ownership to a third party when Party B waives its right to purchase the right to apply for registration of ownership of the Business Related Intellectual Property Rights. In the case where Party A transfers the aforementioned right to apply for registration of ownership to a third party, Party A shall ensure that such third party will fully comply with and perform the obligations that Party A shall perform under this Agreement; meanwhile, the terms and conditions of the transfer (including but not limited to the transfer price) which Party A transfer the right to apply for registration of ownership to a third party shall not be more favorable than the terms and conditions proposed to Party B in accordance with Section 5.4 (3).

(3) During the term of this Agreement, Party B may request Party A to file an application for the registration of ownership of such Business Related Intellectual Property Rights at any time, and decide on its own whether to purchase the right to apply for such registration of ownership. Upon request of Party B, Party A shall transfer the right to apply for registration of ownership to Party B at that time, without violating the mandatory provisions of the laws of China, at the lowest price

allowed by the laws of China; after Party B has obtained the right to apply for registration of ownership of the Business Related Intellectual Property Rights, filed the registration of ownership and completed the registration, Party B shall be the legal owner of such registration of ownership.

5.5 Both Parties respectively warrants to each other that they will compensate the other Party for any and all economic losses due to any infringement of the intellectual property rights of any third party.

6. CONFIDENTIALITY

6.1 Regardless of whether this Agreement is terminated or not, both parties shall strictly keep confidential the trade secrets, proprietary information, customer information and other confidential information of the other Party obtained during the execution and performance of this Agreement. Without the prior written consent from the disclosing Party, or mandatorily required to be disclosed to third party by relevant laws and regulations or the requirements of the listing place of a Party's related company, the receiving Party should not disclose any confidential information to any third party; unless for the purpose of performance of this Agreement, the receiving Party should not use or indirectly use any confidential information.

6.2 Confidential information shall not include information:

(a) is known to the Receiving Party prior to disclosure by the disclosing Party as demonstrated by documentary evidence;

(b) is or becomes available to the public other than as a result of the receiving Party’s fault; or

(c) information obtained legally by the receiving Party from other sources after receiving confidential information.

6.3 The receiving Party may disclose confidential information to its relevant employees, agents or professionals engaged, provided the receiving Party shall ensure the abovementioned personnel be in compliance with the relevant terms and conditions of this Agreement and be liable for any responsibilities incurred by breach of the relevant terms and conditions of this Agreement by the abovementioned personnel.

6.4 Notwithstanding any other terms of this Agreement, this section shall still be valid and binding upon the termination of this Agreement.

7. REPRESENTATIONS AND WARRANTIES OF PARTY A

Party A represents and warrants to Party B as follows:

7.1 It is a limited liability company legally registered and validly existing in accordance with the PRC laws and has independent legal capacity; has complete and independent legal status and legal

capacity to sign, deliver and perform this Agreement, and can independently act as a party to a litigation.

7.2 It has the full internal power and authorization to sign and deliver this Agreement and all other documents that it will sign related to the transactions described in this Agreement, and it has the full power and authorization to complete the transactions described in this Agreement. This Agreement is legally and appropriately signed and delivered by it. This Agreement constitutes the Party A's legal, valid and binding obligations, and shall be enforceable against it.

7.3 It shall promptly inform Party B of circumstances that have caused or may cause a material adverse effect on the Party A's Business and its operations, and shall use its best effort to prevent the occurrence of such circumstances and/or the expansion of losses.

7.4 Without the written consent of Party B, Party A will not, in any form, dispose of Party A's material assets, nor will it change Party A's existing equity structure.

7.5 Upon being effective of this Agreement, Party A has obtained all necessary business license, competent rights and qualification to conduct Party A's Business now engaged in the territory of China;

7.6 Once Party B submits a written request, Party A will use all accounts receivables and/or all other assets that are legally owned and can be disposed of at that time, in a manner permitted by law, as guarantee of payment obligation of the Service Fee set forth in Section 3 of this Agreement.

7.7 Without the written consent of Party B, Party A shall not enter into any other agreement or arrangement that conflicts with this Agreement or may damage Party B's rights and interests under this Agreement.

8. REPRESENTATIONS AND WARRANTIES OF PARTY B

Party B represents and warrants to Party A as follows:

8.1 It is a limited liability company legally registered and validly existing in accordance with the PRC laws and has independent legal capacity; has complete and independent legal status and legal capacity to sign, deliver and perform this Agreement, and can independently act as a party to a litigation.

8.2 It has the full internal power and authorization to sign and deliver this Agreement and all other documents that it will sign related to the transactions described in this Agreement, and it has the full power and authorization to complete the transactions described in this Agreement. This Agreement is legally and appropriately signed and delivered by it. This Agreement constitutes the Party B's legal, valid and binding obligations, and shall be enforceable against it.

9. TERM

9.1 This Agreement takes effect as of the date of execution. Unless otherwise provided in this Agreement, or this Agreement terminated by Party B in writing, the term of this Agreement shall be twenty (20) years. After the expiration of this Agreement, unless Party B informs Party A 30 days in advance that this Agreement will not be renewed, this Agreement will be automatically renewed for one year after the expiration of the term, and so on.

9.2 If Party A or Party B fails to complete the approval and registration procedures for extending the business term at the expiration of the business term, this Agreement shall be terminated on the date when the business term of Party A or B expires. Both Parties shall complete the approval and registration procedures for extending the business term within three months before the expiration of their respective business term, to the extent that the term of this Agreement could be extended.

9.3 After the termination of this Agreement, both Parties shall still abide by their obligations under Section 6 of this Agreement.

10. INDEMNIFICATION

The Party A shall indemnify and hold harmless Party B from all the losses including but not limited to any losses caused by any lawsuit, claims, arbitration, damages by any third party or governmental investigation and penalties against Party B arising from providing the Services. However, if the losses are caused by Party B's willful conduct or gross negligence, such losses shall not be included in the indemnification.

11. NOTICE

11.1 All the notices, request, requirement and other communications pursuant to this Agreement shall be delivered to the relevant Party in written form.

11.2 Abovesaid notices or other notices if given by facsimile transmission or e-mail, shall be deemed effectively given upon successful transmission; if given by person, shall be deemed effectively given upon delivery by person; if given by post, shall be deemed effectively given on the date after two (2) days from posting.

12. DEFAULT

12.1 Both Parties agree and confirm that, if any Party ("**Defaulting Party**") materially violates any of the terms under this Agreement, or fails to perform, incompletely perform or delays the performance of any of the obligations under this Agreement, it shall constitute a breach of this Agreement ("**Default**"). The other Party has the right to request Defaulting Party to make amendments or remedies within reasonable period. If the Defaulting Party fails to make amendments or remedies within reasonable period or ten (10) days after the other Party sends a written notice to Party B and requests for amendments, and if Party A is the Defaulting Party, then Party B is entitled to decide at its own discretion: (1) to terminate

this Agreement, and requires Defaulting Party to compensate all the losses; or (2) requires the mandatory performance of Defaulting Party 's obligations under this Agreement, and requires the Defaulting Party to compensate all the losses; if Party B is the Defaulting Party, then Party A is entitled to require the performance of the Defaulting Party 's obligations under this Agreement, and require the Defaulting Party to compensate all the losses.

12.2 Notwithstanding the foregoing Section 12.1, both Parties agree and confirm that, except as otherwise provided by law, Party A shall not unilaterally terminate this Agreement in any circumstances.

12.3 Notwithstanding any other terms of this Agreement, the validity of this Section 12 shall not be affected by the termination of this Agreement.

13. FORCE MAJEURE

If the performance of this Agreement by any Party is affected or any Party delays or fails to perform its obligation hereunder due to earthquake, typhoon, flood, fire, war, computer virus, design vulnerabilities of instrumental software, hacker attack on internet, modification of governmental policy or laws, and other exceptional situation that cannot be overcome or avoided by the Parties and cannot be foreseen by the Party alleged to be affected by such force majeure, the Party being affected shall immediately notify the other Party by facsimile and provide proof of the details of the force majeure and the reasons why this Agreement cannot be implemented or the performance needs to be delayed. Such proof documents must be issued by a notary institution in the jurisdiction where the force majeure occurred. Based on the extent of the force majeure event’s impact on the performance of this Agreement, the two Parties shall negotiate whether the performance of this Agreement should be partially waived or postponed. Neither Party shall be liable for compensation for the economic losses caused to both Parties by the force majeure event.

14. MISCELLANEOUS PROVISIONS

14.1 This Agreement is executed in the Chinese language. This Agreement may be executed in five (5) counterparts, which Party A keeps one (1) counterpart, one (1) counterpart for governmental approval or registration, and Party B keeps other three (3) counterparts.

14.2 This Agreement, including the execution, validity, performance, interpretation and dispute resolution of this Agreement, shall be governed by and construed in accordance with the laws of China

14.3 Dispute Resolution

14.3.1 The Parties shall firstly attempt to resolve any and all disputes arising out of or relating to this Agreement through friendly consultations. If a dispute is not resolved through friendly consultations, then each Party may submit the dispute to Guangzhou Arbitration Commission for arbitration in accordance with then effective arbitration rules of such commission. The arbitration shall be conducted in Guangzhou. The award of the arbitration tribunal shall be final and binding upon the Parties. The costs of arbitration shall be borne by the losing Party, unless otherwise determined by the arbitration tribunal.

14.3.2 When any dispute is under arbitration, except for the matters in dispute, the Parties shall continue to fulfil their respective obligations under this Agreement.

14.4 Any rights, powers and remedies granted to both Parties by any terms of this Agreement shall not exclude any other rights, powers or remedies that the Party is entitled to in accordance with the laws and other terms under this Agreement, and one Party's exercise of its rights, powers and remedies does not preclude such Party from exercising other rights, powers and remedies.

14.5 A Party's failure to exercise or delay in exercising any of its rights, powers and remedies ("**Such Party's Rights**") under this Agreement or the laws will not result in the waiver of such rights, and any single or partial waiver of Such Party's Rights will not exclude such Party's exercise of such rights in other manner and the exercise of other Such Party's Rights.

14.6 The titles of the sections and subsections of this Agreement are for convenience of reference only and are not to be considered in construing this Agreement.

14.7 Each provision of this Agreement shall be severable and independent. If any single or multiple provisions hereof become invalid, illegal or unenforceable in any aspect, the validity, legality and enforceability of the remaining provisions of this Agreement shall not be affected in any aspect.

14.8 This Agreement once executed shall supersede all prior agreements both Parties executed before, with respect to the subject matter hereof and thereof. Any amendment and supplements to this Agreement shall be made in writing, and only takes effect after the execution by all Parties hereunder, except for Party B's transfer of its rights under Section 14.9 of this Agreement.

14.9 Without the prior written consent of Party B, Party A has no right to transfer or assign any of its rights and obligations hereunder to any third party. Party A hereby agrees that Party B may transfer its rights and obligations under this Agreement to a third party, and that Party B only needs to send a written notice to the Party A of such transfer, and there is no need to obtain consent from the Party A for such transfer.

14.10 This Agreement shall be binding upon the respective successors, assigns, creditors and other person who may acquire the equity or relevant rights of the Parties.

14.11 The taxes applicable to the execution and performance of this Agreement shall be borne by the respective Party.

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This page is the signature page of the Exclusive Service Agreement of Guangzhou Baiguoyuan Internet Technology Co., Ltd.

Party A:

Guangzhou Baiguoyuan Internet Technology Co., Ltd. (seal)
/seal/ Guangzhou Baiguoyuan Internet Technology Co., Ltd.
/s/ Wenxian Zhong
Name: Wenxian Zhong
Title: Legal Representative

This page is the signature page of the Exclusive Service Agreement of Guangzhou Baiguoyuan Internet Technology Co., Ltd.

Party B:
Guangzhou Baiguoyuan Information Technology Co., Ltd. (seal)
/seal/ Guangzhou Baiguoyuan Information Technology Co., Ltd.
/s/ Wenxian Zhong
Name: Wenxian Zhong
Title: Legal Representative

Exclusive Option Agreement

This Exclusive Option Agreement (this "***Agreement***"), dated January 15, 2021, is entered into by and between:

1. **Guangzhou Qianxun Internet Technology Co., Ltd.** ("***Existing Shareholders***")
   Registered address: 4/F, 5/F, 6/F, 13/F, 14/F, 15/F, 16/F, Jisheng Business Center, No. 278 Xingtai Road, Shiqiao Street, Panyu District, Guangzhou
   Legal representative: Wenxian Zhong

2. **Guangzhou Baiguoyuan Internet Technology Co., Ltd.** ("***Company***")
   Registered address: 4/F, 5/F, 6/F, 13/F, 14/F, 15/F, 16/F, Jisheng Business Center, No. 278 Xingtai Road, Shiqiao Street, Panyu District, Guangzhou
   Legal representative: Wenxian Zhong

3. **Guangzhou Baiguoyuan Information Technology Co., Ltd.** ("***WFOE***")
   Registered address: 5/F to 13/F, West Tower, Building C, No. 274 Xingtai Road, Shiqiao Street, Panyu District, Guangzhou
   Legal representative: Wenxian Zhong

The parties above shall be hereinafter individually referred to as a "Party"; collectively, the "Parties".

PREAMBLE

1. The Existing Shareholders are the registered shareholders of the Company and holds all the equity shares of the Company. As of the date hereof, the capital amount of the registered capital of the Company by the Existing Shareholders is RMB10,000,000, and the shares percentage by the Existing Shareholders is 100%, which all of the registered capital are unpaid. The basic information of the Company is shown as Exhibit A.

2. The Existing shareholders intend to transfer all of their equity in the Company to the WFOE and/or its designated entities and/or individuals without violating the PRC Laws, and the WFOE intends to accept such transfer by itself or other entities and/or individuals appointed by it.

3. The Company intends to transfer all of the assets held by it to the WFOE and/or its designated entities and/or individuals without violating the PRC Laws, and the WFOE intends to accept such transfer by itself or other entities and/or individuals appointed by it.

4. The Company and the Existing shareholders intend to reduce the capital of the Company and increase the capital of the Company by the WFOE and/or its designated entities and/or individuals without violating the PRC Laws, and the WFOE intends to subscribe such increased capital by itself or other entities and/or individuals appointed by it.

5. In order to fulfill the above-mentioned share or asset transfer, the Existing Shareholders and the Company agree to separately and exclusively grant irrevocable share purchase option and asset purchase option to the WFOE. According to such share purchase option and asset purchase option, subject to the PRC Laws, the Existing Shareholders or the Company shall, in accordance with the requirements of the WFOE, transfer the Option Shares or Company Assets (as defined below) to the WFOE and/or any other entity and/or individual designated by the WFOE in accordance with the provisions of this Agreement; in order to fulfill the above-mentioned capital reduction and capital increase of the Company, the Existing Shareholders and the Company agree to grant an irrevocable share subscription option to the WFOE. According to such share subscription option, subject to the PRC Laws, the Company shall, in accordance with the requirements of the WFOE, reduce the capital of the Company, and the Capital Increase Shares (as defined below) shall be subscribed by the WFOE and/or any other entity and/or individual designated by the WFOE in accordance with the provisions of this Agreement

6. The Company agrees the Existing Shareholders to grant the WFOE the Shares Purchase Option (as defined below) pursuant to the terms and conditions of this Agreement.

7. The Existing Shareholders agrees the Company to grant the WFOE the Assets Purchase Option (as defined below) pursuant to the terms and conditions of this Agreement.

8. The Company and the Existing Shareholders agree to grant the WFOE the Shares Subscription Option (as defined below) pursuant to the terms and conditions of this Agreement.

NOW, THEREFORE, the Parties agree as follows through negotiations:

1. DEFINITIONS

1.1 Definitions. Unless otherwise provided, in this Agreement:

PRC Laws means the then effective laws, administrative regulations, local regulations, judicial interpretation and other binding regulatory documents of the People's Republic of China.

Shares Purchase Option means the option to purchase the shares of the Company granted by the Existing Shareholders to the WFOE pursuant to the terms and conditions of this Agreement.

Assets Purchase Option means the option to purchase the assets of the Company granted by the Company to the WFOE pursuant to the terms and conditions of this Agreement.

Shares Subscription Option means the option to request the Company reduce its capital (the amount shall be part of or all of the Option Shares (as defined below)), and to subscribe increased capital of the Company by the WFOE or other entities and/or individuals appointed by it .

Option Shares means all the shares of the Company Register Capital (as defined below) held by the Existing Shareholders, namely the shares of 100% of the Company Register Capital.

Company Registered Capital means as the date hereof, the registered capital of the Company at the amount of RMB10,000,000, also include the increased registered capital by any form of capital increase during the term of this Agreement.

Transfer Shares means when the WFOE exercises its Shares Purchase Option, it is entitled to require the Existing Shareholders to transfer the shares of the Company to it and/or its designated entity and/or individual in accordance with the provisions of Section 3 of this Agreement. The number of which may be all or part of the Option Shares, and the specific number shall be freely determined by the WFOE in accordance with the PRC laws and its own commercial considerations.

Transfer Assets means when the WFOE exercises its Assets Purchase Option, it is entitled to require the Company to transfer the assets of the Company to it and/or its designated entity and/or individual in accordance with the provisions of Section 3 of this Agreement. It may be all or part of the Company Assets, and shall be freely determined by the WFOE in accordance with the PRC laws and its own commercial considerations.

Increased Capital Shares means when the WFOE exercises its Shares Subscription Option before or after the reduction of capital of the Company, the WFOE and/or its designated entity and/or individual is entitled to subscribe the newly increased capital of the Company in accordance with the provisions of Section 3 of this Agreement. The specific number of which shall be freely determined by the WFOE in accordance with the PRC laws and its own commercial considerations.

Exercise means the WFOE exercises its Shares Purchase Option, Assets Purchase Option and Shares Subscription Option.

Transfer Price means in each Exercise, all the considerations that need to be paid by the WFOE and/or its designated entity and/or individual to the Existing Shareholders or the Company in order to obtain the Transfer Shares or Transfer Assets.

Capital Reduction Price means in each Exercise, all the considerations that the Company needs to pay to the Existing Shareholders in respect of the reduction of Company Register Capital.

Capital Increase Price means in each Exercise, all the considerations that need to be paid by the WFOE and/or its designated entity and/or individual to the Company for subscription of the Increased Capital Shares.

Business License means any approvals, permits, filings and registrations that the company must hold in order to operate all its businesses legally and effectively, including but not limited to “Enterprise Entity Business License” and other relevant permits and licenses required by the PRC Laws then.

Company Assets means all the tangible and intangible assets the Company owned or has the right to dispose, including but not limited to any real estate, moveable properties, and intellectual properties such as trademarks, copyrights, patents, domain names, software use rights.

Material Contracts means the contracts Company as a party have material effects on the Company's business or assets, including but not limited to the Exclusive Service Agreemen signed by the Company and the WFOE simultaneously with this Agreement and other material contracts about the Company's business.

Exercise Notice has the meaning assigned to it in Section 3.9.

Confidential Information has the meaning assigned to it in Section 8.1.

Defaulting Party has the meaning assigned to it in Section 11.1.

Default has the meaning assigned to it in Section 11.1.

Non-defaulting Party has the meaning assigned to it in Section 11.1.

Such Party's Right has the meaning assigned to it in Section 12.5.

1.2 Any referring to any law or statutory provision under this Agreement shall be deemed to:

(a) also include referring to any revision, extension, combination and replacement related to such law or provision; and
(b) also include referring to orders, ordinances, instructions and other subordinate legislation promulgated in accordance with relevant law or provisions.

1.3 All references in this Agreement to designated "Sections" and other subdivisions are to the designated Sections and other subdivisions of the body of this Agreement unless explicitly stated otherwise

2. GRANT OF SHARES PURCHASE OPTION, ASSETS PURCHASE OPTION AND SHARE SUBSCRIPTION OPTION

2.1 The Existing Shareholders hereby agree to exclusively grant an irrevocable Shares Purchase Option to the WFOE without any additional condition. According to such Share Purchase Option, subject to the PRC Laws, the WFOE is entitled to require the Existing Shareholders transfer the Option Shares to the WFOE and/or any other entity and/or individual designated by the WFOE at any time (including but not limited to when the WFOE, after its independent judgment, believes that the Existing Shareholders are at risk of transferring all or part of the Option Shares they hold to any third party in accordance with the requirements of the PRC Laws, other than to the WFOE and/or its designated entity and/or individual) in accordance with the provisions of this Agreement. The WFOE agrees to accept such Shares Purchase Option.

2.2 The Company hereby agrees the Existing Shareholders grant such Shares Purchase Option to the WFOE in accordance with the Section 2.1 above and other provisions of this Agreement.

2.3 The Company hereby agrees to exclusively grant an irrevocable Assets Purchase Option to the WFOE without any additional condition. According to such Assets Purchase Option, subject to the PRC Laws, the WFOE is entitled to require the Company transfer all of or part of the Company Assets to the WFOE and/or any other entity and/or individual designated by the WFOE at any time (including but not limited to when the WFOE, after its independent judgment, believes that the Existing Shareholders are at risk of transferring all or part of the Option Shares they hold to any third party in accordance with the requirements of the PRC Laws, other than to the WFOE and/or its designated entity and/or individual) in accordance with the provisions of this Agreement. The WFOE agrees to accept such Assets Purchase Option.

2.4 The Existing Shareholders hereby agree the Company grant such Assets Purchase Option to the WFOE in accordance with the Section 2.3 above and other provisions of this Agreement.

2.5 The Existing Shareholders and the Company hereby severally and jointly agree, to exclusively grant an irrevocable Shares Subscription Option to the WFOE without any additional condition. According to such Share Subscription Option, subject to the PRC Laws, the WFOE is entitled to require the Company reduce its capital at any time (including but not limited to when the WFOE, after its independent judgment, believes that the Existing Shareholders are at risk of transferring all or part of the Option Shares they hold to any third party in accordance with the requirements of the PRC Laws, other than to the WFOE and/or its designated entity and/or individual) , and the WFOE and/or any other entity and/or individual designated by the WFOE is entitled to subscribe the Increased Capital Shares in accordance with the provisions of this Agreement. The WFOE agrees to accept such Shares Subscription Option.

3. Exercise Methods

3.1 Subject to the terms and conditions of this Agreement, as permitted by the PRC Laws, the WFOE has absolute discretion to determine the specific time, method and frequency of Exercise.

3.2 Subject to the terms and conditions of this Agreement, the WFOE has the right to request the purchase of all or part of the Company's shares from the Existing Shareholders by itself and/or through other entities and/or individuals designated by the WFOE at any time without violating the PRC laws then effective.

3.3 Subject to the terms and conditions of this Agreement, the WFOE has the right to request the purchase of all or part of the Company's assets from the Company by itself and/or through other entities and/or individuals designated by the WFOE at any time without violating the PRC laws then effective.

3.4 Subject to the terms and conditions of this Agreement, the WFOE has the right to request the reduction of capital of the Company, and to subscribe the Increased Capital Shares by itself and/or through other entities and/or individuals designated by the WFOE at any time without violating the PRC laws then effective.

3.5 As for the Shares Purchase Option, at each Exercise, the WFOE has the right to decide the number of shares that the Existing Shareholders should transfer to the WFOE and/or through other entities and/or individuals designated by the WFOE during such Exercise, and the Existing Shareholders shall respectively transfer the Transfer Shares to the WFOE and/or through other entities and/or individuals designated by the WFOE according to the number required by the WFOE. The WFOE and/or through other entities and/or individuals designated by the WFOE shall pay the Transfer Price to the Existing Shareholders who have transferred the Transfer Shares in respect of the Transfer Shares purchased in each Exercise.

3.6 As for the Assets Purchase Option, at each Exercise, the WFOE has the right to decide the specific Company Assets that the Company should transfer to the WFOE and/or through other entities and/or individuals designated by the WFOE during such Exercise, and the Company shall transfer the Transfer Assets to the WFOE and/or through other entities and/or individuals designated by the WFOE according to the number required by the WFOE. The WFOE and/or through other entities and/or individuals designated by the WFOE shall pay the Transfer Price to the Company in respect of the Transfer Assets purchased in each Exercise.

3.7 As for the Shares Subscription Option, at each Exercise, the Company shall confirm the amount of capital which shall be reduced in such Exercise pursuant to the request of the WFOE, the WFOE has the right to decide the Existing Shareholders reduce their capital contribution to the Company, and the Company and the Existing Shareholders shall reduce capital of the Company pursuant to the request of the WFOE; concurrently, the WFOE has the right to decide the number of the Increase Capital Shares to be subscribed by the WFOE and/or through other entities and/or individuals designated by the WFOE, and the Company shall accept the subscription of the Increase Capital Shares from the WFOE and/or through other entities and/or individuals designated by the WFOE according to the request of the WFOE. The Company shall pay the Capital Reduction Price to the Company in respect of the capital reduced in respect of the capital reduction in each Exercise. The WFOE and/or through other entities and/or individuals designated by the WFOE shall pay the Capital Increase Price to the Company in respect of the Increase Capital Shares subscribed in each Exercise.

3.8 At each Exercise, the WFOE could purchase the Transfer Shares, Transfer Assets or subscribe the Increase Capital Shares by itself, and could designate any third party to purchase all or part of the Transfer Shares, Transfer Assets or subscribe all or part of the Increase Capital Shares.

3.9 At each time the WFOE decide the Exercise, it shall delivery to the Existing Shareholders and/or the Company a Shares Purchase Option exercise notice, Assets Purchase Option exercise notice or Shares Subscription Option exercise notice (the “Exercise Notice”, in the form respectively set forth in Exhibit B, Exhibit C and Exhibit D). Upon receipt of the Exercise Notice, the Existing Shareholders or the Company shall immediately transfer the Transfer Shares or Transfer Assets to the WFOE and/or through other entities and/or individuals designated by the WFOE in one time in accordance with the method described in Section 3.5 or 3.6 of this Agreement, or shall reduce the capital of the Company in the manner described in Section 3.7, and the Increased Capital Shares shall be subscribed by the WFOE and/or through other entities and/or individuals designated by the WFOE.

4. TRANSFER PRICE, CAPITAL REDUCTION PRICE AND CAPITAL INCREASE PRICE

4.1 As for the Shares Purchase Option, at each Exercise, the total Transfer Price that the WFOE and/or through other entities and/or individuals designated by the WFOE should pay to the Existing Shareholders shall be the actual paid-in capital contribution corresponding to the relevant Transfer Shares in the Company's registered capital. If the minimum price allowed by the PRC Laws at that time is higher than the aforementioned actual paid-in capital, the minimum price allowed by the PRC Laws shall prevail. Under the premise of complying with the PRC Laws, the Existing Shareholders shall immediately return and gift it to the WFOE and/or its designated entity after receiving the Transfer Price.

4.2 As for the Assets Purchase Option, at each Exercise, the total Transfer Price that the WFOE and/or through other entities and/or individuals designated by the WFOE should pay to the Existing Shareholders shall be the net book value of the relevant assets. If the minimum price allowed by the PRC Laws at that time is higher than the aforementioned net book value, the minimum price allowed by the PRC Laws shall prevail. Under the premise of complying with the PRC Laws, the Existing Shareholders shall immediately return and gift it to the WFOE and/or its designated entity after receiving the Transfer Price.

4.3 As for the Share Subscription Option, at each Exercise, the Company shall pay the Capital Reduction Price to the Existing Shareholders who have reduced their capital contribution to the company. The Capital Reduction Price shall be the reduced actual paid-up amount of the Company Registered Capital. If the minimum price allowed by the PRC Laws at that time is higher than the aforementioned Capital Reduction Price, the minimum price allowed by the PRC Laws shall prevail; and the total subscription price that WFOE and/or through other entities and/or individuals designated by the WFOE should pay to the Company for the subscription of Increased Capital Shares is the Capital Reduction Price paid to the Existing Shareholders when the Company reduces its capital and the registered capital that the Existing Shareholders have not paid to the company at the time of capital reduction (if any), unless the WFOE and the Company agree otherwise. Under the premise of complying with the PRC Laws, the Existing Shareholders shall immediately return and gift it to the WFOE and/or its designated entity after receiving the Capital Reduction Price.

4.4 All taxes and fees arising from the Exercise of the Shares Purchase Option, Assets Purchase Option or Shares Subscription Option under this Agreement in accordance with applicable laws, shall be paid by each Party or withheld in accordance with the laws.

5. REPRESENTATIONS AND WARRANTIES

5.1 The Existing Shareholders represent and warrant as follows:

(a) The Existing Shareholders are limited partnerships legally registered and validly existing in accordance with the PRC laws and has complete and independent legal status and legal capacity

to execute, deliver and perform this Agreement, and can independently act as a party to a litigation.

(b) The Company is a limited liability company legally registered and validly existing in accordance with the PRC laws and has independent legal capacity; has complete and independent legal status and legal capacity to execute, deliver and perform this Agreement, and can independently act as a party to a litigation.

(c) The Existing Shareholders have the full internal power and authorization to sign and deliver this Agreement and all other documents that they will sign related to the transactions described in this Agreement, and they have the full power and authorization to complete the transactions described in this Agreement.

(d) This Agreement constitutes the Existing Shareholders' legal, valid and binding obligations, and shall be enforceable against them.

(e) The Existing Shareholders are the registered legal owner of the Option Shares when this Agreement becomes effective. Except for the Shares Purchase Option, Shares Subscription Option, the pledge contemplated in the Share Pledge Agreement by and among the Company, the WFOE and the Existing Shareholders dated [ ], 2021 and the entrustment contemplated in the Shareholder Voting Rights Proxy Agreement dated [ ], 2021 , there is no liens, pledges, claims and other security rights and third-party rights on the Option Shares. According to this Agreement, after the Exercise by the WFOE and/or through other entities and/or individuals designated by the WFOE, it can obtain good ownership of the Transfer Shares without any lien, pledge, claim, other security rights and third-party rights.

(f) Except for the Assets Purchase Option, there is no liens, pledges, claims and other security rights and third-party rights on the Company Assets. According to this Agreement, after the Exercise by the WFOE and/or through other entities and/or individuals designated by the WFOE, it can obtain good ownership of the Company Assets without any lien, pledge, claim, other security rights and third-party rights.

5.2 The Company represents and warrants as follows:

(a) The Company is a limited liability company legally registered and validly existing in accordance with the PRC laws and has independent legal capacity; has complete and independent legal status and legal capacity to execute, deliver and perform this Agreement, and can independently act as a party to a litigation.

(b) The Company has the full internal power and authorization to sign and deliver this Agreement and all other documents that it will sign related to the transactions described in this Agreement, and it has the full power and authorization to complete the transactions described in this Agreement.

(c) This Agreement is legally and duly executed and delivered by the Company. This Agreement constitutes the Company's legal, valid and binding obligations, and shall be enforceable against it.

(d) Except for the Assets Purchase Option, there is no liens, pledges, claims and other security rights and third-party rights on the Company Assets. According to this Agreement, after the Exercise by the WFOE and/or through other entities and/or individuals designated by the WFOE, it can obtain good ownership of the Company Assets without any lien, pledge, claim, other security rights and third-party rights.

5.3 The WFOE represents and warrants as follows:

(a) The WFOE is a limited liability company legally registered and validly existing in accordance with the PRC laws and has independent legal capacity; has complete and independent legal status and legal capacity to execute, deliver and perform this Agreement, and can independently act as a party to a litigation.

(b) The WFOE has the full internal power and authorization to sign and deliver this Agreement and all other documents that it will sign related to the transactions described in this Agreement, and it has the full power and authorization to complete the transactions described in this Agreement.

(c) This Agreement is legally and duly executed and delivered by the WFOE. This Agreement constitutes the WFOE's legal, valid and binding obligations, and shall be enforceable against it.

6. EXISTING SHAREHOLDERS' COVENANTS

The Existing Shareholders irrevocably undertake as follows:

6.1 During the term of this Agreement, without prior written consent of the WFOE:

(a) They shall not transfer or dispose of any Option Shares in any other way or set any security right or other third party rights on any Option Shares;

(b) They shall not increase or decrease the Company Registered Capital, or cause the Company to merge with any other entity;

(c) They shall not dispose of or procure the Company's management to dispose of any material Company Assets (except those occur in the ordinary course of business);

(d) They shall not terminate or procure the Company's management to terminate any material agreement signed by the Company, or enter into any other agreement that conflicts with existing material agreements;

(e) They shall not appoint or remove any Company's directors, supervisors or other company's managers who should be appointed or removed by the Existing Shareholders;

(f) They shall not procure the company to declare or actually distribute any distributable profits or dividends;

(g) They shall not take any actions (including any omissions) that will affect the effective existence of the Company; nor take any actions that may make the Company to be terminated, liquidated or dissolved;

(h) They shall not amend the articles and associations of the Company; and

(i) They shall not take any actions (including any omissions) that make the company lend or borrow loans, or provide guarantees or make other forms of guarantees, or undertake any substantial obligations outside of ordinary business activities.

6.2 During the term of this Agreement, they must use their best efforts to develop the Company's business and ensure the Company's operation is in compliance with the laws and regulations. They will not conduct any action or omission that may damage the Company's assets, goodwill or affect the validity of the Company's business licenses.

6.3 During the term of this Agreement, they shall promptly inform the WFOE of any situation that may have a material adverse effect on the Company's existence, business operations, financial conditions, assets or goodwill, and promptly take all measures agreed by the WFOE to eliminate such unfavorable situations or take effective remedial measures.

6.4 Once the WFOE issues the Exercise Notice:

(a) They shall immediately adopt shareholder decisions and take all other necessary actions to agree the Existing Shareholders or the Company to transfer all Transfer Shares or Transfer Assets to the WFOE and/or through other entities and/or individuals designated by the WFOE at the Transfer Price, or agree the reduction of the Company's capital, and accept the WFOE and/or through other entities and/or individuals designated by the WFOE to subscribe for the Increased Capital Shares of the Company (depending on the situation);

(b) With respect to the Shares Purchase Option, they shall immediately sign an shares transfer agreement with the WFOE and/or through other entities and/or individuals designated by the WFOE, transfer all the Transfer Shares to the WFOE and/or through other entities and/or individuals designated by the WFOE at the Transfer Price, and provide the WFOE with the necessary support in accordance with the requirements of the WFOE and the provisions of laws and regulations (including providing and signing all relevant legal documents, and fulfilling all government approvals and registration procedures and assume all relevant obligations) so that the WFOE and/or through other entities and/or individuals designated by the WFOE can obtain

all the Transfer Shares, and there should be no legal flaws in such Transfer Shares and there should be no security rights, third-party restrictions or any other restrictions on shares;

(c) With respect to the Shares Subscription Option, the Existing Shareholders shall immediately sign an capital reduction agreement with the Company in a form and substance to the satisfactory of the WFOE, the Existing Shareholders shall assist and cooperate with the Company to implement capital reduction procedure (including notifying creditors, making public announcement of capital reduction, signing all relevant legal documents, and fulfilling all government approvals and registration procedures and assume all relevant obligations) so that the Company could complete the capital reduction successfully, and the WFOE and/or through other entities and/or individuals designated by the WFOE could complete the subscription of the Increased Capital Shares.

6.5 If the Transfer Price received by the Existing Shareholders for the Transfer Shares held by them, the Capital Reduction Price received as a result of the Company's capital reduction, and/or the amounts received from distribution of the Company's remaining assets when the company is terminated or liquidated, are higher than the capital contributions to the Company by them, or receives any form of profits distribution or dividends from the Company, then the Existing Shareholders agree and confirm that they will not be entitled to the income and profits distribution or dividends from the premium (after deduction of relevant taxes) without violating the PRC Laws, and such portion of the income and profits distribution or dividends should be attributed to the WFOE. The Existing shareholders shall instruct the relevant transferee or the Company to pay such portion of the proceeds to the bank account then designated by the WFOE.

6.6 They irrevocably agree to the Company's execution and performance of this Agreement, and provide the Company with all cooperation in the execution and performance of this Agreement, including but not limited to signing all necessary documents or documents required by the WFOE, and taking all necessary or actions required by the WFOE, and no action or omission will be taken to prevent the WFOE from claiming and realizing its rights under this Agreement.

6.7 Once they know or should be aware that the Option Shares they hold may be transferred to any third party other than the WFOE and/or through other entities and/or individuals designated by the WFOE

due to applicable laws, judgments or awards of courts or arbitration institution, or for any other reason, they should immediately and without hesitation notify the WFOE.

7. COMPANY'S COVENANTS

7.1 The Company irrevocably undertakes as follows:

(a) If the execution and performance of this Agreement and the granting of Shares Purchase Option, Assets Purchase Option or Shares Subscription Option under this Agreement require the consent, permission, waiver, authorization of any third party, or the approval, permission, exemption or approval of any government authorities, or the registration or filing procedures

with any government authorities (if required by the Laws), the company will use its best effort to assist in meeting the above conditions.

(b) Without prior written consent of the WFOE, it shall not assist or allow the Existing Shareholders transfer or dispose of any Option Shares in any other way or set any security right or other third party rights on any Option Shares.

(c) Without prior written consent of the WFOE, it shall not transfer or dispose of any material Company Assets (except those occur in the ordinary course of business) in any other way or set any security right or other third party rights on any Company Assets.

(d) The Company shall not carry out or allow any behavior or action that may adversely affect the interests of the WFOE under this Agreement, including but not limited to any behavior and action restricted by Section 6.1.

(e) Once it knows or should be aware that the Option Shares hold by the Existing Shareholders may be transferred to any third party other than the WFOE and/or through other entities and/or individuals designated by the WFOE due to applicable laws, judgments or awards of courts or arbitration institution, or for any other reason, it should immediately and without hesitation notify the WFOE.

7.2 Once the WFOE issues the Exercise Notice:

(a) The Company shall immediately procure the Existing Shareholders to adopt shareholders decisions and take all other necessary actions to agree the Company to transfer all Transfer Assets to the WFOE and/or through other entities and/or individuals designated by the WFOE at the Transfer Price, or agree the reduction of the Company's capital, and accept the WFOE and/or through other entities and/or individuals designated by the WFOE to subscribe for all the Increased Capital Shares of the Company (depending on the situation);

(b) With respect to the Assets Purchase Option, the Company shall immediately sign an assets transfer agreement with the WFOE and/or through other entities and/or individuals designated by the WFOE, transfer all the Transfer Assets to the WFOE and/or through other entities and/or individuals designated by the WFOE at the Transfer Price, and procure the Existing Shareholders to provide the WFOE with necessary support in accordance with the requirements of the WFOE and the provisions of laws and regulations (including providing and signing all relevant legal documents, and fulfilling all government approvals and registration procedures and assume all relevant obligations) so that the WFOE and/or through other entities and/or individuals designated by the WFOE can obtain all the Transfer Assets, and there should be no legal flaws in such Transfer Assets and there should be no security rights, third-party restrictions or any other restrictions on Company Assets;

(c) With respect to the Shares Subscription Option, the Company shall immediately sign an capital reduction agreement with the Existing Shareholders in a form and substance to the satisfactory

of the WFOE, the Company shall, and the Existing Shareholders shall procure the Company to implement capital reduction procedure (including notifying creditors, making public announcement of capital reduction, signing all relevant legal documents, and fulfilling all government approvals and registration procedures and assume all relevant obligations) so that the Company could complete the capital reduction successfully, and the WFOE and/or through other entities and/or individuals designated by the WFOE could complete the subscription of the Increased Capital Shares.

8. CONFIDENTIALITY

8.1 Regardless of whether this Agreement is terminated or not, both parties shall strictly keep confidential the trade secrets, proprietary information, customer information and other confidential information of the other Party obtained during the execution and performance of this Agreement. Without the prior written consent from the disclosing Party, or mandatorily required to be disclosed to third party by relevant laws and regulations or the requirements of the listing place of a Party's related company, the receiving Party should not disclose any confidential information to any third party; unless for the purpose of performance of this Agreement, the receiving Party should not use or indirectly use any confidential information.

8.2 Confidential information shall not include information:

(a) is known to the Receiving Party prior to disclosure by the disclosing Party as demonstrated by documentary evidence;

(b) is or becomes available to the public other than as a result of the receiving Party’s fault; or

(c) information obtained legally by the receiving Party from other sources after receiving confidential information.

8.3 The receiving Party may disclose confidential information to its relevant employees, agents or professionals engaged, provided the receiving Party shall ensure the abovementioned personnel be in compliance with the relevant terms and conditions of this Agreement and be liable for any responsibilities

incurred by breach of the relevant terms and conditions of this Agreement by the abovementioned personnel.

8.4 Notwithstanding any other terms of this Agreement, this section shall still be valid and binding upon the termination of this Agreement.

9. TERM

This Agreement takes effect as of the date of execution. Unless otherwise required by the WFOE, this Agreement will terminate after all the Option Shares and Company Assets are legally transferred to the WFOE and/or through other entities and/or individuals designated by the WFOE in accordance with this Agreement.

10. NOTICE

10.1 All the notices, request, requirement and other communications pursuant to this Agreement shall be delivered to the relevant Party in written form.

10.2 Abovesaid notices or other notices if given by facsimile transmission or e-mail, shall be deemed effectively given upon successful transmission; if given by person, shall be deemed effectively given upon delivery by person; if given by post, shall be deemed effectively given on the date after two (2) days from posting.

11. DEFAULT

11.1 Both Parties agree and confirm that, if any Party ("**Defaulting Party**") materially violates any of the terms under this Agreement, or fails to perform, incompletely perform or delays the performance of any of the obligations under this Agreement, it shall constitute a breach of this Agreement ("**Default**"). Any Party of the other non-defaulting Party ("**Non-Defaulting Party**") has the right to request Defaulting Party to make amendments or remedies within reasonable period. If the Defaulting Party fails to make amendments or remedies within reasonable period or ten (10) days after the other Party sends a written notice to Party B and requests for amendments, then:

(a) if the Existing Shareholders or the Company is the Defaulting Party, the WFOE is entitled to terminate this Agreement, and requires the Defaulting Party to compensate all the losses;

(b) if the WFOE is the Defaulting Party, the Non-Defaulting Party is entitled to require the Defaulting Party to compensate all the losses, however, unless otherwise required by the Laws, it has no right to terminate or cancel this Agreement under any circumstances.

For the purpose of this Section 11.1, the Existing Shareholders further confirm and agree that their breach of Section 6 of this Agreement will constitute a material violation of this Agreement; the Company further confirms and agrees that its breach of Section 7 of this Agreement will constitute its material violation of this Agreement.

11.2 Notwithstanding any other terms of this Agreement, the validity of this Section shall not be affected by the termination of this Agreement.

12. MISCELLANEOUS PROVISIONS

12.1 This Agreement is executed in the Chinese language. This Agreement may be executed in five (5) counterparts, which the Company keeps one (1) counterpart, one (1) counterpart for governmental approval or registration, and the WFOE keeps other three (3) counterparts.

12.2 This Agreement, including the execution, validity, performance, interpretation and dispute resolution of this Agreement, shall be governed by and construed in accordance with the PRC Laws.

12.3 Dispute Resolution

(a) The Parties shall firstly attempt to resolve any and all disputes arising out of or relating to this Agreement through friendly consultations. If a dispute is not resolved through friendly consultations, then each Party may submit the dispute to Guangzhou Arbitration Commission for arbitration in accordance with then effective arbitration rules of such commission. The arbitration shall be conducted in Guangzhou. The award of the arbitration tribunal shall be final and binding upon the Parties. The costs of arbitration shall be borne by the losing Party, unless otherwise determined by the arbitration tribunal.

(b) When any dispute is under arbitration, except for the matters in dispute, the Parties shall continue to fulfil their respective obligations under this Agreement.

12.4 Any rights, powers and remedies granted to both Parties by any terms of this Agreement shall not exclude any other rights, powers or remedies that the Party is entitled to in accordance with the laws and other terms under this Agreement, and one Party's exercise of its rights, powers and remedies does not preclude such Party from exercising other rights, powers and remedies.

12.5 A Party's failure to exercise or delay in exercising any of its rights, powers and remedies ("**Such Party's Rights**") under this Agreement or the laws will not result in the waiver of such rights, and any single or partial waiver of Such Party's Rights will not exclude such Party's exercise of such rights in other manner and the exercise of other Such Party's Rights.

12.6 The titles of the sections and subsections of this Agreement are for convenience of reference only and are not to be considered in construing this Agreement.

12.7 Each provision of this Agreement shall be severable and independent. If any single or multiple provisions hereof become invalid, illegal or unenforceable in any aspect, the validity, legality and enforceability of the remaining provisions of this Agreement shall not be affected in any aspect.

12.8 This Agreement once executed shall supersede all prior agreements both Parties executed before, with respect to the subject matter hereof and thereof. Any amendment and supplements to this Agreement shall be made in writing, and only takes effect after the execution by all Parties hereunder, except for the WFOE's transfer of its rights under Section 12.9 of this Agreement.

12.9 Without the prior written consent of the WFOE, the other Parties have no right to transfer or assign any of its rights and obligations hereunder to any third party. The other Parties hereby agree that the WFOE may transfer its rights and obligations under this Agreement to a third party, and that the WFOE only needs to send a written notice to the other Parties of such transfer, and there is no need to obtain consent from the other Parties for such transfer.

12.10 This Agreement shall be binding upon the respective successors and assigns. The Existing Shareholders assure to WFOE that they have made all proper arrangements and signed all necessary documents to ensure that when they bankrupts, liquidates or incurs other situations that may affect the exercise of their shareholders' rights, their legal transferees, successors, heirs, liquidators, bankruptcy administrators, creditors, and other persons who may obtain the Company's shares or related rights shall not affect or hinder the performance of this Agreement. For this purpose, the Existing Shareholders and the Company should promptly sign all other documents required by the WFOE and take all other actions required by the WFOE (including but not limited to notarization of this Agreement).

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This page is the signature page of the Exclusive Option Agreement of Guangzhou Baiguoyuan Internet Technology Co., Ltd.

Existing Shareholder:

Guangzhou Qianxun Internet Technology Co., Ltd. (seal)
/seal/ Guangzhou Qianxun Internet Technology Co., Ltd.
/s/ Wenxian Zhong
Name: Wenxian Zhong
Title: Legal Representative

This page is the signature page of the Exclusive Option Agreement of Guangzhou Baiguoyuan Internet Technology Co., Ltd.

Company:

Guangzhou Baiguoyuan Internet Technology Co., Ltd. (seal)
/seal/ Guangzhou Qianxun Internet Technology Co., Ltd.
/s/ Wenxian Zhong
Name: Wenxian Zhong
Title: Legal Representative

This page is the signature page of the Exclusive Option Agreement of Guangzhou Baiguoyuan Internet Technology Co., Ltd.

WFOE:

Guangzhou Baiguoyuan Information Technology Co., Ltd. (seal)
/seal/ Guangzhou Baiguoyuan Information Technology Co., Ltd.
/s/ Wenxian Zhong
Name: Wenxian Zhong
Title: Legal Representative

Exhibit 4.18

Shareholder Voting Rights Proxy Agreement

This Shareholder Voting Rights Proxy Agreement (this "**Agreement**") dated January 15, 2021, is signed by and among:

1. **Guangzhou Qianxun Internet Technology Co., Ltd.** ("***Existing Shareholders***")
   Registered address: 4/F, 5/F, 6/F, 13/F, 14/F, 15/F, 16/F, Jisheng Business Center, No. 278 Xingtai Road, Shiqiao Street, Panyu District, Guangzhou Legal representative: Wenxian Zhong

2. **Guangzhou Baiguoyuan Internet Technology Co., Ltd.** ("***Company***")
   Registered address: 4/F, 5/F, 6/F, 13/F, 14/F, 15/F, 16/F, Jisheng Business Center, No. 278 Xingtai Road, Shiqiao Street, Panyu District, Guangzhou Legal representative: Wenxian Zhong

3. **Guangzhou Baiguoyuan Information Technology Co., Ltd.** ("***WFOE***")
   Registered address: 5/F to 13/F, West Tower, Building C, No. 274 Xingtai Road, Shiqiao Street, Panyu District, Guangzhou
   Legal representative: Wenxian Zhong

The parties above shall be hereinafter respectively referred to as a "Party", collectively referred to as "Parties".

WHEREAS:

1. The Existing Shareholder is all the present shareholder of the Company, which holds 100% shares of the Company;

2. The Existing Shareholders intend to entrust the individual designated by the WFOE with the exercise of their voting rights in the Company and the WFOE is willing to designate such individual to accept such entrustment.

THEREFORE, the Parties, after friendly consultations, hereby agree as follows:

Article 1 Voting Right Entrustment

1.1 The Existing Shareholder hereby irrevocably undertakes to sign a power of attorney in the form and substance as set forth in Annex 1 after execution of this Agreement to entrust the individual designated by the WFOE (hereinafter, the "**Entrusted Person**") to exercise on its behalf the following rights they, as the shareholder of the Company, are entitled to under the then effective articles of association of the Company (collectively, the "**Entrusted Rights**"):

(a) Proposing to convene and attending shareholders' meetings of the Company as the representative of the Existing Shareholder according to the articles of association of the Company;

(b) On behalf of the Existing Shareholder, exercising voting rights on all the issues needing to be discussed and resolved by the shareholders' meetings of the Company, including but not limited to the appointment of the Company's directors and other officers needing to be appointed and removed by shareholders;

(c) Other shareholder voting rights as specified in the articles of association of the Company (including any other shareholder voting rights as specified in the amended articles of association); and

(d) When the Existing Shareholder transfers the shares of the Company held by it, agrees to the transfer of assets of the Company, agrees to reduce capital contributions to the company, or accepts the WFOE or its designated party to subscribe the increased capital of the Company in accordance with the Exclusive Option Agreement signed by the parties on the same date hereof, to sign relevant share transfer agreements, asset transfer agreements (if applicable), capital reduction agreements, capital increase agreements, shareholder decisions and other relevant documents on behalf of the Existing Shareholders, and handle government approval, registration and filing procedure required for such transfer, capital reduction and capital increase.

The above authorization and entrustment are granted subject to the status of the Entrusted Person as a PRC citizen and the approval by the WFOE. Upon and only upon written notice of dismissing and replacing the Entrusted Person given by the WFOE to the Existing Shareholder, the Existing Shareholder shall promptly entrust another PRC citizen then designated by the WFOE to exercise the above Entrusted Rights, and once new entrustment is made, the original entrustment shall be replaced. The Existing Shareholder shall not cancel the authorization and entrustment for the Entrusted Person otherwise.

1.2 The Entrusted Person shall perform the fiduciary obligations within the scope of authorization with due care and diligence and in compliance with laws. The Existing Shareholder acknowledges and assumes relevant liabilities for any legal consequences of the Entrusted Person's exercise of the foregoing Entrusted Rights.

1.3 The Existing Shareholder hereby acknowledges that the Entrusted Person is not required to seek advice from the Existing Shareholder prior to the exercise of the foregoing Entrusted Rights. However, the Entrusted Person shall inform the Existing Shareholder in a timely manner of any resolution or any proposal on convening interim shareholders' meeting after such resolution or proposal is made.

Article 2 Right to Information

2.1 For the purpose of exercising the Entrusted Rights hereunder, the Entrusted Person is entitled to know the information with regard to the Company's operation, business, customers, finance, staff, etc., and shall have access to the relevant materials of the Company. The Company shall adequately cooperate with the Entrusted Person in this regard.

Article 3 Exercise of Entrusted Rights

3.1 The Existing Shareholder will provide adequate assistance to the exercise of the Entrusted Rights by the Entrusted Person, including timely execution of the resolutions of the shareholders' meeting of the Company adopted by the Entrusted Person or other related legal documents when necessary (e.g., when it is necessary for examination and approval of or registration or filing with governmental departments).

3.2 If at any time during the term of this Agreement, the grant or exercise of the Entrusted Rights hereunder is unenforceable for any reason (except for default of Existing Shareholder or the Company), the Parties shall immediately seek a most similar substitute for the unenforceable provision and, if necessary, enter into a supplementary agreement to amend or adjust the provisions herein, in order to ensure the realization of the purpose of this Agreement.

Article 4 Exemption and Compensation

4.1 The Parties acknowledge that the WFOE shall not be requested to be liable to or compensate (monetary or otherwise) other Parties or any third party due to exercise of the Entrusted Rights hereunder by the individuals designated by it in any circumstances.

4.2 The Existing Shareholder and the Company agree to indemnify and hold harmless the WFOE from and against all losses incurred or likely to be incurred by it due to exercise of the Entrusted Rights by the Entrusted Person designated by the WFOE, including without limitation, any loss resulting from any litigation, demand, arbitration or claim initiated or raised by any third party against it or from administrative investigation or penalty of governmental authorities (collectively, the "Losses"), PROVIDED THAT the above indemnity in respect of any Losses shall not be available to the WFOE to the extent that such Losses have been caused by the willful default or gross negligence on the part of the Entrusted Person.

Article 5 Representations and Warranties

5.1 The Existing Shareholder hereby represents and warrants that:

(b) The Existing Shareholder is a limited partnership legally registered and validly existing in accordance with the PRC Laws; it has complete and independent legal status and legal capacity to execute, deliver and perform this Agreement, and can independently act as a party to a litigation.

(b) The Company is a limited liability company legally registered and validly existing in accordance with the PRC laws and has independent legal capacity; has complete and independent legal status and legal capacity to execute, deliver and perform this Agreement, and can independently act as a party to a litigation.

(c) It has the full power and authority to execute and deliver this Agreement and all other documents relating to the transaction contemplated hereby and to be executed by it. It also has the full power and authority to consummate the transaction contemplated hereby. This Agreement, when duly executed and delivered, shall constitute a legal, valid and binding obligation enforceable against it in accordance with the terms of this Agreement.

(d) It is the recorded legal shareholder of the Company as of the effective date of this Agreement, and except for the rights under this Agreement, the Equity Pledge Agreement and the Exclusive Option Agreement entered into among the Existing Shareholder, the Company and the WFOE, the Entrusted Rights are free of any third-party right. Pursuant to this Agreement, the Entrusted Person may fully and sufficiently exercise the Entrusted Rights in accordance with the then effective articles of association of the Company.

(e) Without the consent of the WFOE, the Existing Shareholder shall not take any measures to advice, claim or request amendment, modification, termination or change the articles of association of the Company in any other forms.

5.2 The Existing Shareholder hereby irrevocably represents and warrants that, once it knows or should be aware that the shares held by it may be transferred to any third party other than the WFOE and/or through other entities and/or individuals designated by the WFOE due to applicable laws, judgments or awards of courts or arbitration institution, or for any other reason, it should immediately and without hesitation notify the WFOE.

5.3. Each of the WFOE and the Company hereby represents and warrants that:

(a) It is a limited liability company duly organized and validly existing under the PRC Law with an independent legal personality. It has the full and independent legal status and legal capacity to execute, deliver and perform this Agreement and may sue or be sued as an independent party.

(b) It has the full corporate power and authority to execute and deliver this Agreement and all other documents relating to the transaction contemplated hereby and to be executed by it. It also has the full power and authority to consummate the transaction contemplated hereby.

5.4 The Company further represents and warrants that:

(a) The Existing Shareholder is the recorded legal shareholder of the Company as of the effective date of this Agreement, and except for the rights under this Agreement, the Equity Pledge Agreement and the Exclusive Option Agreement entered into among the Existing Shareholder, the Company and the WFOE, the Entrusted Rights are free of any third-party right. Pursuant to this Agreement, the Entrusted Person may fully and sufficiently exercise the Entrusted Rights in accordance with the then effective articles of association of the Company.

5.5 The Company hereby irrevocably represents and warrants that, once it knows or should be aware that the shares held by the Existing Shareholders may be transferred to any third party other than the WFOE and/or through other entities and/or individuals designated by the WFOE due to applicable laws, judgments or awards of courts or arbitration institution, or for any other reason, it should immediately and without hesitation notify the WFOE.

Article 6 Term

6.1 Subject to the provisions of Articles 6.2 and 6.3 hereof, this Agreement shall become effective as of the date of the due execution by the Parties and the term of this Agreement shall be twenty (20) years; unless prematurely terminated by the Parties in writing or pursuant to Article 9.1 hereof. After the expiration of this Agreement, unless the WFOE informs other Parties 30 days in advance that this Agreement will not be renewed, this Agreement will be automatically renewed for one year after the expiration of the term, and so on.

6.2 If the Company or the WFOE, upon expiry of its duration, fails to handle the examination, approval and registration procedures concerning the extension of its duration, this Agreement shall be terminated.

6.3 In case that the Existing Shareholder transfers all of the equity interest held by it in the Company with the WFOE's prior consent, such Existing Shareholder shall cease to be a party to this Agreement since it has completed relevant assistant obligation, executed all the relevant and necessary documents, completed relevant internal procedure of the Company and governmental approval, registration, filing procedures (provided subject to Article 4, Article 5.1, Article 6, Article 7, Article 8, Article 9 and Article 10).

Article 7 Notices

7.1 All the notices, request, requirement and other communications pursuant to this Agreement shall be delivered to the relevant Party in written form.

7.2 Abovesaid notices or other notices if given by facsimile transmission or e-mail, shall be deemed effectively given upon successful transmission; if given by person, shall be deemed effectively given upon delivery by person; if given by post, shall be deemed effectively given on the date after two (2) days from posting.

Article 8 Confidentiality

8.1 Regardless of whether this Agreement is terminated or not, each Party shall keep strictly confidential all the business secrets, proprietary information, customer information and other information of a confidential nature about the other Parties known by it during the execution and performance of this Agreement (collectively, the "**Confidential Information**"). The receiving Party shall not disclose any Confidential Information to any third party except with the prior written consent of the disclosing Party or in accordance with relevant laws or regulations or under requirements of the place where its affiliate is listed on a stock exchange. The receiving Party shall not use or indirectly use any Confidential Information other than for performing this Agreement.

8.2 The following information shall not be deemed part of the Confidential Information:

(a) any information already known by the receiving Party by legal means prior to disclosure, which is substantiated in writing;

(b) any information being part of public knowledge through no fault of the receiving Party; or

(c) any information rightfully received by the receiving Party from other sources after disclosure.

8.3 The receiving Party may disclose the Confidential Information to its relevant employees, agents or engaged professionals, but the receiving Party shall guarantee that they are in compliance with the relevant terms and conditions of this Agreement and assume any responsibility arising from any breach thereof by them.

8.4 Notwithstanding any other provision herein, the validity of this Article shall survive the termination of this Agreement.

Article 9 Defaulting Liability

9.1 The Parties agree and acknowledge that, if any of the Parties (the "**Defaulting Party**") materially breaches any provision herein or materially fails to perform or delays performance of any of the obligations hereunder, such breach, failure or delay shall constitute a default under this Agreement (a "**Default**"). In such event, any of the other Parties without default (the "**Non-defaulting Party**") shall have the right to require the Defaulting Party to rectify such Default or take remedial measures within a reasonable period. If the Defaulting Party fails to rectify such Default or take remedial measures within such reasonable period or within ten (10) days of the Non-defaulting Party notifying the Defaulting Party in writing and requiring the Default to be rectified, then:

(a) if the Existing Shareholder or the Company is the Defaulting Party, the WFOE shall be entitled to terminate this Agreement and require the Defaulting Party to indemnify all damages;

(b) if the WFOE is the Defaulting Party, the Non-defaulting Party shall be entitled to require the Defaulting Party to indemnify all damages, but the Non-defaulting Party shall not be entitled to any rights to terminate or cancel this Agreement in any situation unless otherwise provided by the mandatory provisions of the laws.

b)

9.2 Notwithstanding any other provision herein, the validity of this Article shall survive the suspension or termination of this Agreement.

Article 10 Miscellaneous

10.1 This Agreement is written in Chinese and executed in three (3) originals, with one (1) original to be retained by each Party hereto.

10.2 The formation, validity and interpretation of, resolution of disputes in connection with, this Agreement, shall be governed by PRC Law.

10.3 Dispute Resolution

(a) Any dispute arising hereunder and in connection herewith shall be resolved through consultations among the Parties, and if the Parties fail to reach a mutual agreement, any Party may submit such dispute to Guangzhou Arbitration Commission for arbitration in accordance with its arbitration rules in effect at the time of applying for arbitration. The seat of arbitration shall be Guangzhou. The arbitral award shall be final and binding on the Parties. The costs of arbitration shall be borne by the losing Party, unless otherwise determined by the arbitration tribunal.

(b) During dispute resolution, the Parties shall continue to perform the terms of this Agreement other than those relating to disputes.

10.4 Any right, power or remedy conferred on any Party by any provision of this Agreement shall not be exclusive of any other right, power or remedy available to it at law and under the other provisions of this Agreement, and the exercise by such Party of any of its rights, powers and remedies shall not preclude the exercise of any other rights, powers and remedies it may have.

10.5 No failure or delay by a Party in exercising any of its rights, powers and remedies available to it hereunder or at law (hereinafter, the "**Party's Rights**") shall operate as a waiver thereof, nor shall the waiver of any single or partial exercise of the Party's Rights shall preclude such Party from exercising such rights in any other way and exercising the remaining part of the Party's Rights.

10.6 The headings contained herein shall be for reference only, and in no circumstances shall such headings be used in or affect the interpretation of the provisions hereof.

10.7 Each provision contained herein shall be severable and independent from each of other provisions, and if at any time any one or more provisions herein become invalid, illegal or unenforceable, the validity, legality or enforceability of the remaining provisions herein shall not be affected as a result thereof.

10.8 This Agreement, once executed, replaces any other legal documents previously signed by the parties on the same subject. Any amendment or supplement hereto shall be made in writing and shall become effective only upon due execution by the Parties hereto, except for the WFOE's transfer of its rights under Section 10.9 of this Agreement.

10.9 Without the WFOE's prior written consent, any other Party shall not transfer any of its rights and/or obligations hereunder to any third party. The Existing Shareholder and the Company hereby agree that the WFOE is entitled to transfer any of its rights and/or obligations hereunder to any third party upon written notice thereof to the other Parties, and there is no need to obtain consent from the other Parties for such transfer.

10.10 This Agreement shall be binding upon the respective successors and assigns. The Existing Shareholders assure to WFOE that they have made all proper arrangements and signed all necessary documents to ensure that when they bankrupts, liquidates or incurs other situations that may affect the exercise of their shareholders' rights, their legal transferees, successors, heirs, liquidators, bankruptcy administrators, creditors, and other persons who may obtain the Company's shares or related rights shall not affect or hinder the performance of this Agreement. For this purpose, the Existing Shareholders and the Company should promptly sign all other documents required by the WFOE and take all other actions required by the WFOE (including but not limited to notarization of this Agreement).

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This page is the signature page of the Shareholder Voting Rights Proxy Agreement of Guangzhou Baiguoyuan Internet Technology Co., Ltd.

Existing Shareholder:

Guangzhou Qianxun Internet Technology Co., Ltd. (seal)
/seal/ Guangzhou Qianxun Internet Technology Co., Ltd.
/s/ Wenxian Zhong
Name: Wenxian Zhong
Title: Legal Representative

This page is the signature page of the Shareholder Voting Rights Proxy Agreement of Guangzhou Baiguoyuan Internet Technology Co., Ltd.

Company:

Guangzhou Baiguoyuan Internet Technology Co., Ltd. (seal)
/seal/ Guangzhou Qianxun Internet Technology Co., Ltd.
/s/ Wenxian Zhong
Name: Wenxian Zhong
Title: Legal Representative

This page is the signature page of the Shareholder Voting Rights Proxy Agreement of Guangzhou Baiguoyuan Internet Technology Co., Ltd.

WFOE:

Guangzhou Baiguoyuan Information Technology Co., Ltd. (seal)
/seal/ Guangzhou Baiguoyuan Information Technology Co., Ltd.
/s/ Wenxian Zhong
Name: Wenxian Zhong
Title: Legal Representative

EQUITY PLEDGE AGREEMENT

THIS EQUITY PLEDGE AGREEMENT (this "**Agreement**") is entered into on January 15, 2021 ("**Execution Date**")

BY AND AMONG:

1. **Guangzhou Fangu Internet Technology L.P.**
   Registered address: 4/F, 5/F, 6/F, 13/F, 14/F, 15/F, 16/F, Jisheng Business Center, No. 278 Xingtai Road, Shiqiao Street, Panyu District, Guangzhou
   Executive Partner: Guangzhou Shangying Internet Technology Co., Ltd.

2. **Guangzhou Wanyin Internet Technology L.P.** (together with Guangzhou Fangu Internet Technology L.P., the "**Pledgors**" and each a "**Pledgor**")
   Registered address: 4/F, 5/F, 6/F, 13/F, 14/F, 15/F, 16/F, Jisheng Business Center, No. 278 Xingtai Road, Shiqiao Street, Panyu District, Guangzhou
   Executive Partner: Guangzhou Shangying Internet Technology Co., Ltd.

3. **Guangzhou Qianxun Internet Technology Co., Ltd.** (the "**Company**")
   Registered address: 4/F, 5/F, 6/F, 13/F, 14/F, 15/F, 16/F, Jisheng Business Center, No. 278 Xingtai Road, Shiqiao Street, Panyu District, Guangzhou
   Legal representative: Wenxian Zhong

4. **Guangzhou Baiguoyuan Information Technology Co., Ltd.** (the "**Pledgee**")
   Registered address: 5/F to 13/F, West Tower, Building C, No. 274 Xingtai Road, Shiqiao Street, Panyu District, Guangzhou
   Legal representative: Wenxian Zhong

WHEREAS:

1. The Pledgors are the registered shareholders of the Company and lawfully hold all equity interest in the Company ("**Company Equity**"). As of the Execution Date, the amount of its contribution to the registered capital of the Company is Renminbi Two Million, and their shareholding percentage in total is 100%. The registered capital has not been paid in. The basic information of the Company sets forth in Schedule 1 hereto.

2. The Parties hereto entered into a Shareholder Voting Rights Proxy Agreement ("**Proxy Agreement**") on January 15, 2021, pursuant to which the each of the Pledgors has irrevocably granted a general power of attorney to such persons as may then be appointed by the Pledgee to exercise its entire shareholder voting rights in the Company on behalf of the Pledgors.

3. The Company and the Pledgee entered into an Exclusive Service Agreement ("**Service Agreement**") on January 15, 2021, pursuant to which the Company has, on an exclusive basis, engaged the Pledgee to provide it with relevant services and agrees to pay relevant service fees to the Pledgee for such services.

4. The Parties hereto entered into an Exclusive Option Agreement ("**Option Agreement**") on January 15, 2021, pursuant to which the Pledgors and the

Company shall, to the extent permitted by the PRC Laws, transfer, at the request of the Pledgee, all or part of their equity interests in the Company or all or part of the assets of the Company respectively to the Pledgee and/or any entity and/or individual designated by it, or the Company shall decrease its capital and the Pledgee and/or any entity and/or individual designated by it shall subscribe for the newly increased registered capital of the Company.

5. As security for the performance by the Pledgors of their Contractual Obligations (as defined below) and their repayment of the Secured Indebtedness (as defined below), each Pledgor is willing to pledge all of its Company Equity to the Pledgee and create first priority pledge in favor of the Pledgee; and the Company has agreed to such equity pledge arrangement.

NOW, THEREFORE, upon consensus through consultation, the Parties agree as follows:

ARTICLE I DEFINITIONS

1.1 Unless otherwise required by the context, the following terms shall have the following meanings in this Agreement:

"**Contractual Obligations**"	means all of the each Pledgor's contractual obligations under the Proxy Agreement and the Option Agreement; all of the Company's contractual obligations under the Proxy Agreement, the Service Agreement and the Option Agreement; and all of the contractual obligations of the each Pledgor and the Company under this Agreement.
"Secured Indebtedness"	means all direct, indirect or consequential losses and loss of projectable benefits suffered by the Pledgee as a result of any Event of Default (as defined below) of the Pledgors and/or the Company, and the basis for determining the amounts of such losses shall include, without limitation, reasonable commercial plans and profit forecasts of the Pledgee and all costs incurred by the Pledgee in connection with its enforcement of the Contractual Obligations of each Pledgor and/or the Company.
"Transaction Agreements"	means the Proxy Agreement, the Service Agreement and the Option Agreement.
"Event of Default"	means a breach by any Pledgor of any of its Contractual Obligations under the Proxy Agreement, the Option Agreement and/or this Agreement, and a breach by the Company of any of its Contractual Obligations under the Proxy Agreement, the Service Agreement, the Option Agreement and/or this Agreement.

"Pledged Equity"	means all of the Company Equity lawfully owned by the Pledgors as of the effectiveness of this Agreement and to be pledged hereunder to the Pledgee as security for the performance by the Pledgors and the Company of their respective Contractual Obligations and increased capital contribution amounts and dividends under Sections 2.6 and 2.7 hereof.
"PRC Laws"	means the then effective laws, administrative regulations, administrative rules, local regulations, judicial interpretations and other binding regulatory documents of the People's Republic of China.

1.2 In this Agreement, any reference to any PRC Law shall be deemed to include (i) a reference to such PRC Law as modified, amended, supplemented or reenacted, effective either before or after the date hereof; and (ii) a reference to any other decision, circular or rule made thereunder or effective as a result thereof.

1.3 Unless otherwise required by the context, a reference to an article, section, clause or paragraph herein shall be a reference to an article, section, clause or paragraph of this Agreement.

ARTICLE II EQUITY PLEDGE

2.1 Each Pledgor hereby agrees to pledge, in accordance with the terms hereof, its lawfully owned and rightfully disposable Pledged Equity to the Pledgee as security for the performance by such Pledgor of its Contractual Obligations and its repayment of the Secured Indebtedness. The Company hereby agrees for the Pledgors to so pledge the Pledged Equity to the Pledgee in accordance with the terms hereof.

2.2 Each Pledgor covenants that it will assume the responsibility of recording the equity pledge arrangement ("**Equity Pledge**") hereunder in the shareholder's register of the Company on the Execution Date. Each Pledgor further covenants that it will use its best efforts and take all necessary measures to register the Equity Pledge as soon as possible with the competent administrative authority for market regulation of the Company after the Execution Date.

2.3 During the validity term hereof, the Pledgee shall not be liable in whatsoever manner for any diminution in value of the Pledged Equity and the Pledgors shall have no right to seek any form of recourse or bring any claims against the Pledgee in connection therewith, except where such diminution arises out of any willful conduct of the Pledgee or its gross negligence having immediate causal link with such result.

2.4 Subject to Section 2.3 above, if the Pledged Equity is likely to suffer such a manifest value diminution as to impair the rights of the Pledgee, the Pledgee may at any time auction or sell the Pledged Equity on behalf of the Pledgor

and may, as agreed with the Pledgors, apply the proceeds from such auction or sale towards early repayment of the Secured Indebtedness, or deposit (entirely at the cost of the Pledgee) such proceeds with a notary organ of the place of the Pledgee. In addition, upon request by the Pledgee, the Pledgors shall provide other property as security for the Secured Indebtedness.

2.5 Upon occurrence of any Event of Default, the Pledgee shall be entitled to dispose of the Pledged Equity in such manner as prescribed by Article IV hereof.

2.6 The Pledgors shall not increase the capital of the Company except with prior consent of the Pledgee. Any increase in the capital contribution made by the Pledgors to the registered capital of the Company as a result of any capital increase shall equally become part of the Pledged Equity, and the Pledgors shall register the pledge of the Company Equity corresponding to such capital contribution with the competent administrative authority for market regulation of the Company.

2.7 The Pledgors shall not receive any dividend or profit in respect of the Pledged Equity except with prior consent of the Pledgee. Any dividend or profit received by the Pledgors in respect of the Pledged Equity shall be deposited into an account designated by the Pledgee, monitored by the Pledgee and first applied towards repayment of the Secured Indebtedness.

2.8 Upon occurrence of an Event of Default, the Pledgee shall be entitled to dispose of any Pledged Equity of the Pledgors in accordance with the terms hereof.

ARTICLE III RELEASE OF PLEDGE

3.1 Upon full and complete performance by the Pledgors and the Company of all of their Contractual Obligations and full repayment of the Secured Indebtedness, the Pledgee shall, at the request of the Pledgors, release the Equity Pledge hereunder and cooperate with the Pledgors in relation to both the deregistration of the Equity Pledge in the shareholder's register of the Company and the deregistration of the Equity Pledge with the relevant administrative authority for market regulation; reasonable costs arising out of such release of the Equity Pledge shall be borne by the Pledgee.

ARTICLE IV DISPOSAL OF PLEDGED EQUITY

4.1 The Parties hereby agree that upon occurrence of any Event of Default, the Pledgee shall be entitled to exercise, upon written notice to the Pledgors, all of the remedies, rights and powers available to it under the PRC Laws, the Transaction Agreements and this Agreement, including, without limitation, the right to auction or sell the Pledged Equity for prior satisfaction of claims. The Pledgee shall not be held liable for any losses resulting from its reasonable exercise of such rights and powers.

The Pledgors further acknowledge and agree that its breach of Article IX

hereof shall constitute its material breach of this Agreement; the Company further acknowledges and agrees that its breach of Article X hereof shall constitute its material breach of this Agreement.

4.2 The Pledgee shall be entitled to appoint, in writing, its counsels or other agents to exercise any and all of its foregoing rights and powers, and neither anyPledgor nor the Company shall object thereto.

4.3 The Pledgee shall have the right to fully deduct all reasonable costs incurred by it in connection with its exercise of any or all of its foregoing rights and powers from the proceeds obtained as a result of such exercise of rights and powers.

4.4 The proceeds obtained as a result of the exercise by the Pledgee of its rights and powers shall be applied in the following order of precedence:

(a) towards payment of all costs arising out of the disposal of the Pledged Equity and the exercise by the Pledgee of its rights and powers (including fees paid to its counsels and agents);

(b) towards payment of the taxes payable in connection with the disposal of the Pledged Equity; and

(c) towards repayment of the Secured Indebtedness to the Pledgee.

Any balance after the deduction of the foregoing payments shall either be returned by the Pledgee to the Pledgors or any other person who may be entitled to such balance under relevant laws and regulations or be deposited by the Pledgee with a notary organ of the place of the Pledgee (any costs arising out of such deposit shall be borne by the Pledgee).

4.5 The Pledgee shall have the right to exercise, at its option, concurrently or successively, any of its breach of contract remedies; the Pledgee shall not be required to first exercise other breach of contract remedies prior to the exercise of its right to auction or sell the Pledged Equity hereunder.

ARTICLE V COSTS AND EXPENSES

5.1 All actual costs and expenses arising in connection with the creation of the Equity Pledge hereunder, including, without limitation, the stamp duty, any other taxes and all legal costs, shall be borne by the Parties severally.

ARTICLE VI CONTINUING GUARANTEE AND NON-WAIVER

6.1 The Equity Pledge created hereunder shall constitute a continuing guarantee and shall remain valid until full performance of the Contractual Obligations or full repayment of the Secured Indebtedness, whichever occurs later. Neither any waiver or grace granted by the Pledgee with respect to any breach by any Pledgor nor any delay of the Pledgee in its exercise of any of its rights under the Transaction Agreements and this Agreement shall affect the right of the

Pledgee under this Agreement, relevant PRC Laws and the Transaction Agreements to require at any time thereafter the Pledgors to strictly perform the Transaction Agreements and this Agreement or any right that may be available to the Pledgee as a result of any subsequent breach by the Pledgors of the Transaction Agreements and/or this Agreement.

ARTICLE VII REPRESENTATIONS AND WARRANTIES BY THE PLEDGOR

Each Pledgor represents and warrants to the Pledgee that:

7.1 It is a limited partnership duly registered and lawfully existing under the PRC Laws with independent legal personality; and has full and independent legal status and capacity to execute, deliver and perform this Agreement and may sue or be sued as an independent party.

7.2 All reports, documents and information provided by it to the Pledgee prior to the effectiveness of this Agreement with respect to all matters pertaining to such Pledgor or required by this Agreement are true, correct, complete and not misleading in all material respects as of the effectiveness of this Agreement.

7.3 All reports, documents and information provided by it to the Pledgee subsequent to the effectiveness of this Agreement with respect to all matters pertaining to such Pledgor or required by this Agreement are true and valid in all material respects as of the time of provision of the same.

7.4 As of the effectiveness of this Agreement, such Pledgor is the sole lawful owner of the Pledged Equity free from any ongoing or potential dispute or any third party claim as to the ownership thereof; and such Pledgor has the right to dispose of the Pledged Equity or any part thereof.

7.5 Other than the security interest created on the Pledged Equity hereunder and the rights created under the Transaction Agreements, the Pledged Equity is free from any other security interests, third party rights or interests or any other restrictions.

7.6 The Pledged Equity may be lawfully pledged and assigned, and such Pledgor has full rights and powers to pledge the Pledged Equity to the Pledgee in accordance with the terms hereof.

7.7 Once duly executed by such Pledgor, this Agreement will constitute lawful, valid and binding obligations of such Pledgor.

7.8 Other than the registration of the Equity Pledge with the relevant administrative authority for market regulation, any consents, permissions, waivers or authorizations by any third party or any approval, license or exemption from or any registration or filing formalities with any governmental body (if required by law), requisite in each case for the execution and performance of this Agreement and the creation of the Equity Pledge hereunder, have been obtained or completed and will remain fully valid during the validity

term hereof.

7.9 The execution and performance by such Pledgor of this Agreement do not violate or conflict with any law applicable to such Pledgor, any agreement to which such Pledgor is a party or by which he is bound, any court judgment, any arbitral award, or any decision of any administrative authority.

7.10 The pledge hereunder constitutes a first priority security interest on the Pledged Equity.

7.11 All taxes and costs payable in connection with the acquisition of the Pledged Equity have been paid in full by such Pledgor.

7.12 There are no pending, or to the knowledge of such Pledgor, threatened, suits, legal proceedings or claims before any court or arbitral tribunal or by any governmental body or administrative authority against such Pledgor or its property or the Pledged Equity having a material or adverse effect on the financial condition of such Pledgor or its ability to perform its obligations and the guarantee liability hereunder.

7.13 Each Pledgor hereby warrants to the Pledgee that the foregoing representations and warranties will remain true and correct and be fully complied with under all circumstances at any time prior to the full performance of the Contractual Obligations or full repayment of the Secured Indebtedness.

ARTICLE VIII REPRESENTATIONS AND WARRANTIES BY THE COMPANY

The Company represents and warrants to the Pledgee that:

8.1 It is a limited liability company duly registered and lawfully existing under the PRC Laws with independent legal personality; and has full and independent legal status and capacity to execute, deliver and perform this Agreement and may sue or be sued as an independent party.

8.2 All reports, documents and information provided by it to the Pledgee prior to the effectiveness of this Agreement with respect to all matters pertaining to the Pledged Equity or required by this Agreement are true, correct, complete and not misleading in all material respects as of the effectiveness of this Agreement.

8.3 All reports, documents and information provided by it to the Pledgee subsequent to the effectiveness of this Agreement with respect to all matters pertaining to the Pledged Equity or required by this Agreement are true and valid in all material respects as of the time of provision of the same.

8.4 Once duly executed by it, this Agreement will constitute lawful, valid and binding obligations of the Company.

8.5 It has full internal corporate power and authority to execute and deliver this Agreement and all other documents to be executed by it in connection with the

transactions contemplated hereunder as well as full power and authority to consummate the transactions contemplated hereunder.

8.6 There are no pending, or to the knowledge of the Company, threatened, suits, legal proceedings or claims before any court or arbitral tribunal or by any governmental body or administrative authority against the Pledged Equity, the Company or its assets having a material or adverse effect on the financial condition of the Company or the ability of the Pledgors to perform its obligations and the guarantee liability hereunder.

8.7 The Company hereby agrees to be severally and jointly liable to the Pledgee for the representations and warranties made by the Pledgors under Sections 7.4, 7.5, 7.6, 7.8 and 7.10 hereof.

8.8 The Company hereby warrants to the Pledgee that the foregoing representations and warranties will remain true and correct and be fully complied with under all circumstances at any time prior to the full performance of the Contractual Obligations or full repayment of the Secured Indebtedness.

ARTICLE IX UNDERTAKINGS BY THE PLEDGORS

The Pledgors hereby agree and irrevocably undertake to the Pledgee that:

9.1 Without prior written consent of the Pledgee, the Pledgors will not create or permit to be created any new pledge or any other security interest on the Pledged Equity, and any pledge or any other security interest created on all or part of the Pledged Equity without prior written consent of the Pledgee shall be null and void.

9.2 Without prior written notice to and prior written consent of the Pledgee, (i) the Pledgors will not assign or otherwise dispose of the Pledged Equity or request the Company to decrease its capital, and any of such actions taken by the Pledgors without prior consent of the Pledgee shall be null and void; (ii) the Pledgors will not assist or permit other existing shareholders (as applicable) to take any of the foregoing actions without prior written consent of the Pledgee. The proceeds received by the Pledgors from the assignment or other disposal of the Pledged Equity shall be first applied towards early full repayment of the Secured Indebtedness to the Pledgee or deposited with a third party to be agreed with the Pledgee.

9.3 Should there arise any suit, arbitration or other claims which are likely to have an adverse effect on the interests of the Pledgors or the Pledgee under the Transaction Agreements and this Agreement or on the Pledged Equity, the Pledgors warrant that it will notify the Pledgee in writing of the same as soon as possible and without delay and will, in accordance with the reasonable request of the Pledgee, take all necessary actions to ensure the Pledgee’s pledge rights and interests in and to the Pledged Equity.

9.4 The Pledgors warrant that it shall complete the business term extension registration formalities of the Company within three (3) months prior to the

expiry of the business term of the Company such that the validity of this Agreement shall be maintained.

9.5 The Pledgors shall not do or permit to be done any act or action likely to have an adverse effect on the interests of the Pledgee under the Transaction Agreements and this Agreement or on the Pledged Equity.

9.6 The Pledgors will use its best efforts and take all necessary measures to register the Equity Pledge hereunder as soon as possible with the relevant administrative authority for market regulation after the execution of this Agreement, and the Pledgors warrant, in accordance with the reasonable request of the Pledgee, to take all necessary actions and execute all necessary documents (including, without limitation, any supplement hereto) to ensure the Pledgee's pledge rights and interests in and to the Pledged Equity as well as the exercise and realization by the Pledgee of such rights and interests.

9.7 Should the exercise of the pledge rights hereunder result in an assignment of any Pledged Equity, the Pledgors warrant that it will take all actions to realize such assignment.

9.8 The Pledgors ensure that the shareholder's resolutions adopted, convening procedures of, the methods of voting at and the contents of the shareholders' meeting (as applicable) and board meetings of the Company held in connection with the execution of this Agreement and the creation and exercise of the pledge rights hereunder shall not violate laws, administrative regulations or the articles of association of the Company.

9.9 Once the Pledgors know or should have known any possible transfer of the Pledged Equity held by him to any third parties other than the Pledgee or any individual or entity designated by the Pledgee as a result of applicable PRC Laws or any judgment or award rendered by a court or arbitral body or for any other reasons, it shall notify the Pledgee immediately and without delay.

ARTICLE X UNDERTAKINGS BY THE COMPANY

The Company hereby agrees and irrevocably undertakes to the Pledgee that:

10.1 The Company will use every effort to assist with the obtainment of any consents, permissions, waivers or authorizations by any third party or any approval, license or exemption from any governmental body or the completion of any registration or filing formalities with any governmental body (if required by law), requisite in each case for the execution and performance of this Agreement and the creation of the Equity Pledge hereunder, and the maintenance of the same in full force and effect during the validity term hereof.

10.2 Without prior written consent of the Pledgee, the Company will not assist or permit the Pledgors to create any new pledge or any other security interest on the Pledged Equity.

10.3 Without prior written consent of the Pledgee, the Company will not assist or

permit the Pledgors to assign or otherwise dispose of the Pledged Equity.

10.4 Should there arise any suit, arbitration or other claims which are likely to have an adverse effect on the Company, the Pledged Equity or the interests of the Pledgee under the Transaction Agreements and this Agreement, the Company warrants that it will notify the Pledgee in writing of the same as soon as possible and without delay and will, in accordance with the reasonable request of the Pledgee, take all necessary actions to ensure the Pledgee's pledge rights and interests in and to the Pledged Equity.

10.5 The Company warrants that it shall complete its business term extension registration formalities within three (3) months prior to the expiry of its business term such that the validity of this Agreement shall be maintained.

10.6 The Company shall not do or permit to be done any act, action or omission likely to have an adverse effect on the interests of the Pledgee under the Transaction Agreements and this Agreement or on the Pledged Equity.

10.7 The Company will, during the first month of each calendar quarter, submit to the Pledgee the financial statements of the Company for the preceding calendar quarter, including, without limitation, the balance sheet, the income statement and the cash flow statement.

10.8 The Company warrants, in accordance with the reasonable request of the Pledgee, to take all necessary actions and execute all necessary documents (including, without limitation, any supplement hereto) to ensure the Pledgee's pledge rights and interests in and to the Pledged Equity as well as the exercise and realization by the Pledgee of such rights and interests.

10.9 Should the exercise of the pledge rights hereunder result in an assignment of any Pledged Equity, the Company warrants that it will take all actions to realize such assignment.

10.10 The Company covenants that it will assist the Pledgors to register the Equity Pledge hereunder with the competent administrative authority for market regulation of the Company as soon as possible after the execution of this Agreement and provide all necessary cooperation to complete such registration in a timely manner.

10.11 Once the Company knows or should have known any possible transfer of the Pledged Equity held by the Pledgors to any third parties other than the Pledgee or any individual or entity designated by the Pledgee as a result of applicable PRC Laws or any judgment or award rendered by a court or arbitral body or for any other reasons, it shall notify the Pledgee immediately and without delay.

ARTICLE XI FUNDAMENTAL CHANGES OF CIRCUMSTANCES

11.1 As a supplementary agreement and without contravening other provisions of the Transaction Agreements and this Agreement, if, at any time, in the opinion of the Pledgee, as a result of any promulgation of or amendment to any PRC

Laws, regulations or rules, or any change in the interpretation or application of such laws, regulations or rules, or any change in relevant registration procedures, the maintenance of the validity of this Agreement and/or the disposal of the Pledged Equity in the manner prescribed hereby becomes illegal or contravenes such laws, regulations or rules, the Pledgors and the Company shall, based on the Pledgee's written instructions and in accordance with its reasonable request, immediately take any actions and/or execute any agreements or other documents so as to:

(a) maintain the validity of this Agreement;

(b) facilitate the disposal of the Pledged Equity in the manner prescribed hereby; and/or

(c) maintain or realize the security created or purported to be created hereunder.

ARTICLE XII EFFECTIVENESS AND TERM OF AGREEMENT

12.1 This Agreement shall become effective when all of the following conditions are met：

(a) this Agreement has been duly executed by the parties; and

(b) the pledge of equity under this Agreement has been recorded in the register of shareholders of the Company in accordance with law.

12.2 The term of this Agreement shall end when the Contractual Obligations have been fully performed or the Secured Indebtedness have been fully repaid, whichever is later.

ARTICLE XIII NOTICES

13.1 Any notice, request, demand and other correspondences required by or made pursuant to this Agreement shall be made in writing and delivered to the relevant Parties.

13.2 Such notice or other correspondences shall be deemed delivered when it is transmitted if transmitted by fax or email; or upon delivery if delivered in person; or two (2) days after posting if delivered by mail.

ARTICLE XIV MISCELLANEOUS

14.1 The Pledgors and the Company agree that the Pledgee may, immediately upon notice to the Pledgors and the Company, assign its rights and/or obligations hereunder to any third party; provided that without prior written consent of the Pledgee, neither the Pledgors nor the Company may assign their respective rights, obligations or liabilities hereunder to any third party.

14.2 The sum of the Secured Indebtedness determined by the Pledgee in its

discretion in connection with its exercise of its pledge rights to the Pledged Equity in accordance with the terms hereof shall constitute the conclusive evidence for the Secured Indebtedness hereunder.

14.3 This Agreement is made in Chinese in five (5) originals, of which one (1) copy shall be held by the Company, one (1) copy shall be used for governmental approval/registration purposes and the three (3) copies shall be kept by the Pledgee.

14.4 The entry into, effectiveness and interpretation of, and resolution of disputes under, this Agreement shall be governed by the PRC Laws.

14.5 Dispute Resolution

(a) All disputes arising out of or in connection with this Agreement shall be first settled by the relevant Parties through amiable consultations; if such Parties fail to resolve the dispute through consultations, the dispute shall be submitted to China Guangzhou Arbitration Commission ("**CGAC**") for arbitration according to CGAC arbitration rules in effect at the time of applying for arbitration. The seat of arbitration shall be in Guangzhou. The arbitration award shall be final and binding on the relevant Parties. Except as otherwise required by the arbitration award, the arbitration fees shall be borne by the losing party. The losing party shall also indemnify for the attorneys' fee and other expenses incurred by the winning party.

(b) Pending the resolution of such dispute, the Parties shall continue to perform the remaining provisions of this Agreement other than the disputed matters.

14.6 No right, power or remedy empowered to any Party by any provision of this Agreement shall preclude any other right, power or remedy enjoyed by such Party in accordance with law or any other provisions hereof and no exercise by a Party of any of its rights, powers and remedies shall preclude its exercise of its other rights, powers and remedies.

14.7 No failure or delay by a Party in exercising any right, power or remedy under this Agreement or laws ("**Party's Rights**") shall result in a waiver of such rights; and no single or partial waiver by a Party of the Party's Rights shall preclude such Party from exercising such rights in any other way or exercising the remaining part of the Party's Rights.

14.8 The section headings herein are inserted for convenience of reference only and shall in no event be used in or affect the interpretation of the provisions hereof.

14.9 Each provision contained herein shall be severable and independent of any other provisions hereof, and if at any time any one or more provisions hereof become invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions hereof shall not be affected thereby.

14.10 (i) Once executed, this Agreement shall replace any other legal documents previously entered into by the Parties in respect of the same subject matter hereof. To clarify, despite the foregoing agreement, all parties irrevocably promise, agree and recognize to sign a simplified version of equity pledge agreement ("**Simplified Pledge Agreement**"), only for the purpose of the pledge registration of the company's competent administrative department for industry and commerce. If the simplified pledge agreement is inconsistent with this agreement, the agreement is not as clear as this agreement, or the simplified pledge agreement does not cover matters, this agreement shall prevail. (ii) Any amendments or supplements to this Agreement shall be made in writing. Except for the transfer of rights hereunder by the Pledgee according to Section 14.1 hereof, such amendments or supplements shall become effective only if they are duly signed by the Parties hereto.

14.11 This Agreement shall be binding upon the legal assignees or successors of the Parties. The successors or permitted assignees (if any) of the Pledgors and the Company shall continue to perform the respective obligations of the Pledgors and the Company hereunder. The Pledgors warrant to the Pledgee that he has made all appropriate arrangements and executed all necessary documents to ensure that, in the event of its bankruptcy, dissolution or occurrence of other circumstances that might affect exercise of its shareholder rights, his legal assignee, successor, heir, creditor, liquidator, bankruptcy administrator and other persons that might consequently acquire the Company Equity or relevant rights cannot affect or impede the performance of this Agreement. For this purpose, the Pledgors and the Company shall promptly sign all other documents and take all other actions (including, without limitation, notarization of this Agreement) as required by the Pledgee.

14.12 Concurrently with the execution of this Agreement, the Pledgors shall execute a power of attorney ("**Power of Attorney**") in the form of Schedule 2 hereto, entrusting any nominee of the Pledgee to execute, on its behalf in accordance with this Agreement, any and all legal documents as may be required in order for the Pledgee to exercise its rights hereunder. Such Power of Attorney shall be submitted to the Pledgee for custody and may be presented by the Pledgee to relevant governmental authorities whenever necessary.

[THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK. EXECUTION PAGE FOLLOWS]

Pledgor:

Guangzhou Fangu Internet Technology L.P. (seal)
/seal/ Guangzhou Fangu Internet Technology L.P.
Executive Partner:
Guangzhou Shangying Internet Technology Co., Ltd. (seal)
/seal/ Guangzhou Shangying Internet Technology Co., Ltd.

Pledgor:

Guangzhou Wanyin Internet Technology L.P. (seal)
/seal/ Guangzhou Wanyin Internet Technology L.P.
Executive Partner:
Guangzhou Shangying Internet Technology Co., Ltd. (seal)
/seal/ Guangzhou Shangying Internet Technology Co., Ltd.

Company:

Guangzhou Qianxun Internet Technology Co., Ltd. (seal)
/seal/ Guangzhou Qianxun Internet Technology Co., Ltd.
/s/ Wenxian Zhong
Name: Wenxian Zhong
Title: Legal Representative

Pledgee:

Guangzhou Baiguoyuan Information Technology Co., Ltd. (seal)
/seal/ Guangzhou Baiguoyuan Information Technology Co., Ltd.
/s/ Wenxian Zhong
Name: Wenxian Zhong
Title: Legal Representative

Exhibit 4.20

Exclusive Service Agreement

This Exclusive Service Agreement (this "***Agreement***") is made and entered into by and between the following parties on January 15, 2021:

(1) **Guangzhou Qianxun Internet Technology Co., Ltd.** ("***Party A***")
Registered address: 4/F, 5/F, 6/F, 13/F, 14/F, 15/F, 16/F, Jisheng Business Center, No. 278 Xingtai Road, Shiqiao Street, Panyu District, Guangzhou
Legal representative: Wenxian Zhong

(2) **Guangzhou Baiguoyuan Information Technology Co., Ltd.** ("***Party B***")
Registered address: 5/F to 13/F, West Tower, Building C, No. 274 Xingtai Road, Shiqiao Street, Panyu District, Guangzhou Legal representative: Wenxian Zhong

Each of Party A and Party B shall be hereinafter referred to as a "Party" respectively, and as the "Parties" collectively.

PREAMBLE

1. Party A is a limited liability company registered and validly existing in Guangzhou, China, which engages in corporate management; corporate image planning; information consulting services (excluding license required information consulting services); advertising design, agency; advertising production; information technology consulting services; information system integration services; technical services, technology development, technical consulting, technical exchanges, Technology transfer, technology promotion; marketing planning; computer system services; advertising (non-radio stations, television stations, newspaper publishing units); software development; the second category of value-added telecommunications business;

2. Party B is a wholly-foreign-owned enterprise registered and validly existing in Guangzhou, China, which engages in information technology consulting services; information system integration services; software development; computer software and hardware and auxiliary equipment wholesale; computer software, hardware and auxiliary equipment retail; software sales; corporate management; corporate management consulting; goods import and export; various engineering construction activities; technology import and export.

3. Party A needs Party B to provide services related to the Party A Business, and Party B agrees to provide such services to Party A.

NOW, THEREFORE, the Parties have reached the following agreements:

1. DEFINITIONS

1.1 Unless otherwise provided, in this Agreement:

Party A's Business means all business activities that Party A currently operates and operates at any time during the term of this Agreement.

Services means services exclusively provided by Party B to Party A with respect to the Party A's Business, which may include but without limitation:

(a) Approval of Party A to use the software related to the Party A's Business that Party B has legal rights;

(b) Providing economic information, computer technology, commercial and management consulting or advices for Party A;

(c) Providing business planning, design, marketing plan;

(d) Daily management, maintenance and update of hardware equipment and databases or software resources and customer resources;

(e) Providing comprehensive operation and solution plan in information technology/operation management required by Party A's business;

(f) Software development, maintenance, and update which the Party A's Business requires;

(g) Providing business training, support and assistance of relevant personnel of Party A;

(h) Other relevant services that are required to be provided by Party A from time to time.

Service Fee means all the fees Party A shall pay to Party B for the Services Party B provides subject to Section 3.

Annual Business Plan means according to this Agreement, the Party A's Business development plan and budget report for the next calendar year prepared by Party A before November 30 of each year, with the assistance of Party B.

Business Related Intellectual Property Rights means any and all intellectual property rights related to the Party A's business developed by Party A on the basis of the services provided by Party B under this agreement.

Confidential Information has the meaning assigned to it in Section 6.1.

Defaulting Party has the meaning assigned to it in Section 12.1.

Default has the meaning assigned to it in Section 12.1.

Such Party's Right has the meaning assigned to it in Section 14.5.

1.2 Any referring to any law or statutory provision under this Agreement shall be deemed to:
(a) also include referring to any revision, extension, combination and replacement related to such law or provision; and
(b) also include referring to orders, ordinances, instructions and other subordinate legislation promulgated in accordance with relevant law or provisions.

1.3 All references in this Agreement to designated "Sections" and other subdivisions are to the designated Sections and other subdivisions of the body of this Agreement unless explicitly stated otherwise

2. SERVICES

2.1 During the term of this Agreement, Party A hereby exclusively engages Party B to provide the Services, and Party B shall provide the Services to Party A diligently pursuant to the requirement of Party A's Business. Both Parties understand that, the actual Services provided by Party B shall be limited to the approved business scope of Party B; if the Services Party A requires exceed the approved business scope of Party B, Party B will apply for extension of its business scope under the maximum scope permitted by the laws, and will provide related Services after permission of such extension.

2.2 For the purpose of providing Services in accordance with this Agreement, Party B shall communicate with Party A and exchange various information related to the Party A's Business.

2.3 Notwithstanding any other provisions of this Agreement, Party B is entitled to appoint any third party to provide any or all of the Services under this Agreement, or perform any obligations under this Agreement on behalf of Party B. Party A hereby agrees that Party B has the right to transfer or assign the rights and obligations of Party B under this Agreement to any third party.

3. SERVICE FEE

3.1 The Party A shall pay Party B the Service Fee for the Services contemplated in this Agreement as following:
3.1.1 After mutual consents between both Parties, for the Services provided by Party B to Party A in each calendar year within the term of this agreement, Party A shall pay Party B the relevant Service Fee on an annual basis; and

3.1.2 With respect to the Service Fee incurred by the specific Services Party B provided as required by Party A from time to time, after mutual consents between both Parties, Party A shall pay the Service Fee separately.

3.2 Party B shall issue a payment notice and value-added tax invoice to Party A in a timely manner, and calculate on an annual basis. Party A shall pay the Service Fee to Party B within one (1) month upon the receipt of Party B's tax invoice.

3.3 Both Parties agree, without violating any mandatory requirement of any laws and regulations, the amount of the Service Fee and service scope as set forth in Section 3.1 and 3.2, may be confirmed and adjusted by both Parties in accordance with advices made by Party B from time to time.

3.4 The parties shall bear the taxes they shall pay and withhold the taxes (if any) in accordance with the applicable law.

4. PARTY A'S OBLIGATION

4.1 The Services provided by Party B is exclusive. During the term of this Agreement, without prior written consent of Party B, the Party A shall not enter into any agreement with any third party and accept any services identical or similar to the Services hereunder from any third party.

4.2 Party A shall provide the Annual Business Plan to Party B before November 30 of each year, to the extent that Party B could arrange Services plan and add necessary personnel and resources. If Party A requires personnel supplement temporarily, Party A shall negotiate with Party B with 15 days in advance to reach an agreement.

4.3 For better Services provided by Party B, Party A shall timely provide related materials that Party B requires.

4.4 Party A shall pay the Service Fee in a timely and sufficient manner in accordance with Section 3.

4.5 Party A should maintain its own good reputation, actively expand its business, and strive to maximize revenue.

4.6 During the term of this Agreement, Party A agrees to cooperate with Party B and Party B's parent company (including direct or indirect) to conduct related-party transaction audits and other audits, and provide Party B, its parent company, or its authorized auditors with information on Party A's operations, business, customers, finances, employees and other related information and materials, and agree that Party B's parent company shall disclose such information and materials in order to meet the regulatory requirements of the place where its securities are listed.

5. INTELLECTUAL PROPERTY RIGHTS

5.1 Party B shall have proprietary rights and interests in all rights, ownership, interests of the intellectual property rights it already has before entering into this Agreement, and created or arising out of providing of Services during the term of this Agreement.

5.2 Since the operation of Party A's Business depends on the Services provided by Party B under this Agreement, Party A agrees to the following arrangements regarding the Business Related Intellectual Property Rights developed by Party A on the basis of such Services:

(1) If the Business Related Intellectual Property Rights are developed by Party A entrusted by Party B, or obtained through cooperation between Party A and Party B, the ownership and the right to apply for related intellectual property rights shall belong to Party B.

(2) If the Business Related Intellectual Property Rights are independently developed and acquired by Party A, the ownership shall belong to Party A, provided that (A) Party A informs Party B of the details of the Business Related Intellectual Property Rights in a timely manner, and provides relevant information that Party B has reasonably requested; (B) If Party A wants to license or transfer such Business Related Intellectual Property Rights, Party A shall transfer to Party B or grant Party B an exclusive license prior to any third party, without violating the mandatory provisions of the laws of China, and Party B may use such Business Related Intellectual Property Rights within the scope of such transfer or license from Party A (but Party B has the right to decide whether to accept such transfer or license); Party A can only transfer or license the Business Related Intellectual Property Rights to a third party without offering more favorable conditions than which Party A offers to Party B (including but not limited to the transfer price or license fee) provided that Party B has waived the priority to purchase the ownership of the Business Related Intellectual Property Rights or the exclusive right to use the Business Related Intellectual Property Rights, and shall ensure that such third party fully complies with and performs the obligations of Party A under this Agreement; (C) Except for the circumstances mentioned in item (B) above, during the term of this Agreement, Party B has the right to purchase such Business Related Intellectual Property Rights; then Party A shall agree to Party B's such purchase request provided that there would be no violation of the mandatory provisions of the laws of China, and the purchase price shall be the lowest price allowed by the laws of China at that time.

5.3 If Party B is licensed to exclusively use the Business Related Intellectual Property Rights according to Section 5.2 (2) of this Agreement, such license shall be implemented in according with the following rules:

(1) Licensing period shall not be less than five (5) years (calculated from the effective date of relevant licensing agreement);

(2) The scope of license shall be the maximum scope as far as possible;

(3) Within the licensing period and scope of license, any other parties (include Party A) except Party B shall not use or license others to use the Business Related Intellectual Property Rights;

(4) Without prejudicing to Section 5.3 (3), Party A is entitled to, at its own discretion, license the Business Related Intellectual Property Rights to any other third parties;

(5) After expiration of licensing period, Party B is entitled to request the renewal of the license agreement and Party A shall agree to it. The terms of the license agreement shall remain unchanged, except for changes approved by Party B.

5.4 Notwithstanding Section 5.2 (2) above, if any Business Related Intellectual Property Rights described in such Section can be valid only after registration of ownership under applicable laws, then the application for registration of ownership shall be implemented in according with the following rules:

(1) Party A shall obtain prior written consent from Party B if Party A would apply for registration of ownership with regard to any Business Related Intellectual Property Rights described in such Section;

(2) Party A can only apply for registration of ownership on its own or transfer such right of applying for registration of ownership to a third party when Party B waives its right to purchase the right to apply for registration of ownership of the Business Related Intellectual Property Rights. In the case where Party A transfers the aforementioned right to apply for registration of ownership to a third party, Party A shall ensure that such third party will fully comply with and perform the obligations that Party A shall perform under this Agreement; meanwhile, the terms and conditions of the transfer (including but not limited to the transfer price) which Party A transfer the right to apply for registration of ownership to a third party shall not be more favorable than the terms and conditions proposed to Party B in accordance with Section 5.4 (3).

(3) During the term of this Agreement, Party B may request Party A to file an application for the registration of ownership of such Business Related Intellectual Property Rights at any time, and decide on its own whether to purchase the right to apply for such registration of ownership. Upon request of Party B, Party A shall transfer the right to apply for registration of ownership to Party B at that time, without violating the mandatory provisions of the laws of China, at the lowest price allowed by the laws of China; after Party B has obtained the right to apply for registration of ownership of the Business Related Intellectual Property Rights, filed the registration of ownership and completed the registration, Party B shall be the legal owner of such registration of ownership.

5.5 Both Parties respectively warrants to each other that they will compensate the other Party for any and all economic losses due to any infringement of the intellectual property rights of any third party.

6. CONFIDENTIALITY

6.1 Regardless of whether this Agreement is terminated or not, both parties shall strictly keep confidential the trade secrets, proprietary information, customer information and other confidential information of the other Party obtained during the execution and performance of this Agreement. Without the prior written consent from the disclosing Party, or mandatorily required to be disclosed to third party by relevant laws and regulations or the requirements of the listing place of a Party's related company, the receiving Party should not disclose any confidential information to any third party; unless for the purpose of performance of this Agreement, the receiving Party should not use or indirectly use any confidential information.

6.2 Confidential information shall not include information:

(a) is known to the Receiving Party prior to disclosure by the disclosing Party as demonstrated by documentary evidence;

(b) is or becomes available to the public other than as a result of the receiving Party's fault; or

(c) information obtained legally by the receiving Party from other sources after receiving confidential information.

6.3 The receiving Party may disclose confidential information to its relevant employees, agents or professionals engaged, provided the receiving Party shall ensure the abovementioned personnel be in compliance with the relevant terms and conditions of this Agreement and be liable for any responsibilities incurred by breach of the relevant terms and conditions of this Agreement by the abovementioned personnel.

6.4 Notwithstanding any other terms of this Agreement, this section shall still be valid and binding upon the termination of this Agreement.

7. REPRESENTATIONS AND WARRANTIES OF PARTY A

Party A represents and warrants to Party B as follows:

7.1 It is a limited liability company legally registered and validly existing in accordance with the PRC laws and has independent legal capacity; has complete and independent legal status and legal capacity to sign, deliver and perform this Agreement, and can independently act as a party to a litigation.

7.2 It has the full internal power and authorization to sign and deliver this Agreement and all other documents that it will sign related to the transactions described in this Agreement, and it has the full power and authorization to complete the transactions described in this Agreement. This Agreement is legally and appropriately signed and delivered by it. This Agreement constitutes the Party A's legal, valid and binding obligations, and shall be enforceable against it.

7.3 It shall promptly inform Party B of circumstances that have caused or may cause a material adverse effect on the Party A's Business and its operations, and shall use its best effort to prevent the occurrence of such circumstances and/or the expansion of losses.

7.4 Without the written consent of Party B, Party A will not, in any form, dispose of Party A's material assets, nor will it change Party A's existing equity structure.

7.5 Upon being effective of this Agreement, Party A has obtained all necessary business license, competent rights and qualification to conduct Party A's Business now engaged in the territory of China;

7.6 Once Party B submits a written request, Party A will use all accounts receivables and/or all other assets that are legally owned and can be disposed of at that time, in a manner permitted by law, as guarantee of payment obligation of the Service Fee set forth in Section 3 of this Agreement.

7.7 Without the written consent of Party B, Party A shall not enter into any other agreement or arrangement that conflicts with this Agreement or may damage Party B's rights and interests under this Agreement.

8. REPRESENTATIONS AND WARRANTIES OF PARTY B

Party B represents and warrants to Party A as follows:

8.1 It is a limited liability company legally registered and validly existing in accordance with the PRC laws and has independent legal capacity; has complete and independent legal status and legal capacity to sign, deliver and perform this Agreement, and can independently act as a party to a litigation.

8.2 It has the full internal power and authorization to sign and deliver this Agreement and all other documents that it will sign related to the transactions described in this Agreement, and it has the full power and authorization to complete the transactions described in this Agreement. This Agreement is legally and appropriately signed and delivered by it. This Agreement constitutes the Party B's legal, valid and binding obligations, and shall be enforceable against it.

9. TERM

9.1 This Agreement takes effect as of the date of execution. Unless otherwise provided in this Agreement, or this Agreement terminated by Party B in writing, the term of this Agreement shall be twenty (20) years. After the expiration of this Agreement, unless Party B informs Party A 30 days in advance that this Agreement will not be renewed, this Agreement will be automatically renewed for one year after the expiration of the term, and so on.

9.2 If Party A or Party B fails to complete the approval and registration procedures for extending the business term at the expiration of the business term, this Agreement shall be terminated on the date when the business term of Party A or B expires. Both Parties shall complete the approval and registration procedures for extending the business term within three months before the expiration of their respective business term, to the extent that the term of this Agreement could be extended.

9.3 After the termination of this Agreement, both Parties shall still abide by their obligations under Section 6 of this Agreement.

10. INDEMNIFICATION

The Party A shall indemnify and hold harmless Party B from all the losses including but not limited to any losses caused by any lawsuit, claims, arbitration, damages by any third party or governmental

investigation and penalties against Party B arising from providing the Services. However, if the losses are caused by Party B's willful conduct or gross negligence, such losses shall not be included in the indemnification.

11. NOTICE

11.1 All the notices, request, requirement and other communications pursuant to this Agreement shall be delivered to the relevant Party in written form.

11.2 Abovesaid notices or other notices if given by facsimile transmission or e-mail, shall be deemed effectively given upon successful transmission; if given by person, shall be deemed effectively given upon delivery by person; if given by post, shall be deemed effectively given on the date after two (2) days from posting.

12. DEFAULT

12.1 Both Parties agree and confirm that, if any Party ("**Defaulting Party**") materially violates any of the terms under this Agreement, or fails to perform, incompletely perform or delays the performance of any of the obligations under this Agreement, it shall constitute a breach of this Agreement ("**Default**"). The other Party has the right to request Defaulting Party to make amendments or remedies within reasonable period. If the Defaulting Party fails to make amendments or remedies within reasonable period or ten (10) days after the other Party sends a written notice to Party B and requests for amendments, and if Party A is the Defaulting Party, then Party B is entitled to decide at its own discretion: (1) to terminate this Agreement, and requires Defaulting Party to compensate all the losses; or (2) requires the mandatory performance of Defaulting Party 's obligations under this Agreement, and requires the Defaulting Party to compensate all the losses; if Party B is the Defaulting Party, then Party A is entitled to require the performance of the Defaulting Party 's obligations under this Agreement, and require the Defaulting Party to compensate all the losses.

12.2 Notwithstanding the foregoing Section 12.1, both Parties agree and confirm that, except as otherwise provided by law, Party A shall not unilaterally terminate this Agreement in any circumstances.

12.3 Notwithstanding any other terms of this Agreement, the validity of this Section 12 shall not be affected by the termination of this Agreement.

13. FORCE MAJEURE

If the performance of this Agreement by any Party is affected or any Party delays or fails to perform its obligation hereunder due to earthquake, typhoon, flood, fire, war, computer virus, design vulnerabilities of instrumental software, hacker attack on internet, modification of governmental policy or laws, and other exceptional situation that cannot be overcome or avoided by the Parties and cannot be foreseen by the Party alleged to be affected by such force majeure, the Party being affected shall immediately notify the other Party by facsimile and provide proof of the details of the force majeure and the reasons why this Agreement cannot be implemented or the performance needs to be delayed. Such proof documents

must be issued by a notary institution in the jurisdiction where the force majeure occurred. Based on the extent of the force majeure event's impact on the performance of this Agreement, the two Parties shall negotiate whether the performance of this Agreement should be partially waived or postponed. Neither Party shall be liable for compensation for the economic losses caused to both Parties by the force majeure event.

14. MISCELLANEOUS PROVISIONS

14.1 This Agreement is executed in the Chinese language. This Agreement may be executed in five (5) counterparts, which Party A keeps one (1) counterpart, one (1) counterpart for governmental approval or registration, and Party B keeps other three (3) counterparts.

14.2 This Agreement, including the execution, validity, performance, interpretation and dispute resolution of this Agreement, shall be governed by and construed in accordance with the laws of China

14.3 Dispute Resolution

14.3.1 The Parties shall firstly attempt to resolve any and all disputes arising out of or relating to this Agreement through friendly consultations. If a dispute is not resolved through friendly consultations, then each Party may submit the dispute to Guangzhou Arbitration Commission for arbitration in accordance with then effective arbitration rules of such commission. The arbitration shall be conducted in Guangzhou. The award of the arbitration tribunal shall be final and binding upon the Parties. The costs of arbitration shall be borne by the losing Party, unless otherwise determined by the arbitration tribunal.

14.3.2 When any dispute is under arbitration, except for the matters in dispute, the Parties shall continue to fulfil their respective obligations under this Agreement.

14.4 Any rights, powers and remedies granted to both Parties by any terms of this Agreement shall not exclude any other rights, powers or remedies that the Party is entitled to in accordance with the laws and other terms under this Agreement, and one Party's exercise of its rights, powers and remedies does not preclude such Party from exercising other rights, powers and remedies.

14.5 A Party's failure to exercise or delay in exercising any of its rights, powers and remedies ("**Such Party's Rights**") under this Agreement or the laws will not result in the waiver of such rights, and any single or partial waiver of Such Party's Rights will not exclude such Party's exercise of such rights in other manner and the exercise of other Such Party's Rights.

14.6 The titles of the sections and subsections of this Agreement are for convenience of reference only and are not to be considered in construing this Agreement.

14.7 Each provision of this Agreement shall be severable and independent. If any single or multiple provisions hereof become invalid, illegal or unenforceable in any aspect, the validity, legality and enforceability of the remaining provisions of this Agreement shall not be affected in any aspect.

14.8 This Agreement once executed shall supersede all prior agreements both Parties executed before, with respect to the subject matter hereof and thereof. Any amendment and supplements to this Agreement shall be made in writing, and only takes effect after the execution by all Parties hereunder, except for Party B's transfer of its rights under Section 14.9 of this Agreement.

14.9 Without the prior written consent of Party B, Party A has no right to transfer or assign any of its rights and obligations hereunder to any third party. Party A hereby agrees that Party B may transfer its rights and obligations under this Agreement to a third party, and that Party B only needs to send a written notice to the Party A of such transfer, and there is no need to obtain consent from the Party A for such transfer.

14.10 This Agreement shall be binding upon the respective successors, assigns, creditors and other person who may acquire the equity or relevant rights of the Parties.

14.11 The taxes applicable to the execution and performance of this Agreement shall be borne by the respective Party.

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This page is the signature page of the Exclusive Service Agreement of Guangzhou Qianxun Internet Technology Co., Ltd.

Party A:

Guangzhou Qianxun Internet Technology Co., Ltd. (seal)
/seal/ Guangzhou Qianxun Internet Technology Co., Ltd.
/s/ Wenxian Zhong
Name: Wenxian Zhong
Title: Legal Representative

This page is the signature page of the Exclusive Service Agreement of Guangzhou Qianxun Internet Technology Co., Ltd.

Party B:

Guangzhou Baiguoyuan Information Technology Co., Ltd. (seal)
/seal/ Guangzhou Baiguoyuan Information Technology Co., Ltd.
/s/ Wenxian Zhong
Name: Wenxian Zhong
Title: Legal Representative

Exclusive Option Agreement

This Exclusive Option Agreement (this "***Agreement***"), dated January 15, 2021, is entered into by and between:

1. **Guangzhou Fangu Internet Technology L.P.**

   Registered address: 4/F, 5/F, 6/F, 13/F, 14/F, 15/F, 16/F, Jisheng Business Center, No. 278 Xingtai Road, Shiqiao Street, Panyu District, Guangzhou

   Executive Partner: Guangzhou Shangying Internet Technology Co., Ltd.

2. **Guangzhou Wanyin Internet Technology L.P.** ((together with Guangzhoushi Xuanyi Internet Technology L.P., collectively as the "***Existing Shareholders***")

   Registered address: 4/F, 5/F, 6/F, 13/F, 14/F, 15/F, 16/F, Jisheng Business Center, No. 278 Xingtai Road, Shiqiao Street, Panyu District, Guangzhou

   Executive Partner: Guangzhou Shangying Internet Technology Co., Ltd.

3. **Guangzhou Qianxun Internet Technology Co., Ltd.** ("***Company***")

   Registered address: 4/F, 5/F, 6/F, 13/F, 14/F, 15/F, 16/F, Jisheng Business Center, No. 278 Xingtai Road, Shiqiao Street, Panyu District, Guangzhou

   Legal representative: Wenxian Zhong

3. **Guangzhou Baiguoyuan Information Technology Co., Ltd.** ("***WFOE***")

   Registered address: 5/F to 13/F, West Tower, Building C, No. 274 Xingtai Road, Shiqiao Street, Panyu District, Guangzhou

   Legal representative: Wenxian Zhong

The parties above shall be hereinafter individually referred to as a "Party"; collectively, the "Parties".

PREAMBLE

1. The Existing Shareholders are the registered shareholders of the Company and holds all the equity shares of the Company. As of the date hereof, the capital amount of the registered capital of the Company by the Existing Shareholders is RMB2,000,000, and the shares percentage by the Existing Shareholders is 100%, which all of the registered capital are unpaid. The basic information of the Company is shown as Exhibit A.

2. The Existing shareholders intend to transfer all of their equity in the Company to the WFOE and/or its designated entities and/or individuals without violating the PRC Laws, and the WFOE intends to accept such transfer by itself or other entities and/or individuals appointed by it.

3. The Company intends to transfer all of the assets held by it to the WFOE and/or its designated entities and/or individuals without violating the PRC Laws, and the WFOE intends to accept such transfer by itself or other entities and/or individuals appointed by it.

4. The Company and the Existing shareholders intend to reduce the capital of the Company and increase the capital of the Company by the WFOE and/or its designated entities and/or individuals without violating the PRC Laws, and the WFOE intends to subscribe such increased capital by itself or other entities and/or individuals appointed by it.

5. In order to fulfill the above-mentioned share or asset transfer, the Existing Shareholders and the Company agree to separately and exclusively grant irrevocable share purchase option and asset purchase option to the WFOE. According to such share purchase option and asset purchase option, subject to the PRC Laws, the Existing Shareholders or the Company shall, in accordance with the requirements of the WFOE, transfer the Option Shares or Company Assets (as defined below) to the WFOE and/or any other entity and/or individual designated by the WFOE in accordance with the provisions of this Agreement; in order to fulfill the above-mentioned capital reduction and capital increase of the Company, the Existing Shareholders and the Company agree to grant an irrevocable share subscription option to the WFOE. According to such share subscription option, subject to the PRC Laws, the Company shall, in accordance with the requirements of the WFOE, reduce the capital of the Company, and the Capital Increase Shares (as defined below) shall be subscribed by the WFOE and/or any other entity and/or individual designated by the WFOE in accordance with the provisions of this Agreement

6. The Company agrees the Existing Shareholders to grant the WFOE the Shares Purchase Option (as defined below) pursuant to the terms and conditions of this Agreement.

7. The Existing Shareholders agrees the Company to grant the WFOE the Assets Purchase Option (as defined below) pursuant to the terms and conditions of this Agreement.

8. The Company and the Existing Shareholders agree to grant the WFOE the Shares Subscription Option (as defined below) pursuant to the terms and conditions of this Agreement.

NOW, THEREFORE, the Parties agree as follows through negotiations:

1. DEFINITIONS

1.1 Definitions. Unless otherwise provided, in this Agreement:

PRC Laws means the then effective laws, administrative regulations, local regulations, judicial interpretation and other binding regulatory documents of the People's Republic of China.

Shares Purchase Option means the option to purchase the shares of the Company granted by the Existing Shareholders to the WFOE pursuant to the terms and conditions of this Agreement.

Assets Purchase Option means the option to purchase the assets of the Company granted by the Company to the WFOE pursuant to the terms and conditions of this Agreement.

Shares Subscription Option means the option to request the Company reduce its capital (the amount shall be part of or all of the Option Shares (as defined below)), and to subscribe increased capital of the Company by the WFOE or other entities and/or individuals appointed by it .

Option Shares means all the shares of the Company Register Capital (as defined below) held by the Existing Shareholders, namely the shares of 100% of the Company Register Capital.

Company Registered Capital means as the date hereof, the registered capital of the Company at the amount of RMB2,000,000, also include the increased registered capital by any form of capital increase during the term of this Agreement.

Transfer Shares means when the WFOE exercises its Shares Purchase Option, it is entitled to require the Existing Shareholders to transfer the shares of the Company to it and/or its designated entity and/or individual in accordance with the provisions of Section 3 of this Agreement. The number of which may be all or part of the Option Shares, and the specific number shall be freely determined by the WFOE in accordance with the PRC laws and its own commercial considerations.

Transfer Assets means when the WFOE exercises its Assets Purchase Option, it is entitled to require the Company to transfer the assets of the Company to it and/or its designated entity and/or individual in accordance with the provisions of Section 3 of this Agreement. It may be all or part of the Company Assets, and shall be freely determined by the WFOE in accordance with the PRC laws and its own commercial considerations.

Increased Capital Shares means when the WFOE exercises its Shares Subscription Option before or after the reduction of capital of the Company, the WFOE and/or its designated entity and/or individual is entitled to subscribe the newly increased capital of the Company in accordance with the provisions of Section 3 of this Agreement. The specific number of which shall be freely determined by the WFOE in accordance with the PRC laws and its own commercial considerations.

Exercise means the WFOE exercises its Shares Purchase Option, Assets Purchase Option and Shares Subscription Option.

Transfer Price means in each Exercise, all the considerations that need to be paid by the WFOE and/or its designated entity and/or individual to the Existing Shareholders or the Company in order to obtain the Transfer Shares or Transfer Assets.

Capital Reduction Price means in each Exercise, all the considerations that the Company needs to pay to the Existing Shareholders in respect of the reduction of Company Register Capital.

Capital Increase Price means in each Exercise, all the considerations that need to be paid by the WFOE and/or its designated entity and/or individual to the Company for subscription of the Increased Capital Shares.

Business License means any approvals, permits, filings and registrations that the company must hold in order to operate all its businesses legally and effectively, including but not limited to "Enterprise Entity Business License" and other relevant permits and licenses required by the PRC Laws then.

Company Assets means all the tangible and intangible assets the Company owned or has the right to dispose, including but not limited to any real estate, moveable properties, and intellectual properties such as trademarks, copyrights, patents, domain names, software use rights.

Material Contracts means the contracts Company as a party have material effects on the Company's business or assets, including but not limited to the Exclusive Service Agreemen signed by the Company and the WFOE simultaneously with this Agreement and other material contracts about the Company's business.

Exercise Notice has the meaning assigned to it in Section 3.9.

Confidential Information has the meaning assigned to it in Section 8.1.

Defaulting Party has the meaning assigned to it in Section 11.1.

Default has the meaning assigned to it in Section 11.1.

Non-defaulting Party has the meaning assigned to it in Section 11.1.

Such Party's Right has the meaning assigned to it in Section 12.5.

1.2 Any referring to any law or statutory provision under this Agreement shall be deemed to:

(a) also include referring to any revision, extension, combination and replacement related to such law or provision; and

(b) also include referring to orders, ordinances, instructions and other subordinate legislation promulgated in accordance with relevant law or provisions.

1.3 All references in this Agreement to designated "Sections" and other subdivisions are to the designated Sections and other subdivisions of the body of this Agreement unless explicitly stated otherwise

2. GRANT OF SHARES PURCHASE OPTION, ASSETS PURCHASE OPTION AND SHARE SUBSCRIPTION OPTION

2.1 The Existing Shareholders hereby agree to exclusively grant an irrevocable Shares Purchase Option to the WFOE without any additional condition. According to such Share Purchase Option, subject to the PRC Laws, the WFOE is entitled to require the Existing Shareholders transfer the Option Shares to the WFOE and/or any other entity and/or individual designated by the WFOE at any time (including but not limited to when the WFOE, after its independent judgment, believes that the Existing Shareholders are at risk of transferring all or part of the Option Shares they hold to any third party in accordance with the requirements of the PRC Laws, other than to the WFOE and/or its designated entity and/or individual) in accordance with the provisions of this Agreement. The WFOE agrees to accept such Shares Purchase Option.

2.2 The Company hereby agrees the Existing Shareholders grant such Shares Purchase Option to the WFOE in accordance with the Section 2.1 above and other provisions of this Agreement.

2.3 The Company hereby agrees to exclusively grant an irrevocable Assets Purchase Option to the WFOE without any additional condition. According to such Assets Purchase Option, subject to the PRC Laws, the WFOE is entitled to require the Company transfer all of or part of the Company Assets to the WFOE and/or any other entity and/or individual designated by the WFOE at any time (including but not limited to when the WFOE, after its independent judgment, believes that the Existing Shareholders are at risk of transferring all or part of the Option Shares they hold to any third party in accordance with the requirements of the PRC Laws, other than to the WFOE and/or its designated entity and/or individual) in accordance with the provisions of this Agreement. The WFOE agrees to accept such Assets Purchase Option.

2.4 The Existing Shareholders hereby agree the Company grant such Assets Purchase Option to the WFOE in accordance with the Section 2.3 above and other provisions of this Agreement.

2.5 The Existing Shareholders and the Company hereby severally and jointly agree, to exclusively grant an irrevocable Shares Subscription Option to the WFOE without any additional condition. According to such Share Subscription Option, subject to the PRC Laws, the WFOE is entitled to require the Company reduce its capital at any time (including but not limited to when the WFOE, after its independent judgment, believes that the Existing Shareholders are at risk of transferring all or part of the Option Shares they hold to any third party in accordance with the requirements of the PRC Laws, other than to the WFOE and/or its designated entity and/or individual) , and the WFOE and/or any other entity and/or individual designated by the WFOE is entitled to subscribe the Increased Capital Shares in accordance with the provisions of this Agreement. The WFOE agrees to accept such Shares Subscription Option.

3. Exercise Methods

3.1 Subject to the terms and conditions of this Agreement, as permitted by the PRC Laws, the WFOE has absolute discretion to determine the specific time, method and frequency of Exercise.

3.2 Subject to the terms and conditions of this Agreement, the WFOE has the right to request the purchase of all or part of the Company's shares from the Existing Shareholders by itself and/or through other entities and/or individuals designated by the WFOE at any time without violating the PRC laws then effective.

3.3 Subject to the terms and conditions of this Agreement, the WFOE has the right to request the purchase of all or part of the Company's assets from the Company by itself and/or through other entities and/or individuals designated by the WFOE at any time without violating the PRC laws then effective.

3.4 Subject to the terms and conditions of this Agreement, the WFOE has the right to request the reduction of capital of the Company, and to subscribe the Increased Capital Shares by itself and/or through other entities and/or individuals designated by the WFOE at any time without violating the PRC laws then effective.

3.5 As for the Shares Purchase Option, at each Exercise, the WFOE has the right to decide the number of shares that the Existing Shareholders should transfer to the WFOE and/or through other entities and/or individuals designated by the WFOE during such Exercise, and the Existing Shareholders shall respectively transfer the Transfer Shares to the WFOE and/or through other entities and/or individuals designated by the WFOE according to the number required by the WFOE. The WFOE and/or through other entities and/or individuals designated by the WFOE shall pay the Transfer Price to the Existing Shareholders who have transferred the Transfer Shares in respect of the Transfer Shares purchased in each Exercise.

3.6 As for the Assets Purchase Option, at each Exercise, the WFOE has the right to decide the specific Company Assets that the Company should transfer to the WFOE and/or through other entities and/or individuals designated by the WFOE during such Exercise, and the Company shall transfer the Transfer Assets to the WFOE and/or through other entities and/or individuals designated by the WFOE according to the number required by the WFOE. The WFOE and/or through other entities and/or individuals designated by the WFOE shall pay the Transfer Price to the Company in respect of the Transfer Assets purchased in each Exercise.

3.7 As for the Shares Subscription Option, at each Exercise, the Company shall confirm the amount of capital which shall be reduced in such Exercise pursuant to the request of the WFOE, the WFOE has the right to decide the Existing Shareholders reduce their capital contribution to the Company, and the Company and the Existing Shareholders shall reduce capital of the Company pursuant to the request of the WFOE; concurrently, the WFOE has the right to decide the number of the Increase Capital Shares to be subscribed by the WFOE and/or through other entities and/or individuals designated by the WFOE, and the Company shall accept the subscription of the Increase Capital Shares from the WFOE and/or through other entities and/or individuals designated by the WFOE according to the request of the WFOE. The Company shall pay the Capital Reduction Price to the Company in respect of the capital reduced in respect of the capital reduction in each Exercise. The WFOE and/or through other entities and/or individuals designated by the WFOE shall pay the Capital Increase Price to the Company in respect of the Increase Capital Shares subscribed in each Exercise.

3.8 At each Exercise, the WFOE could purchase the Transfer Shares, Transfer Assets or subscribe the Increase Capital Shares by itself, and could designate any third party to purchase all or part of the Transfer Shares, Transfer Assets or subscribe all or part of the Increase Capital Shares.

3.9 At each time the WFOE decide the Exercise, it shall delivery to the Existing Shareholders and/or the Company a Shares Purchase Option exercise notice, Assets Purchase Option exercise notice or Shares Subscription Option exercise notice (the “Exercise Notice”, in the form respectively set forth in Exhibit

B, Exhibit C and Exhibit D). Upon receipt of the Exercise Notice, the Existing Shareholders or the Company shall immediately transfer the Transfer Shares or Transfer Assets to the WFOE and/or through other entities and/or individuals designated by the WFOE in one time in accordance with the method described in Section 3.5 or 3.6 of this Agreement, or shall reduce the capital of the Company in the manner described in Section 3.7, and the Increased Capital Shares shall be subscribed by the WFOE and/or through other entities and/or individuals designated by the WFOE.

4. TRANSFER PRICE, CAPITAL REDUCTION PRICE AND CAPITAL INCREASE PRICE

4.1 As for the Shares Purchase Option, at each Exercise, the total Transfer Price that the WFOE and/or through other entities and/or individuals designated by the WFOE should pay to the Existing Shareholders shall be the actual paid-in capital contribution corresponding to the relevant Transfer Shares in the Company's registered capital. If the minimum price allowed by the PRC Laws at that time is higher than the aforementioned actual paid-in capital, the minimum price allowed by the PRC Laws shall prevail. Under the premise of complying with the PRC Laws, the Existing Shareholders shall immediately return and gift it to the WFOE and/or its designated entity after receiving the Transfer Price.

4.2 As for the Assets Purchase Option, at each Exercise, the total Transfer Price that the WFOE and/or through other entities and/or individuals designated by the WFOE should pay to the Existing Shareholders shall be the net book value of the relevant assets. If the minimum price allowed by the PRC Laws at that time is higher than the aforementioned net book value, the minimum price allowed by the PRC Laws shall prevail. Under the premise of complying with the PRC Laws, the Existing Shareholders shall immediately return and gift it to the WFOE and/or its designated entity after receiving the Transfer Price.

4.3 As for the Share Subscription Option, at each Exercise, the Company shall pay the Capital Reduction Price to the Existing Shareholders who have reduced their capital contribution to the company. The Capital Reduction Price shall be the reduced actual paid-up amount of the Company Registered Capital. If the minimum price allowed by the PRC Laws at that time is higher than the aforementioned Capital Reduction Price, the minimum price allowed by the PRC Laws shall prevail; and the total subscription price that WFOE and/or through other entities and/or individuals designated by the WFOE should pay to the Company for the subscription of Increased Capital Shares is the Capital Reduction Price paid to the Existing Shareholders when the Company reduces its capital and the registered capital that the Existing Shareholders have not paid to the company at the time of capital reduction (if any), unless the WFOE and the Company agree otherwise. Under the premise of complying with the PRC

Laws, the Existing Shareholders shall immediately return and gift it to the WFOE and/or its designated entity after receiving the Capital Reduction Price.

4.4 All taxes and fees arising from the Exercise of the Shares Purchase Option, Assets Purchase Option or Shares Subscription Option under this Agreement in accordance with applicable laws, shall be paid by each Party or withheld in accordance with the laws.

5. REPRESENTATIONS AND WARRANTIES

5.1 The Existing Shareholders represent and warrant as follows:

(a) The Existing Shareholders are limited partnerships legally registered and validly existing in accordance with the PRC laws and has complete and independent legal status and legal capacity to execute, deliver and perform this Agreement, and can independently act as a party to a litigation.

(b) The Company is a limited liability company legally registered and validly existing in accordance with the PRC laws and has independent legal capacity; has complete and independent legal status and legal capacity to execute, deliver and perform this Agreement, and can independently act as a party to a litigation.

(c) The Existing Shareholders have the full internal power and authorization to sign and deliver this Agreement and all other documents that they will sign related to the transactions described in this Agreement, and they have the full power and authorization to complete the transactions described in this Agreement.

(d) This Agreement constitutes the Existing Shareholders' legal, valid and binding obligations, and shall be enforceable against them.

(e) The Existing Shareholders are the registered legal owner of the Option Shares when this Agreement becomes effective. Except for the Shares Purchase Option, Shares Subscription Option, the pledge contemplated in the Share Pledge Agreement by and among the Company,

the WFOE and the Existing Shareholders dated January 15, 2021 and the entrustment contemplated in the Shareholder Voting Rights Proxy Agreement dated January 15, 2021 , there is no liens, pledges, claims and other security rights and third-party rights on the Option Shares. According to this Agreement, after the Exercise by the WFOE and/or through other entities and/or individuals designated by the WFOE, it can obtain good ownership of the Transfer Shares without any lien, pledge, claim, other security rights and third-party rights.

(f) Except for the Assets Purchase Option, there is no liens, pledges, claims and other security rights and third-party rights on the Company Assets. According to this Agreement, after the Exercise by the WFOE and/or through other entities and/or individuals designated by the WFOE, it can obtain good ownership of the Company Assets without any lien, pledge, claim, other security rights and third-party rights.

5.2 The Company represents and warrants as follows:

(a) The Company is a limited liability company legally registered and validly existing in accordance with the PRC laws and has independent legal capacity; has complete and independent legal status and legal capacity to execute, deliver and perform this Agreement, and can independently act as a party to a litigation.

(b) The Company has the full internal power and authorization to sign and deliver this Agreement and all other documents that it will sign related to the transactions described in this Agreement, and it has the full power and authorization to complete the transactions described in this Agreement.

(c) This Agreement is legally and duly executed and delivered by the Company. This Agreement constitutes the Company’s legal, valid and binding obligations, and shall be enforceable against it.

(d) Except for the Assets Purchase Option, there is no liens, pledges, claims and other security rights and third-party rights on the Company Assets. According to this Agreement, after the Exercise by the WFOE and/or through other entities and/or individuals designated by the WFOE, it can obtain good ownership of the Company Assets without any lien, pledge, claim, other security rights and third-party rights.

5.3 The WFOE represents and warrants as follows:

(a) The WFOE is a limited liability company legally registered and validly existing in accordance with the PRC laws and has independent legal capacity; has complete and independent legal status and legal capacity to execute, deliver and perform this Agreement, and can independently act as a party to a litigation.

(b) The WFOE has the full internal power and authorization to sign and deliver this Agreement and all other documents that it will sign related to the transactions described in this Agreement, and it has the full power and authorization to complete the transactions described in this Agreement.

(c) This Agreement is legally and duly executed and delivered by the WFOE. This Agreement constitutes the WFOE's legal, valid and binding obligations, and shall be enforceable against it.

6. EXISTING SHAREHOLDERS' COVENANTS

The Existing Shareholders irrevocably undertake as follows:

6.1 During the term of this Agreement, without prior written consent of the WFOE:

(a) They shall not transfer or dispose of any Option Shares in any other way or set any security right or other third party rights on any Option Shares;

(b) They shall not increase or decrease the Company Registered Capital, or cause the Company to merge with any other entity;

(c) They shall not dispose of or procure the Company's management to dispose of any material Company Assets (except those occur in the ordinary course of business);

(d) They shall not terminate or procure the Company's management to terminate any material agreement signed by the Company, or enter into any other agreement that conflicts with existing material agreements;

(e) They shall not appoint or remove any Company's directors, supervisors or other company's managers who should be appointed or removed by the Existing Shareholders;

(f) They shall not procure the company to declare or actually distribute any distributable profits or dividends;

(g) They shall not take any actions (including any omissions) that will affect the effective existence of the Company; nor take any actions that may make the Company to be terminated, liquidated or dissolved;

(h) They shall not amend the articles and associations of the Company; and

(i) They shall not take any actions (including any omissions) that make the company lend or borrow loans, or provide guarantees or make other forms of guarantees, or undertake any substantial obligations outside of ordinary business activities.

6.2 During the term of this Agreement, they must use their best efforts to develop the Company's business and ensure the Company's operation is in compliance with the laws and regulations. They will not conduct any action or omission that may damage the Company's assets, goodwill or affect the validity of the Company's business licenses.

6.3 During the term of this Agreement, they shall promptly inform the WFOE of any situation that may have a material adverse effect on the Company's existence, business operations, financial conditions, assets or goodwill, and promptly take all measures agreed by the WFOE to eliminate such unfavorable situations or take effective remedial measures.

6.4 Once the WFOE issues the Exercise Notice:

(a) They shall immediately adopt shareholder decisions and take all other necessary actions to agree the Existing Shareholders or the Company to transfer all Transfer Shares or Transfer Assets to the WFOE and/or through other entities and/or individuals designated by the WFOE at the Transfer Price, or agree the reduction of the Company's capital, and accept the WFOE and/or through other entities and/or individuals designated by the WFOE to subscribe for the Increased Capital Shares of the Company (depending on the situation);

(b) With respect to the Shares Purchase Option, they shall immediately sign an shares transfer agreement with the WFOE and/or through other entities and/or individuals designated by the WFOE, transfer all the Transfer Shares to the WFOE and/or through other entities and/or individuals designated by the WFOE at the Transfer Price, and provide the WFOE with the necessary support in accordance with the requirements of the WFOE and the provisions of laws and regulations (including providing and signing all relevant legal documents, and fulfilling all government approvals and registration procedures and assume all relevant obligations) so that the WFOE and/or through other entities and/or individuals designated by the WFOE can obtain all the Transfer Shares, and there should be no legal flaws in such Transfer Shares and there should be no security rights, third-party restrictions or any other restrictions on shares;

(c) With respect to the Shares Subscription Option, the Existing Shareholders shall immediately sign an capital reduction agreement with the Company in a form and substance to the satisfactory of the WFOE, the Existing Shareholders shall assist and cooperate with the Company to implement capital reduction procedure (including notifying creditors, making public announcement of capital reduction, signing all relevant legal documents, and fulfilling all government approvals and registration procedures and assume all relevant obligations) so that the Company could complete the capital reduction successfully, and the WFOE and/or through other entities and/or individuals designated by the WFOE could complete the subscription of the Increased Capital Shares.

6.5 If the Transfer Price received by the Existing Shareholders for the Transfer Shares held by them, the Capital Reduction Price received as a result of the Company's capital reduction, and/or the amounts received from distribution of the Company's remaining assets when the company is terminated or liquidated, are higher than the capital contributions to the Company by them, or receives any form of profits distribution or dividends from the Company, then the Existing Shareholders agree and confirm that they will not be entitled to the income and profits distribution or dividends from the premium (after deduction of relevant taxes) without violating the PRC Laws, and such portion of the income and profits distribution or dividends should be attributed to the WFOE. The Existing shareholders shall instruct the relevant transferee or the Company to pay such portion of the proceeds to the bank account then designated by the WFOE.

6.6 They irrevocably agree to the Company's execution and performance of this Agreement, and provide the Company with all cooperation in the execution and performance of this Agreement, including but not limited to signing all necessary documents or documents required by the WFOE, and taking all necessary or actions required by the WFOE, and no action or omission will be taken to prevent the WFOE from claiming and realizing its rights under this Agreement.

6.7 Once they know or should be aware that the Option Shares they hold may be transferred to any third party other than the WFOE and/or through other entities and/or individuals designated by the WFOE due to applicable laws, judgments or awards of courts or arbitration institution, or for any other reason, they should immediately and without hesitation notify the WFOE.

7. COMPANY'S COVENANTS

7.1 The Company irrevocably undertakes as follows:

(a) If the execution and performance of this Agreement and the granting of Shares Purchase Option, Assets Purchase Option or Shares Subscription Option under this Agreement require the consent, permission, waiver, authorization of any third party, or the approval, permission, exemption or approval of any government authorities, or the registration or filing procedures with any government authorities (if required by the Laws), the company will use its best effort to assist in meeting the above conditions.

(b) Without prior written consent of the WFOE, it shall not assist or allow the Existing Shareholders transfer or dispose of any Option Shares in any other way or set any security right or other third party rights on any Option Shares.

(c) Without prior written consent of the WFOE, it shall not transfer or dispose of any material Company Assets (except those occur in the ordinary course of business) in any other way or set any security right or other third party rights on any Company Assets.

(d) The Company shall not carry out or allow any behavior or action that may adversely affect the interests of the WFOE under this Agreement, including but not limited to any behavior and action restricted by Section 6.1.

(e) Once it knows or should be aware that the Option Shares hold by the Existing Shareholders may be transferred to any third party other than the WFOE and/or through other entities and/or individuals designated by the WFOE due to applicable laws, judgments or awards of courts or arbitration institution, or for any other reason, it should immediately and without hesitation notify the WFOE.

7.2 Once the WFOE issues the Exercise Notice:

(a) The Company shall immediately procure the Existing Shareholders to adopt shareholders decisions and take all other necessary actions to agree the Company to transfer all Transfer Assets to the WFOE and/or through other entities and/or individuals designated by the WFOE at the Transfer Price, or agree the reduction of the Company's capital, and accept the WFOE and/or through other entities and/or individuals designated by the WFOE to subscribe for all the Increased Capital Shares of the Company (depending on the situation);

(b) With respect to the Assets Purchase Option, the Company shall immediately sign an assets transfer agreement with the WFOE and/or through other entities and/or individuals designated by the WFOE, transfer all the Transfer Assets to the WFOE and/or through other entities and/or individuals designated by the WFOE at the Transfer Price, and procure the Existing Shareholders to provide the WFOE with necessary support in accordance with the requirements of the WFOE and the provisions of laws and regulations (including providing and signing all relevant legal documents, and fulfilling all government approvals and registration procedures and assume all relevant obligations) so that the WFOE and/or through other entities and/or individuals designated by the WFOE can obtain all the Transfer Assets, and there should be no legal flaws in such Transfer Assets and there should be no security rights, third-party restrictions or any other restrictions on Company Assets;

(c) With respect to the Shares Subscription Option, the Company shall immediately sign an capital reduction agreement with the Existing Shareholders in a form and substance to the satisfactory of the WFOE, the Company shall, and the Existing Shareholders shall procure the Company to implement capital reduction procedure (including notifying creditors, making public

announcement of capital reduction, signing all relevant legal documents, and fulfilling all government approvals and registration procedures and assume all relevant obligations) so that the Company could complete the capital reduction successfully, and the WFOE and/or through other entities and/or individuals designated by the WFOE could complete the subscription of the Increased Capital Shares.

8. CONFIDENTIALITY

8.1 Regardless of whether this Agreement is terminated or not, both parties shall strictly keep confidential the trade secrets, proprietary information, customer information and other confidential information of the other Party obtained during the execution and performance of this Agreement. Without the prior written consent from the disclosing Party, or mandatorily required to be disclosed to third party by relevant laws and regulations or the requirements of the listing place of a Party's related company, the receiving Party should not disclose any confidential information to any third party; unless for the purpose of performance of this Agreement, the receiving Party should not use or indirectly use any confidential information.

8.2 Confidential information shall not include information:

(a) is known to the Receiving Party prior to disclosure by the disclosing Party as demonstrated by documentary evidence;

(b) is or becomes available to the public other than as a result of the receiving Party’s fault; or

(c) information obtained legally by the receiving Party from other sources after receiving confidential information.

8.3 The receiving Party may disclose confidential information to its relevant employees, agents or professionals engaged, provided the receiving Party shall ensure the abovementioned personnel be in compliance with the relevant terms and conditions of this Agreement and be liable for any responsibilities incurred by breach of the relevant terms and conditions of this Agreement by the abovementioned personnel.

8.4 Notwithstanding any other terms of this Agreement, this section shall still be valid and binding upon the termination of this Agreement.

9. TERM

This Agreement takes effect as of the date of execution. Unless otherwise required by the WFOE, this Agreement will terminate after all the Option Shares and Company Assets are legally transferred to the WFOE and/or through other entities and/or individuals designated by the WFOE in accordance with this Agreement.

10. NOTICE

10.1 All the notices, request, requirement and other communications pursuant to this Agreement shall be delivered to the relevant Party in written form.

10.2 Abovesaid notices or other notices if given by facsimile transmission or e-mail, shall be deemed effectively given upon successful transmission; if given by person, shall be deemed effectively given upon delivery by person; if given by post, shall be deemed effectively given on the date after two (2) days from posting.

11. DEFAULT

11.1 Both Parties agree and confirm that, if any Party ("**Defaulting Party**") materially violates any of the terms under this Agreement, or fails to perform, incompletely perform or delays the performance of any of the obligations under this Agreement, it shall constitute a breach of this Agreement ("**Default**"). Any Party of the other non-defaulting Party ("**Non-Defaulting Party**") has the right to request Defaulting Party to make amendments or remedies within reasonable period. If the Defaulting Party fails to make amendments or remedies within reasonable period or ten (10) days after the other Party sends a written notice to Party B and requests for amendments, then:

(a) if the Existing Shareholders or the Company is the Defaulting Party, the WFOE is entitled to terminate this Agreement, and requires the Defaulting Party to compensate all the losses;

(b) if the WFOE is the Defaulting Party, the Non-Defaulting Party is entitled to require the Defaulting Party to compensate all the losses, however, unless otherwise required by the Laws, it has no right to terminate or cancel this Agreement under any circumstances.

For the purpose of this Section 11.1, the Existing Shareholders further confirm and agree that their breach of Section 6 of this Agreement will constitute a material violation of this Agreement; the Company further confirms and agrees that its breach of Section 7 of this Agreement will constitute its material violation of this Agreement.

11.2 Notwithstanding any other terms of this Agreement, the validity of this Section shall not be affected by the termination of this Agreement.

12. MISCELLANEOUS PROVISIONS

12.1 This Agreement is executed in the Chinese language. This Agreement may be executed in five (5) counterparts, which the Company keeps one (1) counterpart, one (1) counterpart for governmental approval or registration, and the WFOE keeps other three (3) counterparts.

12.2 This Agreement, including the execution, validity, performance, interpretation and dispute resolution of this Agreement, shall be governed by and construed in accordance with the PRC Laws.

12.3 Dispute Resolution

(a) The Parties shall firstly attempt to resolve any and all disputes arising out of or relating to this Agreement through friendly consultations. If a dispute is not resolved through friendly consultations, then each Party may submit the dispute to Guangzhou Arbitration Commission for arbitration in accordance with then effective arbitration rules of such commission. The arbitration shall be conducted in Guangzhou. The award of the arbitration tribunal shall be final and binding upon the Parties. The costs of arbitration shall be borne by the losing Party, unless otherwise determined by the arbitration tribunal.

(b) When any dispute is under arbitration, except for the matters in dispute, the Parties shall continue to fulfil their respective obligations under this Agreement.

12.4 Any rights, powers and remedies granted to both Parties by any terms of this Agreement shall not exclude any other rights, powers or remedies that the Party is entitled to in accordance with the laws and other terms under this Agreement, and one Party's exercise of its rights, powers and remedies does not preclude such Party from exercising other rights, powers and remedies.

12.5 A Party's failure to exercise or delay in exercising any of its rights, powers and remedies ("**Such Party's Rights**") under this Agreement or the laws will not result in the waiver of such rights, and any single or partial waiver of Such Party's Rights will not exclude such Party's exercise of such rights in other manner and the exercise of other Such Party's Rights.

12.6 The titles of the sections and subsections of this Agreement are for convenience of reference only and are not to be considered in construing this Agreement.

12.7 Each provision of this Agreement shall be severable and independent. If any single or multiple provisions hereof become invalid, illegal or unenforceable in any aspect, the validity, legality and enforceability of the remaining provisions of this Agreement shall not be affected in any aspect.

12.8 This Agreement once executed shall supersede all prior agreements both Parties executed before, with respect to the subject matter hereof and thereof. Any amendment and supplements to this Agreement shall be made in writing, and only takes effect after the execution by all Parties hereunder, except for the WFOE's transfer of its rights under Section 12.9 of this Agreement.

12.9 Without the prior written consent of the WFOE, the other Parties have no right to transfer or assign any of its rights and obligations hereunder to any third party. The other Parties hereby agree that the WFOE may transfer its rights and obligations under this Agreement to a third party, and that the WFOE only needs to send a written notice to the other Parties of such transfer, and there is no need to obtain consent from the other Parties for such transfer.

12.10 This Agreement shall be binding upon the respective successors and assigns. The Existing Shareholders assure to WFOE that they have made all proper arrangements and signed all necessary documents to ensure that when they bankrupts, liquidates or incurs other situations that may affect the exercise of their shareholders' rights, their legal transferees, successors, heirs, liquidators, bankruptcy administrators, creditors, and other persons who may obtain the Company's shares or related rights shall not affect or hinder the performance of this Agreement. For this purpose, the Existing Shareholders and

the Company should promptly sign all other documents required by the WFOE and take all other actions required by the WFOE (including but not limited to notarization of this Agreement).

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This page is the signature page of the Exclusive Option Agreement of Guangzhou Qianxun Internet Technology Co., Ltd.

Existing Shareholder:

Guangzhou Fangu Internet Technology L.P. (seal)
/seal/ Guangzhou Fangu Internet Technology L.P.
Executive Partner:
Guangzhou Shangying Internet Technology Co., Ltd. (seal)
/seal/ Guangzhou Shangying Internet Technology Co., Ltd.

This page is the signature page of the Exclusive Option Agreement of Guangzhou Qianxun Internet Technology Co., Ltd.

Existing Shareholder:

Guangzhou Wanyin Internet Technology L.P. (seal)
/seal/ Guangzhou Wanyin Internet Technology L.P.
Executive Partner:
Guangzhou Shangying Internet Technology Co., Ltd. (seal)
/seal/ Guangzhou Shangying Internet Technology Co., Ltd.

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Company:

Guangzhou Qianxun Internet Technology Co., Ltd. (seal)
/seal/ Guangzhou Qianxun Internet Technology Co., Ltd.
/s/ Wenxian Zhong
Name: Wenxian Zhong
Title: Legal Representative

This page is the signature page of the Exclusive Option Agreement of Guangzhou Baiguoyuan Internet Technology Co., Ltd.

WFOE:

Guangzhou Baiguoyuan Information Technology Co., Ltd. (seal)
/seal/ Guangzhou Baiguoyuan Information Technology Co., Ltd.
/s/ Wenxian Zhong
Name: Wenxian Zhong
Title: Legal Representative

Exhibit 4.22

Shareholder Voting Rights Proxy Agreement

This Shareholder Voting Rights Proxy Agreement (this "**Agreement**") dated January 15, 2021, is signed by and among:

1. **Guangzhou Fangu Internet Technology L.P.** Registered address: 4/F, 5/F, 6/F, 13/F, 14/F, 15/F, 16/F, Jisheng Business Center, No. 278 Xingtai Road, Shiqiao Street, Panyu District, Guangzhou Executive Partner: Guangzhou Shangying Internet Technology Co., Ltd.

2. **Guangzhou Wanyin Internet Technology L.P.** (together with Guangzhou Fangu Internet Technology L.P., collectively as the "***Existing Shareholders***") Registered address: 4/F, 5/F, 6/F, 13/F, 14/F, 15/F, 16/F, Jisheng Business Center, No. 278 Xingtai Road, Shiqiao Street, Panyu District, Guangzhou Executive Partner: Guangzhou Shangying Internet Technology Co., Ltd.

3. **Guangzhou Qianxun Internet Technology Co., Ltd.** ("***Company***") Registered address: 4/F, 5/F, 6/F, 13/F, 14/F, 15/F, 16/F, Jisheng Business Center, No. 278 Xingtai Road, Shiqiao Street, Panyu District, Guangzhou Legal representative: Wenxian Zhong

4. **Guangzhou Baiguoyuan Information Technology Co., Ltd.** ("***WFOE***") Registered address: 5/F to 13/F, West Tower, Building C, No. 274 Xingtai Road, Shiqiao Street, Panyu District, Guangzhou Legal representative: Wenxian Zhong

The parties above shall be hereinafter respectively referred to as a "Party", collectively referred to as "Parties".

WHEREAS:

1. The Existing Shareholders are all the present shareholder of the Company, which holds 100% shares of the Company;

2. The Existing Shareholders intend to entrust the individual designated by the WFOE with the exercise of their voting rights in the Company and the WFOE is willing to designate such individual to accept such entrustment.

THEREFORE, the Parties, after friendly consultations, hereby agree as follows:

Article 1 Voting Right Entrustment

1.1 The Existing Shareholders hereby irrevocably undertake to sign a power of attorney in the form and substance as set forth in Annex 1 after execution of this Agreement to entrust the individual designated by the WFOE (hereinafter, the "**Entrusted Person**") to exercise on its behalf the following rights they, as the shareholder of the Company, are entitled to under the then effective articles of association of the Company (collectively, the "**Entrusted Rights**"):

(a) Proposing to convene and attending shareholders' meetings of the Company as the representative of the Existing Shareholders according to the articles of association of the Company;

(b) On behalf of the Existing Shareholders, exercising voting rights on all the issues needing to be discussed and resolved by the shareholders' meetings of the Company, including but not limited to the appointment of the Company's directors and other officers needing to be appointed and removed by shareholders;

(c) Other shareholder voting rights as specified in the articles of association of the Company (including any other shareholder voting rights as specified in the amended articles of association); and

(d) When the Existing Shareholders transfer the shares of the Company held by it, agrees to the transfer of assets of the Company, agrees to reduce capital contributions to the company, or accepts the WFOE or its designated party to subscribe the increased capital of the Company in accordance with the Exclusive Option Agreement signed by the parties on the same date hereof, to sign relevant share transfer agreements, asset transfer agreements (if applicable), capital reduction agreements, capital increase agreements, shareholder decisions and other relevant documents on behalf of the Existing Shareholders, and handle government approval, registration and filing procedure required for such transfer, capital reduction and capital increase.

The above authorization and entrustment are granted subject to the status of the Entrusted Person as a PRC citizen and the approval by the WFOE. Upon and only upon written notice of dismissing and replacing the Entrusted Person given by the WFOE to the Existing Shareholders, the Existing Shareholders shall promptly entrust another PRC citizen then designated by the WFOE to exercise the above Entrusted Rights, and once new entrustment is made, the original entrustment shall be replaced. The Existing Shareholders shall not cancel the authorization and entrustment for the Entrusted Person otherwise.

1.2 The Entrusted Person shall perform the fiduciary obligations within the scope of authorization with due care and diligence and in compliance with laws. The Existing Shareholders acknowledge and assume relevant liabilities for any legal consequences of the Entrusted Person's exercise of the foregoing Entrusted Rights.

1.3 The Existing Shareholders hereby acknowledge that the Entrusted Person is not required to seek advice from the Existing Shareholders prior to the exercise of the foregoing Entrusted Rights. However, the Entrusted Person shall inform the Existing Shareholders in a timely manner of any resolution or any proposal on convening interim shareholders' meeting after such resolution or proposal is made.

Article 2 Right to Information

2.1 For the purpose of exercising the Entrusted Rights hereunder, the Entrusted Person is entitled to know the information with regard to the Company's operation, business, customers, finance, staff, etc., and shall have access to the relevant materials of the Company. The Company shall adequately cooperate with the Entrusted Person in this regard.

Article 3 Exercise of Entrusted Rights

3.1 The Existing Shareholders will provide adequate assistance to the exercise of the Entrusted Rights by the Entrusted Person, including timely execution of the resolutions of the shareholders' meeting of the Company adopted by the Entrusted Person or other related legal documents when necessary (e.g., when it is necessary for examination and approval of or registration or filing with governmental departments).

3.2 If at any time during the term of this Agreement, the grant or exercise of the Entrusted Rights hereunder is unenforceable for any reason (except for default of Existing Shareholders or the Company), the Parties shall immediately seek a most similar substitute for the unenforceable provision and, if necessary, enter into a supplementary agreement to amend or adjust the provisions herein, in order to ensure the realization of the purpose of this Agreement.

Article 4 Exemption and Compensation

4.1 The Parties acknowledge that the WFOE shall not be requested to be liable to or compensate (monetary or otherwise) other Parties or any third party due to exercise of the Entrusted Rights hereunder by the individuals designated by it in any circumstances.

4.2 The Existing Shareholders and the Company agree to indemnify and hold harmless the WFOE from and against all losses incurred or likely to be incurred by it due to exercise of the Entrusted Rights by the Entrusted Person designated by the WFOE, including without limitation, any loss resulting from any litigation, demand, arbitration or claim initiated or raised by any third party against it or from administrative investigation or penalty of governmental authorities (collectively, the "Losses"), PROVIDED THAT the above indemnity in respect of any Losses shall not be available to the WFOE to the extent that such Losses have been caused by the willful default or gross negligence on the part of the Entrusted Person.

Article 5 Representations and Warranties

5.1 The Existing Shareholders hereby represent and warrant that:

(b) The Existing Shareholders are limited partnerships legally registered and validly existing in accordance with the PRC Laws; they have complete and independent legal status and legal capacity to execute, deliver and perform this Agreement, and can independently act as a party to a litigation.

(b) The Company is a limited liability company legally registered and validly existing in accordance with the PRC laws and has independent legal capacity; has complete and independent legal status and legal capacity to execute, deliver and perform this Agreement, and can independently act as a party to a litigation.

(c) They have the full power and authority to execute and deliver this Agreement and all other documents relating to the transaction contemplated hereby and to be executed by it. It also has the full power and authority to consummate the transaction contemplated hereby. This Agreement, when duly executed and delivered, shall constitute a legal, valid and binding obligation enforceable against it in accordance with the terms of this Agreement.

(d) They are the recorded legal shareholder of the Company as of the effective date of this Agreement, and except for the rights under this Agreement, the Equity Pledge Agreement and the Exclusive Option Agreement entered into among the Existing Shareholders, the Company and the WFOE, the Entrusted Rights are free of any third-party right. Pursuant to this Agreement, the Entrusted Person may fully and sufficiently exercise the Entrusted Rights in accordance with the then effective articles of association of the Company.

(e) Without the consent of the WFOE, the Existing Shareholders shall not take any measures to advice, claim or request amendment, modification, termination or change the articles of association of the Company in any other forms.

5.2 The Existing Shareholders hereby irrevocably represent and warrant that, once they know or should be aware that the shares held by them may be transferred to any third party other than the WFOE and/or through other entities and/or individuals designated by the WFOE due to applicable laws, judgments or awards of courts or arbitration institution, or for any other reason, they should immediately and without hesitation notify the WFOE.

5.3. Each of the WFOE and the Company hereby represents and warrants that:

(a) It is a limited liability company duly organized and validly existing under the PRC Law with an independent legal personality. It has the full and independent legal status and legal capacity to execute, deliver and perform this Agreement and may sue or be sued as an independent party.

(b) It has the full corporate power and authority to execute and deliver this Agreement and all other documents relating to the transaction contemplated hereby and to be executed by it. It also has the full power and authority to consummate the transaction contemplated hereby.

5.4 The Company further represents and warrants that:

(a) The Existing Shareholders are the recorded legal shareholders of the Company as of the effective date of this Agreement, and except for the rights under this Agreement, the Equity Pledge Agreement and the Exclusive Option Agreement entered into among the Existing Shareholders, the Company and the WFOE, the Entrusted Rights are free of any third-party right. Pursuant to this Agreement, the Entrusted Person may fully and sufficiently exercise the Entrusted Rights in accordance with the then effective articles of association of the Company.

5.5 The Company hereby irrevocably represents and warrants that, once it knows or should be aware that the shares held by the Existing Shareholders may be transferred to any third party other than the WFOE and/or through other entities and/or individuals designated by the WFOE due to applicable laws, judgments or awards of courts or arbitration institution, or for any other reason, it should immediately and without hesitation notify the WFOE.

Article 6 Term

6.1 Subject to the provisions of Articles 6.2 and 6.3 hereof, this Agreement shall become effective as of the date of the due execution by the Parties and the term of this Agreement shall be twenty (20) years; unless prematurely terminated by the Parties in writing or pursuant to Article 9.1 hereof. After the expiration of this Agreement, unless the WFOE informs other Parties 30 days in advance that this Agreement will not be renewed, this Agreement will be automatically renewed for one year after the expiration of the term, and so on.

6.2 If the Company or the WFOE, upon expiry of its duration, fails to handle the examination, approval and registration procedures concerning the extension of its duration, this Agreement shall be terminated.

6.3 In case that the Existing Shareholders transfer all of the equity interest held by it in the Company with the WFOE's prior consent, such Existing Shareholder shall cease to be a party to this Agreement since it has completed relevant assistant obligation, executed all the relevant and necessary documents, completed relevant internal procedure of the Company and governmental approval, registration, filing procedures (provided subject to Article 4, Article 5.1, Article 6, Article 7, Article 8, Article 9 and Article 10).

Article 7 Notices

7.1 All the notices, request, requirement and other communications pursuant to this Agreement shall be delivered to the relevant Party in written form.

7.2 Abovesaid notices or other notices if given by facsimile transmission or e-mail, shall be deemed effectively given upon successful transmission; if given by person, shall be deemed effectively given upon delivery by person; if given by post, shall be deemed effectively given on the date after two (2) days from posting.

Article 8 Confidentiality

8.1 Regardless of whether this Agreement is terminated or not, each Party shall keep strictly confidential all the business secrets, proprietary information, customer information and other information of a confidential nature about the other Parties known by it during the execution and performance of this Agreement (collectively, the "**Confidential Information**"). The receiving Party shall not disclose any Confidential Information to any third party except with the prior written consent of the disclosing Party or in accordance with relevant laws or regulations or under requirements of the place where its affiliate is listed on a stock exchange. The receiving Party shall not use or indirectly use any Confidential Information other than for performing this Agreement.

8.2 The following information shall not be deemed part of the Confidential Information:

(a) any information already known by the receiving Party by legal means prior to disclosure, which is substantiated in writing;

(b) any information being part of public knowledge through no fault of the receiving Party; or

(c) any information rightfully received by the receiving Party from other sources after disclosure.

8.3 The receiving Party may disclose the Confidential Information to its relevant employees, agents or engaged professionals, but the receiving Party shall guarantee that they are in compliance with the relevant terms and conditions of this Agreement and assume any responsibility arising from any breach thereof by them.

8.4 Notwithstanding any other provision herein, the validity of this Article shall survive the termination of this Agreement.

Article 9 Defaulting Liability

9.1 The Parties agree and acknowledge that, if any of the Parties (the "**Defaulting Party**") materially breaches any provision herein or materially fails to perform or delays performance of any of the obligations hereunder, such breach, failure or delay shall constitute a default under this Agreement (a "**Default**"). In such event, any of the other Parties without default (the "**Non-defaulting Party**") shall have the right to require the Defaulting Party to rectify such Default or take remedial measures within a reasonable period. If the Defaulting Party fails to rectify such Default or take remedial measures within such reasonable period or within ten (10) days of the Non-defaulting Party notifying the Defaulting Party in writing and requiring the Default to be rectified, then:

(a) if the Existing Shareholder or the Company is the Defaulting Party, the WFOE shall be entitled to terminate this Agreement and require the Defaulting Party to indemnify all damages;

(b) if the WFOE is the Defaulting Party, the Non-defaulting Party shall be entitled to require the Defaulting Party to indemnify all damages, but the Non-defaulting Party shall not be entitled to any rights to terminate or cancel this Agreement in any situation unless otherwise provided by the mandatory provisions of the laws.

b)

9.2 Notwithstanding any other provision herein, the validity of this Article shall survive the suspension or termination of this Agreement.

Article 10 Miscellaneous

10.1 This Agreement is written in Chinese and executed in three (3) originals, with one (1) original to be retained by each Party hereto.

10.2 The formation, validity and interpretation of, resolution of disputes in connection with, this Agreement, shall be governed by PRC Law.

10.3 Dispute Resolution

(a) Any dispute arising hereunder and in connection herewith shall be resolved through consultations among the Parties, and if the Parties fail to reach a mutual agreement, any Party may submit such dispute to Guangzhou Arbitration Commission for arbitration in accordance with its arbitration rules in effect at the time of applying for arbitration. The seat of arbitration shall be Guangzhou. The arbitral award shall be final and binding on the Parties. The costs of arbitration shall be borne by the losing Party, unless otherwise determined by the arbitration tribunal.

(b) During dispute resolution, the Parties shall continue to perform the terms of this Agreement other than those relating to disputes.

10.4 Any right, power or remedy conferred on any Party by any provision of this Agreement shall not be exclusive of any other right, power or remedy available to it at law and under the other provisions of this Agreement, and the exercise by such Party of any of its rights, powers and remedies shall not preclude the exercise of any other rights, powers and remedies it may have.

10.5 No failure or delay by a Party in exercising any of its rights, powers and remedies available to it hereunder or at law (hereinafter, the "**Party's Rights**") shall operate as a waiver thereof, nor shall the waiver of any single or partial exercise of the Party's Rights shall preclude such Party from exercising such rights in any other way and exercising the remaining part of the Party's Rights.

10.6 The headings contained herein shall be for reference only, and in no circumstances shall such headings be used in or affect the interpretation of the provisions hereof.

10.7 Each provision contained herein shall be severable and independent from each of other provisions, and if at any time any one or more provisions herein become invalid, illegal or unenforceable, the validity, legality or enforceability of the remaining provisions herein shall not be affected as a result thereof.

10.8 This Agreement, once executed, replaces any other legal documents previously signed by the parties on the same subject. Any amendment or supplement hereto shall be made in writing and shall become effective only upon due execution by the Parties hereto, except for the WFOE's transfer of its rights under Section 10.9 of this Agreement.

10.9 Without the WFOE's prior written consent, any other Party shall not transfer any of its rights and/or obligations hereunder to any third party. The Existing Shareholders and the Company hereby agree that the WFOE is entitled to transfer any of its rights and/or obligations hereunder to any third party upon written notice thereof to the other Parties, and there is no need to obtain consent from the other Parties for such transfer.

10.10 This Agreement shall be binding upon the respective successors and assigns. The Existing Shareholders assure to WFOE that they have made all proper arrangements and signed all necessary documents to ensure that when they bankrupts, liquidates or incurs other situations that may affect the exercise of their shareholders' rights, their legal transferees, successors, heirs, liquidators, bankruptcy administrators, creditors, and other persons who may obtain the Company's shares or related rights shall not affect or hinder the performance of this Agreement. For this purpose, the Existing Shareholders and the Company should promptly sign all other documents required by the WFOE and take all other actions required by the WFOE (including but not limited to notarization of this Agreement).

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Existing Shareholder:

Guangzhou Fangu Internet Technology L.P. (seal)
/seal/ Guangzhou Fangu Internet Technology L.P.
Executive Partner:
Guangzhou Shangying Internet Technology Co., Ltd. (seal)
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Company:

Guangzhou Qianxun Internet Technology Co., Ltd. (seal)
/seal/ Guangzhou Qianxun Internet Technology Co., Ltd.
/s/ Wenxian Zhong
Name: Wenxian Zhong
Title: Legal Representative

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WFOE:
Guangzhou Baiguoyuan Information Technology Co., Ltd. (seal)
/seal/ Guangzhou Baiguoyuan Information Technology Co., Ltd.
/s/ Wenxian Zhong
Name: Wenxian Zhong
Title: Legal Representative

EQUITY PLEDGE AGREEMENT

THIS EQUITY PLEDGE AGREEMENT (this "**Agreement**") is entered into on January 15, 2021 ("**Execution Date**")

BY AND AMONG:

1. **Ting Li:** Identity Card Number: ***

2. **Lin Song:** Identity Card Number: ***

3. **Di Fu:** (together with Ting Li and Lin Song, collectively as the "**Pledgors**" and each a "**Pledgor**")**:**
   Identity Card Number: ***

4. **Guangzhou Shangying Internet Technology Co., Ltd.** ("**Company**")
   Registered address: 4/F, 5/F, 6/F, 13/F, 14/F, 15/F, 16/F, Jisheng Business Center, No. 278 Xingtai Road, Shiqiao Street, Panyu District, Guangzhou
   Legal representative: Wenxian Zhong

5. **Guangzhou Baiguoyuan Information Technology Co., Ltd.** (the "**Pledgee**")
   Registered address: 5/F to 13/F, West Tower, Building C, No. 274 Xingtai Road, Shiqiao Street, Panyu District, Guangzhou
   Legal representative: Wenxian Zhong

In this Agreement, the aforementioned parties are referred to individually as a "**Party**" and collectively as the "**Parties**".

WHEREAS:

1. The Pledgors are the registered shareholders of the Company and lawfully hold all equity interest in the Company ("**Company Equity**"). As of the Execution Date, the amount of its contribution to the registered capital of the Company is Renminbi Ten Thousand, and their shareholding percentage in total is 100%. The registered capital has not been paid in. The basic information of the Company sets forth in Schedule 1 hereto.

2. The Parties hereto entered into a Shareholder Voting Rights Proxy Agreement ("**Proxy Agreement**") on January 15, 2021, pursuant to which the each of the Pledgors has irrevocably granted a general power of attorney to such persons as may then be appointed by the Pledgee to exercise its entire shareholder voting rights in the Company on behalf of the Pledgors.

3. The Company and the Pledgee entered into an Exclusive Service Agreement ("**Service Agreement**") on January 15, 2021, pursuant to which the Company has, on an exclusive basis, engaged the Pledgee to provide it with relevant services and agrees to pay relevant service fees to the Pledgee for such services.

4. The Parties hereto entered into an Exclusive Option Agreement ("**Option Agreement**") on January 15, 2021, pursuant to which the Pledgors and the Company shall, to the extent permitted by the PRC Laws, transfer, at the request of the Pledgee, all or part of their equity interests in the Company or all or part of the assets of the Company respectively to the Pledgee and/or any entity and/or individual designated by it, or the Company shall decrease its capital and the Pledgee and/or any entity and/or individual designated by it shall subscribe for the newly increased registered capital of the Company.

5. As security for the performance by the Pledgors of their Contractual Obligations (as defined below) and their repayment of the Secured Indebtedness (as defined below), each Pledgor is willing to pledge all of its Company Equity to the Pledgee and create first priority pledge in favor of the Pledgee; and the Company has agreed to such equity pledge arrangement.

NOW, THEREFORE, upon consensus through consultation, the Parties agree as follows:

ARTICLE I DEFINITIONS

1.1 Unless otherwise required by the context, the following terms shall have the following meanings in this Agreement:

"**Contractual Obligations**"	means all of the each Pledgor's contractual obligations under the Proxy Agreement and the Option Agreement; all of the Company's contractual obligations under the Proxy Agreement, the Service Agreement and the Option Agreement; and all of the contractual obligations of the each Pledgor and the Company under this Agreement.
"Secured Indebtedness"	means all direct, indirect or consequential losses and loss of projectable benefits suffered by the Pledgee as a result of any Event of Default (as defined below) of the Pledgors and/or the Company, and the basis for determining the amounts of such losses shall include, without limitation, reasonable commercial plans and profit forecasts of the Pledgee and all costs incurred by the Pledgee in connection with its enforcement of the Contractual Obligations of each Pledgor and/or the Company.
"Transaction Agreements"	means the Proxy Agreement, the Service Agreement and the Option Agreement.
"Event of Default"	means a breach by any Pledgor of any of its Contractual Obligations under the Proxy Agreement, the Option Agreement and/or this Agreement, and a breach by the Company of any of its Contractual Obligations under the Proxy Agreement, the Service Agreement, the

Option Agreement and/or this Agreement.

"Pledged Equity" means all of the Company Equity lawfully owned by the Pledgors as of the effectiveness of this Agreement and to be pledged hereunder to the Pledgee as security for the performance by the Pledgors and the Company of their respective Contractual Obligations and increased capital contribution amounts and dividends under Sections 2.6 and 2.7 hereof.

"PRC Laws" means the then effective laws, administrative regulations, administrative rules, local regulations, judicial interpretations and other binding regulatory documents of the People's Republic of China.

1.2 In this Agreement, any reference to any PRC Law shall be deemed to include (i) a reference to such PRC Law as modified, amended, supplemented or reenacted, effective either before or after the date hereof; and (ii) a reference to any other decision, circular or rule made thereunder or effective as a result thereof.

1.3 Unless otherwise required by the context, a reference to an article, section, clause or paragraph herein shall be a reference to an article, section, clause or paragraph of this Agreement.

ARTICLE II EQUITY PLEDGE

2.1 Each Pledgor hereby agrees to pledge, in accordance with the terms hereof, its lawfully owned and rightfully disposable Pledged Equity to the Pledgee as security for the performance by such Pledgor of its Contractual Obligations and its repayment of the Secured Indebtedness. The Company hereby agrees for the Pledgors to so pledge the Pledged Equity to the Pledgee in accordance with the terms hereof.

2.2 Each Pledgor covenants that it will assume the responsibility of recording the equity pledge arrangement ("**Equity Pledge**") hereunder in the shareholder's register of the Company on the Execution Date. Each Pledgor further covenants that it will use its best efforts and take all necessary measures to register the Equity Pledge as soon as possible with the competent administrative authority for market regulation of the Company after the Execution Date.

2.3 During the validity term hereof, the Pledgee shall not be liable in whatsoever manner for any diminution in value of the Pledged Equity and the Pledgors shall have no right to seek any form of recourse or bring any claims against the Pledgee in connection therewith, except where such diminution arises out of any willful conduct of the Pledgee or its gross negligence having immediate causal link with such result.

2.4 Subject to Section 2.3 above, if the Pledged Equity is likely to suffer such a

manifest value diminution as to impair the rights of the Pledgee, the Pledgee may at any time auction or sell the Pledged Equity on behalf of the Pledgor and may, as agreed with the Pledgors, apply the proceeds from such auction or sale towards early repayment of the Secured Indebtedness, or deposit (entirely at the cost of the Pledgee) such proceeds with a notary organ of the place of the Pledgee. In addition, upon request by the Pledgee, the Pledgors shall provide other property as security for the Secured Indebtedness.

2.5 Upon occurrence of any Event of Default, the Pledgee shall be entitled to dispose of the Pledged Equity in such manner as prescribed by Article IV hereof.

2.6 The Pledgors shall not increase the capital of the Company except with prior consent of the Pledgee. Any increase in the capital contribution made by the Pledgors to the registered capital of the Company as a result of any capital increase shall equally become part of the Pledged Equity, and the Pledgors shall register the pledge of the Company Equity corresponding to such capital contribution with the competent administrative authority for market regulation of the Company.

2.7 The Pledgors shall not receive any dividend or profit in respect of the Pledged Equity except with prior consent of the Pledgee. Any dividend or profit received by the Pledgors in respect of the Pledged Equity shall be deposited into an account designated by the Pledgee, monitored by the Pledgee and first applied towards repayment of the Secured Indebtedness.

2.8 Upon occurrence of an Event of Default, the Pledgee shall be entitled to dispose of any Pledged Equity of the Pledgors in accordance with the terms hereof.

ARTICLE III RELEASE OF PLEDGE

3.1 Upon full and complete performance by the Pledgors and the Company of all of their Contractual Obligations and full repayment of the Secured Indebtedness, the Pledgee shall, at the request of the Pledgors, release the Equity Pledge hereunder and cooperate with the Pledgors in relation to both the deregistration of the Equity Pledge in the shareholder's register of the Company and the deregistration of the Equity Pledge with the relevant administrative authority for market regulation; reasonable costs arising out of such release of the Equity Pledge shall be borne by the Pledgee.

ARTICLE IV DISPOSAL OF PLEDGED EQUITY

4.1 The Parties hereby agree that upon occurrence of any Event of Default, the Pledgee shall be entitled to exercise, upon written notice to the Pledgors, all of the remedies, rights and powers available to it under the PRC Laws, the Transaction Agreements and this Agreement, including, without limitation, the right to auction or sell the Pledged Equity for prior satisfaction of claims. The Pledgee shall not be held liable for any losses resulting from its reasonable exercise of such rights and powers.

The Pledgors further acknowledge and agree that its breach of Article IX hereof shall constitute its material breach of this Agreement; the Company further acknowledges and agrees that its breach of Article X hereof shall constitute its material breach of this Agreement.

4.2 The Pledgee shall be entitled to appoint, in writing, its counsels or other agents to exercise any and all of its foregoing rights and powers, and neither anyPledgor nor the Company shall object thereto.

4.3 The Pledgee shall have the right to fully deduct all reasonable costs incurred by it in connection with its exercise of any or all of its foregoing rights and powers from the proceeds obtained as a result of such exercise of rights and powers.

4.4 The proceeds obtained as a result of the exercise by the Pledgee of its rights and powers shall be applied in the following order of precedence:

(a) towards payment of all costs arising out of the disposal of the Pledged Equity and the exercise by the Pledgee of its rights and powers (including fees paid to its counsels and agents);

(b) towards payment of the taxes payable in connection with the disposal of the Pledged Equity; and

(c) towards repayment of the Secured Indebtedness to the Pledgee.

Any balance after the deduction of the foregoing payments shall either be returned by the Pledgee to the Pledgors or any other person who may be entitled to such balance under relevant laws and regulations or be deposited by the Pledgee with a notary organ of the place of the Pledgee (any costs arising out of such deposit shall be borne by the Pledgee).

4.5 The Pledgee shall have the right to exercise, at its option, concurrently or successively, any of its breach of contract remedies; the Pledgee shall not be required to first exercise other breach of contract remedies prior to the exercise of its right to auction or sell the Pledged Equity hereunder.

ARTICLE V COSTS AND EXPENSES

5.1 All actual costs and expenses arising in connection with the creation of the Equity Pledge hereunder, including, without limitation, the stamp duty, any other taxes and all legal costs, shall be borne by the Parties severally.

ARTICLE VI CONTINUING GUARANTEE AND NON-WAIVER

6.1 The Equity Pledge created hereunder shall constitute a continuing guarantee and shall remain valid until full performance of the Contractual Obligations or full repayment of the Secured Indebtedness, whichever occurs later. Neither any waiver or grace granted by the Pledgee with respect to any breach by any

Pledgor nor any delay of the Pledgee in its exercise of any of its rights under the Transaction Agreements and this Agreement shall affect the right of the Pledgee under this Agreement, relevant PRC Laws and the Transaction Agreements to require at any time thereafter the Pledgors to strictly perform the Transaction Agreements and this Agreement or any right that may be available to the Pledgee as a result of any subsequent breach by the Pledgors of the Transaction Agreements and/or this Agreement.

ARTICLE VII REPRESENTATIONS AND WARRANTIES BY THE PLEDGOR

Each Pledgor represents and warrants to the Pledgee that:

7.1 It is a is a PRC citizen with full capacity; and has full and independent legal status and capacity to execute, deliver and perform this Agreement and may sue or be sued as an independent party.

7.2 All reports, documents and information provided by it to the Pledgee prior to the effectiveness of this Agreement with respect to all matters pertaining to such Pledgor or required by this Agreement are true, correct, complete and not misleading in all material respects as of the effectiveness of this Agreement.

7.3 All reports, documents and information provided by it to the Pledgee subsequent to the effectiveness of this Agreement with respect to all matters pertaining to such Pledgor or required by this Agreement are true and valid in all material respects as of the time of provision of the same.

7.4 As of the effectiveness of this Agreement, such Pledgor is the sole lawful owner of the Pledged Equity free from any ongoing or potential dispute or any third party claim as to the ownership thereof; and such Pledgor has the right to dispose of the Pledged Equity or any part thereof.

7.5 Other than the security interest created on the Pledged Equity hereunder and the rights created under the Transaction Agreements, the Pledged Equity is free from any other security interests, third party rights or interests or any other restrictions.

7.6 The Pledged Equity may be lawfully pledged and assigned, and such Pledgor has full rights and powers to pledge the Pledged Equity to the Pledgee in accordance with the terms hereof.

7.7 Once duly executed by such Pledgor, this Agreement will constitute lawful, valid and binding obligations of such Pledgor.

7.8 Other than the registration of the Equity Pledge with the relevant administrative authority for market regulation, any consents, permissions, waivers or authorizations by any third party or any approval, license or exemption from or any registration or filing formalities with any governmental body (if required by law), requisite in each case for the execution and performance of this Agreement and the creation of the Equity Pledge hereunder,

have been obtained or completed and will remain fully valid during the validity term hereof.

7.9 The execution and performance by such Pledgor of this Agreement do not violate or conflict with any law applicable to such Pledgor, any agreement to which such Pledgor is a party or by which he is bound, any court judgment, any arbitral award, or any decision of any administrative authority.

7.10 The pledge hereunder constitutes a first priority security interest on the Pledged Equity.

7.11 All taxes and costs payable in connection with the acquisition of the Pledged Equity have been paid in full by such Pledgor.

7.12 There are no pending, or to the knowledge of such Pledgor, threatened, suits, legal proceedings or claims before any court or arbitral tribunal or by any governmental body or administrative authority against such Pledgor or its property or the Pledged Equity having a material or adverse effect on the financial condition of such Pledgor or its ability to perform its obligations and the guarantee liability hereunder.

7.13 Each Pledgor hereby warrants to the Pledgee that the foregoing representations and warranties will remain true and correct and be fully complied with under all circumstances at any time prior to the full performance of the Contractual Obligations or full repayment of the Secured Indebtedness.

ARTICLE VIII REPRESENTATIONS AND WARRANTIES BY THE COMPANY

The Company represents and warrants to the Pledgee that:

8.1 It is a limited liability company duly registered and lawfully existing under the PRC Laws with independent legal personality; and has full and independent legal status and capacity to execute, deliver and perform this Agreement and may sue or be sued as an independent party.

8.2 All reports, documents and information provided by it to the Pledgee prior to the effectiveness of this Agreement with respect to all matters pertaining to the Pledged Equity or required by this Agreement are true, correct, complete and not misleading in all material respects as of the effectiveness of this Agreement.

8.3 All reports, documents and information provided by it to the Pledgee subsequent to the effectiveness of this Agreement with respect to all matters pertaining to the Pledged Equity or required by this Agreement are true and valid in all material respects as of the time of provision of the same.

8.4 Once duly executed by it, this Agreement will constitute lawful, valid and binding obligations of the Company.

8.5 It has full internal corporate power and authority to execute and deliver this

Agreement and all other documents to be executed by it in connection with the transactions contemplated hereunder as well as full power and authority to consummate the transactions contemplated hereunder.

8.6 There are no pending, or to the knowledge of the Company, threatened, suits, legal proceedings or claims before any court or arbitral tribunal or by any governmental body or administrative authority against the Pledged Equity, the Company or its assets having a material or adverse effect on the financial condition of the Company or the ability of the Pledgors to perform its obligations and the guarantee liability hereunder.

8.7 The Company hereby agrees to be severally and jointly liable to the Pledgee for the representations and warranties made by the Pledgors under Sections 7.4, 7.5, 7.6, 7.8 and 7.10 hereof.

8.8 The Company hereby warrants to the Pledgee that the foregoing representations and warranties will remain true and correct and be fully complied with under all circumstances at any time prior to the full performance of the Contractual Obligations or full repayment of the Secured Indebtedness.

ARTICLE IX UNDERTAKINGS BY THE PLEDGORS

The Pledgors hereby agree and irrevocably undertake to the Pledgee that:

9.1 Without prior written consent of the Pledgee, the Pledgors will not create or permit to be created any new pledge or any other security interest on the Pledged Equity, and any pledge or any other security interest created on all or part of the Pledged Equity without prior written consent of the Pledgee shall be null and void.

9.2 Without prior written notice to and prior written consent of the Pledgee, (i) the Pledgors will not assign or otherwise dispose of the Pledged Equity or request the Company to decrease its capital, and any of such actions taken by the Pledgors without prior consent of the Pledgee shall be null and void; (ii) the Pledgors will not assist or permit other existing shareholders (as applicable) to take any of the foregoing actions without prior written consent of the Pledgee. The proceeds received by the Pledgors from the assignment or other disposal of the Pledged Equity shall be first applied towards early full repayment of the Secured Indebtedness to the Pledgee or deposited with a third party to be agreed with the Pledgee.

9.3 Should there arise any suit, arbitration or other claims which are likely to have an adverse effect on the interests of the Pledgors or the Pledgee under the Transaction Agreements and this Agreement or on the Pledged Equity, the Pledgors warrant that it will notify the Pledgee in writing of the same as soon as possible and without delay and will, in accordance with the reasonable request of the Pledgee, take all necessary actions to ensure the Pledgee’s pledge rights and interests in and to the Pledged Equity.

9.4 The Pledgors warrant that it shall complete the business term extension

registration formalities of the Company within three (3) months prior to the expiry of the business term of the Company such that the validity of this Agreement shall be maintained.

9.5 The Pledgors shall not do or permit to be done any act or action likely to have an adverse effect on the interests of the Pledgee under the Transaction Agreements and this Agreement or on the Pledged Equity.

9.6 The Pledgors will use its best efforts and take all necessary measures to register the Equity Pledge hereunder as soon as possible with the relevant administrative authority for market regulation after the execution of this Agreement, and the Pledgors warrant, in accordance with the reasonable request of the Pledgee, to take all necessary actions and execute all necessary documents (including, without limitation, any supplement hereto) to ensure the Pledgee's pledge rights and interests in and to the Pledged Equity as well as the exercise and realization by the Pledgee of such rights and interests.

9.7 Should the exercise of the pledge rights hereunder result in an assignment of any Pledged Equity, the Pledgors warrant that it will take all actions to realize such assignment.

9.8 The Pledgors ensure that the shareholder's resolutions adopted, convening procedures of, the methods of voting at and the contents of the shareholders' meeting (as applicable) and board meetings of the Company held in connection with the execution of this Agreement and the creation and exercise of the pledge rights hereunder shall not violate laws, administrative regulations or the articles of association of the Company.

9.9 Once the Pledgors know or should have known any possible transfer of the Pledged Equity held by him to any third parties other than the Pledgee or any individual or entity designated by the Pledgee as a result of applicable PRC Laws or any judgment or award rendered by a court or arbitral body or for any other reasons, it shall notify the Pledgee immediately and without delay.

ARTICLE X UNDERTAKINGS BY THE COMPANY

The Company hereby agrees and irrevocably undertakes to the Pledgee that:

10.1 The Company will use every effort to assist with the obtainment of any consents, permissions, waivers or authorizations by any third party or any approval, license or exemption from any governmental body or the completion of any registration or filing formalities with any governmental body (if required by law), requisite in each case for the execution and performance of this Agreement and the creation of the Equity Pledge hereunder, and the maintenance of the same in full force and effect during the validity term hereof.

10.2 Without prior written consent of the Pledgee, the Company will not assist or permit the Pledgors to create any new pledge or any other security interest on the Pledged Equity.

10.3 Without prior written consent of the Pledgee, the Company will not assist or permit the Pledgors to assign or otherwise dispose of the Pledged Equity.

10.4 Should there arise any suit, arbitration or other claims which are likely to have an adverse effect on the Company, the Pledged Equity or the interests of the Pledgee under the Transaction Agreements and this Agreement, the Company warrants that it will notify the Pledgee in writing of the same as soon as possible and without delay and will, in accordance with the reasonable request of the Pledgee, take all necessary actions to ensure the Pledgee's pledge rights and interests in and to the Pledged Equity.

10.5 The Company warrants that it shall complete its business term extension registration formalities within three (3) months prior to the expiry of its business term such that the validity of this Agreement shall be maintained.

10.6 The Company shall not do or permit to be done any act, action or omission likely to have an adverse effect on the interests of the Pledgee under the Transaction Agreements and this Agreement or on the Pledged Equity.

10.7 The Company will, during the first month of each calendar quarter, submit to the Pledgee the financial statements of the Company for the preceding calendar quarter, including, without limitation, the balance sheet, the income statement and the cash flow statement.

10.8 The Company warrants, in accordance with the reasonable request of the Pledgee, to take all necessary actions and execute all necessary documents (including, without limitation, any supplement hereto) to ensure the Pledgee's pledge rights and interests in and to the Pledged Equity as well as the exercise and realization by the Pledgee of such rights and interests.

10.9 Should the exercise of the pledge rights hereunder result in an assignment of any Pledged Equity, the Company warrants that it will take all actions to realize such assignment.

10.10 The Company covenants that it will assist the Pledgors to register the Equity Pledge hereunder with the competent administrative authority for market regulation of the Company as soon as possible after the execution of this Agreement and provide all necessary cooperation to complete such registration in a timely manner.

10.11 Once the Company knows or should have known any possible transfer of the Pledged Equity held by the Pledgors to any third parties other than the Pledgee or any individual or entity designated by the Pledgee as a result of applicable PRC Laws or any judgment or award rendered by a court or arbitral body or for any other reasons, it shall notify the Pledgee immediately and without delay.

ARTICLE XI FUNDAMENTAL CHANGES OF CIRCUMSTANCES

11.1 As a supplementary agreement and without contravening other provisions of the Transaction Agreements and this Agreement, if, at any time, in the opinion

of the Pledgee, as a result of any promulgation of or amendment to any PRC Laws, regulations or rules, or any change in the interpretation or application of such laws, regulations or rules, or any change in relevant registration procedures, the maintenance of the validity of this Agreement and/or the disposal of the Pledged Equity in the manner prescribed hereby becomes illegal or contravenes such laws, regulations or rules, the Pledgors and the Company shall, based on the Pledgee's written instructions and in accordance with its reasonable request, immediately take any actions and/or execute any agreements or other documents so as to:

(a) maintain the validity of this Agreement;

(b) facilitate the disposal of the Pledged Equity in the manner prescribed hereby; and/or

(c) maintain or realize the security created or purported to be created hereunder.

ARTICLE XII EFFECTIVENESS AND TERM OF AGREEMENT

12.1 This Agreement shall become effective when all of the following conditions are met：

(a) this Agreement has been duly executed by the parties; and

(b) the pledge of equity under this Agreement has been recorded in the register of shareholders of the Company in accordance with law.

12.2 The term of this Agreement shall end when the Contractual Obligations have been fully performed or the Secured Indebtedness have been fully repaid, whichever is later.

ARTICLE XIII NOTICES

13.1 Any notice, request, demand and other correspondences required by or made pursuant to this Agreement shall be made in writing and delivered to the relevant Parties.

13.2 Such notice or other correspondences shall be deemed delivered when it is transmitted if transmitted by fax or email; or upon delivery if delivered in person; or two (2) days after posting if delivered by mail.

ARTICLE XIV MISCELLANEOUS

14.1 The Pledgors and the Company agree that the Pledgee may, immediately upon notice to the Pledgors and the Company, assign its rights and/or obligations hereunder to any third party; provided that without prior written consent of the Pledgee, neither the Pledgors nor the Company may assign their respective rights, obligations or liabilities hereunder to any third party.

14.2 The sum of the Secured Indebtedness determined by the Pledgee in its discretion in connection with its exercise of its pledge rights to the Pledged Equity in accordance with the terms hereof shall constitute the conclusive evidence for the Secured Indebtedness hereunder.

14.3 This Agreement is made in Chinese in five (5) originals, of which one (1) copy shall be held by the Company, one (1) copy shall be used for governmental approval/registration purposes and the three (3) copies shall be kept by the Pledgee.

14.4 The entry into, effectiveness and interpretation of, and resolution of disputes under, this Agreement shall be governed by the PRC Laws.

14.5 Dispute Resolution

(a) All disputes arising out of or in connection with this Agreement shall be first settled by the relevant Parties through amiable consultations; if such Parties fail to resolve the dispute through consultations, the dispute shall be submitted to China Guangzhou Arbitration Commission ("**CGAC**") for arbitration according to CGAC arbitration rules in effect at the time of applying for arbitration. The seat of arbitration shall be in Guangzhou. The arbitration award shall be final and binding on the relevant Parties. Except as otherwise required by the arbitration award, the arbitration fees shall be borne by the losing party. The losing party shall also indemnify for the attorneys' fee and other expenses incurred by the winning party.

(b) Pending the resolution of such dispute, the Parties shall continue to perform the remaining provisions of this Agreement other than the disputed matters.

14.6 No right, power or remedy empowered to any Party by any provision of this Agreement shall preclude any other right, power or remedy enjoyed by such Party in accordance with law or any other provisions hereof and no exercise by a Party of any of its rights, powers and remedies shall preclude its exercise of its other rights, powers and remedies.

14.7 No failure or delay by a Party in exercising any right, power or remedy under this Agreement or laws ("**Party's Rights**") shall result in a waiver of such rights; and no single or partial waiver by a Party of the Party's Rights shall preclude such Party from exercising such rights in any other way or exercising the remaining part of the Party's Rights.

14.8 The section headings herein are inserted for convenience of reference only and shall in no event be used in or affect the interpretation of the provisions hereof.

14.9 Each provision contained herein shall be severable and independent of any other provisions hereof, and if at any time any one or more provisions hereof become invalid, illegal or unenforceable, the validity, legality and

enforceability of the remaining provisions hereof shall not be affected thereby.

14.10 (i) Once executed, this Agreement shall replace any other legal documents previously entered into by the Parties in respect of the same subject matter hereof. To clarify, despite the foregoing agreement, all parties irrevocably promise, agree and recognize to sign a simplified version of equity pledge agreement ("**Simplified Pledge Agreement**"), only for the purpose of the pledge registration of the company's competent administrative department for industry and commerce. If the simplified pledge agreement is inconsistent with this agreement, the agreement is not as clear as this agreement, or the simplified pledge agreement does not cover matters, this agreement shall prevail. (ii) Any amendments or supplements to this Agreement shall be made in writing. Except for the transfer of rights hereunder by the Pledgee according to Section 14.1 hereof, such amendments or supplements shall become effective only if they are duly signed by the Parties hereto.

14.11 This Agreement shall be binding upon the legal assignees or successors of the Parties. The successors or permitted assignees (if any) of the Pledgors and the Company shall continue to perform the respective obligations of the Pledgors and the Company hereunder. The Pledgors warrant to the Pledgee that he has made all appropriate arrangements and executed all necessary documents to ensure that, in the event of its bankruptcy, dissolution or occurrence of other circumstances that might affect exercise of its shareholder rights, his legal assignee, successor, heir, creditor, liquidator, bankruptcy administrator and other persons that might consequently acquire the Company Equity or relevant rights cannot affect or impede the performance of this Agreement. For this purpose, the Pledgors and the Company shall promptly sign all other documents and take all other actions (including, without limitation, notarization of this Agreement) as required by the Pledgee.

14.12 Concurrently with the execution of this Agreement, the Pledgors shall execute a power of attorney ("**Power of Attorney**") in the form of Schedule 2 hereto, entrusting any nominee of the Pledgee to execute, on its behalf in accordance with this Agreement, any and all legal documents as may be required in order for the Pledgee to exercise its rights hereunder. Such Power of Attorney shall be submitted to the Pledgee for custody and may be presented by the Pledgee to relevant governmental authorities whenever necessary.

[THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK.
EXECUTION PAGE FOLLOWS]

Pledgor:

Ting Li
/s/ Ting Li

Pledgor:

Lin Song
/s/ Lin Song

Pledgor:

Di Fu
/s/ Di Fu

Company:

Guangzhou Shangying Internet Technology Co., Ltd. (seal)
/seal/ Guangzhou Shangying Internet Technology Co., Ltd.
/s/ Wenxian Zhong
Name: Wenxian Zhong
Title: Legal Representative

Pledgee:

Guangzhou Baiguoyuan Information Technology Co., Ltd. (seal)
/seal/ Guangzhou Baiguoyuan Information Technology Co., Ltd.
/s/ Wenxian Zhong
Name: Wenxian Zhong
Title: Legal Representative

Exhibit 4.24

Exclusive Service Agreement

This Exclusive Service Agreement (this "***Agreement***") is made and entered into by and between the following parties on January 15, 2021:

(1) **Guangzhou Shangying Internet Technology Co., Ltd.** ("***Party A***")
Registered address: 4/F, 5/F, 6/F, 13/F, 14/F, 15/F, 16/F, Jisheng Business Center, No. 278 Xingtai Road, Shiqiao Street, Panyu District, Guangzhou
Legal representative: Wenxian Zhong

(2) **Guangzhou Baiguoyuan Information Technology Co., Ltd.** ("***Party B***")
Registered address: 5/F to 13/F, West Tower, Building C, No. 274 Xingtai Road, Shiqiao Street, Panyu District, Guangzhou
Legal representative: Wenxian Zhong

Each of Party A and Party B shall be hereinafter referred to as a "Party" respectively, and as the "Parties" collectively.

PREAMBLE

1. Party A is a limited liability company registered and validly existing in Guangzhou, China, which engages in corporate management consulting services; marketing planning services; corporate image planning services; business information consulting; intellectual property agency services; advertising industry; computer technology development and technical services; network technology research and development; computer technology transfer services; software development; information system integration services; information technology consulting services; digital animation production; game software design and production; collection, sorting, storage and release of talent and professional supply and demand information.

2. Party B is a wholly-foreign-owned enterprise registered and validly existing in Guangzhou, China, which engages in information technology consulting services; information system integration services; software development; computer software and hardware and auxiliary equipment wholesale; computer software, hardware and auxiliary equipment retail; software sales; corporate management; corporate management consulting; goods import and export; various engineering construction activities; technology import and export.

3. Party A needs Party B to provide services related to the Party A Business, and Party B agrees to provide such services to Party A.

NOW, THEREFORE, the Parties have reached the following agreements:

1. DEFINITIONS

1.1 Unless otherwise provided, in this Agreement:

Party A's Business means all business activities that Party A currently operates and operates at any time during the term of this Agreement.

Services means services exclusively provided by Party B to Party A with respect to the Party A's Business, which may include but without limitation:

(a) Approval of Party A to use the software related to the Party A's Business that Party B has legal rights;

(b) Providing economic information, computer technology, commercial and management consulting or advices for Party A;

(c) Providing business planning, design, marketing plan;

(d) Daily management, maintenance and update of hardware equipment and databases or software resources and customer resources;

(e) Providing comprehensive operation and solution plan in information technology/operation management required by Party A's business;

(f) Software development, maintenance, and update which the Party A's Business requires;

(g) Providing business training, support and assistance of relevant personnel of Party A;

(h) Other relevant services that are required to be provided by Party A from time to time.

Service Fee means all the fees Party A shall pay to Party B for the Services Party B provides subject to Section 3.

Annual Business Plan means according to this Agreement, the Party A's Business development plan and budget report for the next calendar year prepared by Party A before November 30 of each year, with the assistance of Party B.

Business Related Intellectual Property Rights means any and all intellectual property rights related to the Party A's business developed by Party A on the basis of the services provided by Party B under this agreement.

Confidential Information has the meaning assigned to it in Section 6.1.

Defaulting Party has the meaning assigned to it in Section 12.1.

Default has the meaning assigned to it in Section 12.1.

Such Party's Right has the meaning assigned to it in Section 14.5.

1.2 Any referring to any law or statutory provision under this Agreement shall be deemed to:

(a) also include referring to any revision, extension, combination and replacement related to such law or provision; and

(b) also include referring to orders, ordinances, instructions and other subordinate legislation promulgated in accordance with relevant law or provisions.

1.3 All references in this Agreement to designated "Sections" and other subdivisions are to the designated Sections and other subdivisions of the body of this Agreement unless explicitly stated otherwise

2. SERVICES

2.1 During the term of this Agreement, Party A hereby exclusively engages Party B to provide the Services, and Party B shall provide the Services to Party A diligently pursuant to the requirement of Party A's Business. Both Parties understand that, the actual Services provided by Party B shall be limited to the approved business scope of Party B; if the Services Party A requires exceed the approved business scope of Party B, Party B will apply for extension of its business scope under the maximum scope permitted by the laws, and will provide related Services after permission of such extension.

2.2 For the purpose of providing Services in accordance with this Agreement, Party B shall communicate with Party A and exchange various information related to the Party A's Business.

2.3 Notwithstanding any other provisions of this Agreement, Party B is entitled to appoint any third party to provide any or all of the Services under this Agreement, or perform any obligations under this Agreement on behalf of Party B. Party A hereby agrees that Party B has the right to transfer or assign the rights and obligations of Party B under this Agreement to any third party.

3. SERVICE FEE

3.1 The Party A shall pay Party B the Service Fee for the Services contemplated in this Agreement as following:
3.1.1 After mutual consents between both Parties, for the Services provided by Party B to Party A in each calendar year within the term of this agreement, Party A shall pay Party B the relevant Service Fee on an annual basis; and

3.1.2 With respect to the Service Fee incurred by the specific Services Party B provided as required by Party A from time to time, after mutual consents between both Parties, Party A shall pay the Service Fee separately.

3.2 Party B shall issue a payment notice and value-added tax invoice to Party A in a timely manner, and calculate on an annual basis. Party A shall pay the Service Fee to Party B within one (1) month upon the receipt of Party B's tax invoice.

3.3 Both Parties agree, without violating any mandatory requirement of any laws and regulations, the amount of the Service Fee and service scope as set forth in Section 3.1 and 3.2, may be confirmed and adjusted by both Parties in accordance with advices made by Party B from time to time.

3.4 The parties shall bear the taxes they shall pay and withhold the taxes (if any) in accordance with the applicable law.

4. PARTY A'S OBLIGATION

4.1 The Services provided by Party B is exclusive. During the term of this Agreement, without prior written consent of Party B, the Party A shall not enter into any agreement with any third party and accept any services identical or similar to the Services hereunder from any third party.

4.2 Party A shall provide the Annual Business Plan to Party B before November 30 of each year, to the extent that Party B could arrange Services plan and add necessary personnel and resources. If Party A requires personnel supplement temporarily, Party A shall negotiate with Party B with 15 days in advance to reach an agreement.

4.3 For better Services provided by Party B, Party A shall timely provide related materials that Party B requires.

4.4 Party A shall pay the Service Fee in a timely and sufficient manner in accordance with Section 3.

4.5 Party A should maintain its own good reputation, actively expand its business, and strive to maximize revenue.

4.6 During the term of this Agreement, Party A agrees to cooperate with Party B and Party B's parent company (including direct or indirect) to conduct related-party transaction audits and other audits, and provide Party B, its parent company, or its authorized auditors with information on Party A's operations, business, customers, finances, employees and other related information and materials, and agree that Party B's parent company shall disclose such information and materials in order to meet the regulatory requirements of the place where its securities are listed.

5. INTELLECTUAL PROPERTY RIGHTS

5.1 Party B shall have proprietary rights and interests in all rights, ownership, interests of the intellectual property rights it already has before entering into this Agreement, and created or arising out of providing of Services during the term of this Agreement.

5.2 Since the operation of Party A's Business depends on the Services provided by Party B under this Agreement, Party A agrees to the following arrangements regarding the Business Related Intellectual Property Rights developed by Party A on the basis of such Services:

(1) If the Business Related Intellectual Property Rights are developed by Party A entrusted by Party B, or obtained through cooperation between Party A and Party B, the ownership and the right to apply for related intellectual property rights shall belong to Party B.

(2) If the Business Related Intellectual Property Rights are independently developed and acquired by Party A, the ownership shall belong to Party A, provided that (A) Party A informs Party B of the details of the Business Related Intellectual Property Rights in a timely manner, and provides relevant information that Party B has reasonably requested; (B) If Party A wants to license or transfer such Business Related Intellectual Property Rights, Party A shall transfer to Party B or grant Party B an exclusive license prior to any third party, without violating the mandatory provisions of the laws of China, and Party B may use such Business Related Intellectual Property Rights within the scope of such transfer or license from Party A (but Party B has the right to decide whether to accept such transfer or license); Party A can only transfer or license the Business Related Intellectual Property Rights to a third party without offering more favorable conditions than which Party A offers to Party B (including but not limited to the transfer price or license fee) provided that Party B has waived the priority to purchase the ownership of the Business Related Intellectual Property Rights or the exclusive right to use the Business Related Intellectual Property Rights, and shall ensure that such third party fully complies with and performs the obligations of Party A under this Agreement; (C) Except for the circumstances mentioned in item (B) above, during the term of this Agreement, Party B has the right to purchase such Business Related Intellectual Property Rights; then Party A shall agree to Party B's such purchase request provided that there would be no violation of the mandatory provisions of the laws of China, and the purchase price shall be the lowest price allowed by the laws of China at that time.

5.3 If Party B is licensed to exclusively use the Business Related Intellectual Property Rights according to Section 5.2 (2) of this Agreement, such license shall be implemented in according with the following rules:

(1) Licensing period shall not be less than five (5) years (calculated from the effective date of relevant licensing agreement);

(2) The scope of license shall be the maximum scope as far as possible;

(3) Within the licensing period and scope of license, any other parties (include Party A) except Party B shall not use or license others to use the Business Related Intellectual Property Rights;

(4) Without prejudicing to Section 5.3 (3), Party A is entitled to, at its own discretion, license the Business Related Intellectual Property Rights to any other third parties;

(5) After expiration of licensing period, Party B is entitled to request the renewal of the license agreement and Party A shall agree to it. The terms of the license agreement shall remain unchanged, except for changes approved by Party B.

5.4 Notwithstanding Section 5.2 (2) above, if any Business Related Intellectual Property Rights described in such Section can be valid only after registration of ownership under applicable laws, then the application for registration of ownership shall be implemented in according with the following rules:

(1) Party A shall obtain prior written consent from Party B if Party A would apply for registration of ownership with regard to any Business Related Intellectual Property Rights described in such Section;

(2) Party A can only apply for registration of ownership on its own or transfer such right of applying for registration of ownership to a third party when Party B waives its right to purchase the right to apply for registration of ownership of the Business Related Intellectual Property Rights. In the case where Party A transfers the aforementioned right to apply for registration of ownership to a third party, Party A shall ensure that such third party will fully comply with and perform the obligations that Party A shall perform under this Agreement; meanwhile, the terms and conditions of the transfer (including but not limited to the transfer price) which Party A transfer the right to apply for registration of ownership to a third party shall not be more favorable than the terms and conditions proposed to Party B in accordance with Section 5.4 (3).

(3) During the term of this Agreement, Party B may request Party A to file an application for the registration of ownership of such Business Related Intellectual Property Rights at any time, and decide on its own whether to purchase the right to apply for such registration of ownership. Upon request of Party B, Party A shall transfer the right to apply for registration of ownership to Party B at that time, without violating the mandatory provisions of the laws of China, at the lowest price allowed by the laws of China; after Party B has obtained the right to apply for registration of ownership of the Business Related Intellectual Property Rights, filed the registration of ownership and completed the registration, Party B shall be the legal owner of such registration of ownership.

5.5 Both Parties respectively warrants to each other that they will compensate the other Party for any and all economic losses due to any infringement of the intellectual property rights of any third party.

6. CONFIDENTIALITY

6.1 Regardless of whether this Agreement is terminated or not, both parties shall strictly keep confidential the trade secrets, proprietary information, customer information and other confidential information of the other Party obtained during the execution and performance of this Agreement. Without the prior written consent from the disclosing Party, or mandatorily required to be disclosed to third party by relevant laws and regulations or the requirements of the listing place of a Party's related company, the receiving Party should not disclose any confidential information to any third party; unless for the purpose of performance of this Agreement, the receiving Party should not use or indirectly use any confidential information.

6.2 Confidential information shall not include information:

(a) is known to the Receiving Party prior to disclosure by the disclosing Party as demonstrated by documentary evidence;

(b) is or becomes available to the public other than as a result of the receiving Party's fault; or

(c) information obtained legally by the receiving Party from other sources after receiving confidential information.

6.3 The receiving Party may disclose confidential information to its relevant employees, agents or professionals engaged, provided the receiving Party shall ensure the abovementioned personnel be in compliance with the relevant terms and conditions of this Agreement and be liable for any responsibilities incurred by breach of the relevant terms and conditions of this Agreement by the abovementioned personnel.

6.4 Notwithstanding any other terms of this Agreement, this section shall still be valid and binding upon the termination of this Agreement.

7. REPRESENTATIONS AND WARRANTIES OF PARTY A

Party A represents and warrants to Party B as follows:

7.1 It is a limited liability company legally registered and validly existing in accordance with the PRC laws and has independent legal capacity; has complete and independent legal status and legal capacity to sign, deliver and perform this Agreement, and can independently act as a party to a litigation.

7.2 It has the full internal power and authorization to sign and deliver this Agreement and all other documents that it will sign related to the transactions described in this Agreement, and it has the full power and authorization to complete the transactions described in this Agreement. This Agreement is legally and appropriately signed and delivered by it. This Agreement constitutes the Party A's legal, valid and binding obligations, and shall be enforceable against it.

7.3 It shall promptly inform Party B of circumstances that have caused or may cause a material adverse effect on the Party A's Business and its operations, and shall use its best effort to prevent the occurrence of such circumstances and/or the expansion of losses.

7.4 Without the written consent of Party B, Party A will not, in any form, dispose of Party A's material assets, nor will it change Party A's existing equity structure.

7.5 Upon being effective of this Agreement, Party A has obtained all necessary business license, competent rights and qualification to conduct Party A's Business now engaged in the territory of China;

7.6 Once Party B submits a written request, Party A will use all accounts receivables and/or all other assets that are legally owned and can be disposed of at that time, in a manner permitted by law, as guarantee of payment obligation of the Service Fee set forth in Section 3 of this Agreement.

7.7 Without the written consent of Party B, Party A shall not enter into any other agreement or arrangement that conflicts with this Agreement or may damage Party B's rights and interests under this Agreement.

8. REPRESENTATIONS AND WARRANTIES OF PARTY B

Party B represents and warrants to Party A as follows:

8.1 It is a limited liability company legally registered and validly existing in accordance with the PRC laws and has independent legal capacity; has complete and independent legal status and legal capacity to sign, deliver and perform this Agreement, and can independently act as a party to a litigation.

8.2 It has the full internal power and authorization to sign and deliver this Agreement and all other documents that it will sign related to the transactions described in this Agreement, and it has the full power and authorization to complete the transactions described in this Agreement. This Agreement is legally and appropriately signed and delivered by it. This Agreement constitutes the Party B's legal, valid and binding obligations, and shall be enforceable against it.

9. TERM

9.1 This Agreement takes effect as of the date of execution. Unless otherwise provided in this Agreement, or this Agreement terminated by Party B in writing, the term of this Agreement shall be twenty (20) years. After the expiration of this Agreement, unless Party B informs Party A 30 days in advance that this Agreement will not be renewed, this Agreement will be automatically renewed for one year after the expiration of the term, and so on.

9.2 If Party A or Party B fails to complete the approval and registration procedures for extending the business term at the expiration of the business term, this Agreement shall be terminated on the date when the business term of Party A or B expires. Both Parties shall complete the approval and registration procedures for extending the business term within three months before the expiration of their respective business term, to the extent that the term of this Agreement could be extended.

9.3 After the termination of this Agreement, both Parties shall still abide by their obligations under Section 6 of this Agreement.

10. INDEMNIFICATION

The Party A shall indemnify and hold harmless Party B from all the losses including but not limited to any losses caused by any lawsuit, claims, arbitration, damages by any third party or governmental investigation and penalties against Party B arising from providing the Services. However, if the losses are caused by Party B's willful conduct or gross negligence, such losses shall not be included in the indemnification.

11. NOTICE

11.1 All the notices, request, requirement and other communications pursuant to this Agreement shall be delivered to the relevant Party in written form.

11.2 Abovesaid notices or other notices if given by facsimile transmission or e-mail, shall be deemed effectively given upon successful transmission; if given by person, shall be deemed effectively given upon delivery by person; if given by post, shall be deemed effectively given on the date after two (2) days from posting.

12. DEFAULT

12.1 Both Parties agree and confirm that, if any Party (“**Defaulting Party**”) materially violates any of the terms under this Agreement, or fails to perform, incompletely perform or delays the performance of any of the obligations under this Agreement, it shall constitute a breach of this Agreement (“**Default**”). The other Party has the right to request Defaulting Party to make amendments or remedies within reasonable period. If the Defaulting Party fails to make amendments or remedies within reasonable period or ten (10) days after the other Party sends a written notice to Party B and requests for amendments, and if Party A is the Defaulting Party, then Party B is entitled to decide at its own discretion: (1) to terminate this Agreement, and requires Defaulting Party to compensate all the losses; or (2) requires the mandatory performance of Defaulting Party 's obligations under this Agreement, and requires the Defaulting Party to compensate all the losses; if Party B is the Defaulting Party, then Party A is entitled to require the performance of the Defaulting Party 's obligations under this Agreement, and require the Defaulting Party to compensate all the losses.

12.2 Notwithstanding the foregoing Section 12.1, both Parties agree and confirm that, except as otherwise provided by law, Party A shall not unilaterally terminate this Agreement in any circumstances.

12.3 Notwithstanding any other terms of this Agreement, the validity of this Section 12 shall not be affected by the termination of this Agreement.

13. FORCE MAJEURE

If the performance of this Agreement by any Party is affected or any Party delays or fails to perform its obligation hereunder due to earthquake, typhoon, flood, fire, war, computer virus, design vulnerabilities of instrumental software, hacker attack on internet, modification of governmental policy or laws, and other exceptional situation that cannot be overcome or avoided by the Parties and cannot be foreseen by the Party alleged to be affected by such force majeure, the Party being affected shall immediately notify

the other Party by facsimile and provide proof of the details of the force majeure and the reasons why this Agreement cannot be implemented or the performance needs to be delayed. Such proof documents must be issued by a notary institution in the jurisdiction where the force majeure occurred. Based on the extent of the force majeure event's impact on the performance of this Agreement, the two Parties shall negotiate whether the performance of this Agreement should be partially waived or postponed. Neither Party shall be liable for compensation for the economic losses caused to both Parties by the force majeure event.

14. MISCELLANEOUS PROVISIONS

14.1 This Agreement is executed in the Chinese language. This Agreement may be executed in five (5) counterparts, which Party A keeps one (1) counterpart, one (1) counterpart for governmental approval or registration, and Party B keeps other three (3) counterparts.

14.2 This Agreement, including the execution, validity, performance, interpretation and dispute resolution of this Agreement, shall be governed by and construed in accordance with the laws of China

14.3 Dispute Resolution

14.3.1 The Parties shall firstly attempt to resolve any and all disputes arising out of or relating to this Agreement through friendly consultations. If a dispute is not resolved through friendly consultations, then each Party may submit the dispute to Guangzhou Arbitration Commission for arbitration in accordance with then effective arbitration rules of such commission. The arbitration shall be conducted in Guangzhou. The award of the arbitration tribunal shall be final and binding upon the Parties. The costs of arbitration shall be borne by the losing Party, unless otherwise determined by the arbitration tribunal.

14.3.2 When any dispute is under arbitration, except for the matters in dispute, the Parties shall continue to fulfil their respective obligations under this Agreement.

14.4 Any rights, powers and remedies granted to both Parties by any terms of this Agreement shall not exclude any other rights, powers or remedies that the Party is entitled to in accordance with the laws and other terms under this Agreement, and one Party's exercise of its rights, powers and remedies does not preclude such Party from exercising other rights, powers and remedies.

14.5 A Party's failure to exercise or delay in exercising any of its rights, powers and remedies ("**Such Party's Rights**") under this Agreement or the laws will not result in the waiver of such rights, and any single or partial waiver of Such Party's Rights will not exclude such Party's exercise of such rights in other manner and the exercise of other Such Party's Rights.

14.6 The titles of the sections and subsections of this Agreement are for convenience of reference only and are not to be considered in construing this Agreement.

14.7 Each provision of this Agreement shall be severable and independent. If any single or multiple provisions hereof become invalid, illegal or unenforceable in any aspect, the validity, legality and enforceability of the remaining provisions of this Agreement shall not be affected in any aspect.

14.8 This Agreement once executed shall supersede all prior agreements both Parties executed before, with respect to the subject matter hereof and thereof. Any amendment and supplements to this Agreement shall be made in writing, and only takes effect after the execution by all Parties hereunder, except for Party B's transfer of its rights under Section 14.9 of this Agreement.

14.9 Without the prior written consent of Party B, Party A has no right to transfer or assign any of its rights and obligations hereunder to any third party. Party A hereby agrees that Party B may transfer its rights and obligations under this Agreement to a third party, and that Party B only needs to send a written notice to the Party A of such transfer, and there is no need to obtain consent from the Party A for such transfer.

14.10 This Agreement shall be binding upon the respective successors, assigns, creditors and other person who may acquire the equity or relevant rights of the Parties.

14.11 The taxes applicable to the execution and performance of this Agreement shall be borne by the respective Party.

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This page is the signature page of the Exclusive Service Agreement of Guangzhou Shangying Internet Technology Co., Ltd.

Party A:

Guangzhou Shangying Internet Technology Co., Ltd. (seal)
/seal/ Guangzhou Shangying Internet Technology Co., Ltd.
/s/ Wenxian Zhong
Name: Wenxian Zhong
Title: Legal Representative

This page is the signature page of the Exclusive Service Agreement of Guangzhou Shangying Internet Technology Co., Ltd.

Party B:

Guangzhou Baiguoyuan Information Technology Co., Ltd. (seal)
/seal/ Guangzhou Baiguoyuan Information Technology Co., Ltd.
/s/ Wenxian Zhong
Name: Wenxian Zhong
Title: Legal Representative

Exclusive Option Agreement

This Exclusive Option Agreement (this "***Agreement***"), dated January 15, 2021, is entered into by and between:

1. **Ting Li:**
   Identity Card Number: ***

2. **Lin Song:**
   Identity Card Number: ***

3. **Di Fu:** (together with Ting Li and Lin Song, collectively as the"**Existing Shareholders**"**):**
   Identity Card Number: ***

4. **Guangzhou Shangying Internet Technology Co., Ltd.** ("***Company***")
   Registered address: 4/F, 5/F, 6/F, 13/F, 14/F, 15/F, 16/F, Jisheng Business Center, No. 278 Xingtai Road,
   Shiqiao Street, Panyu District, Guangzhou
   Legal representative: Wenxian Zhong

5. **Guangzhou Baiguoyuan Information Technology Co., Ltd.** ("***WFOE***")
   Registered address: 5/F to 13/F, West Tower, Building C, No. 274 Xingtai Road,
   Shiqiao Street, Panyu District, Guangzhou Legal representative: Wenxian Zhong

The parties above shall be hereinafter individually referred to as a "Party"; collectively, the "Parties".

PREAMBLE

1. The Existing Shareholders are the registered shareholders of the Company and holds all the equity shares of the Company. As of the date hereof, the capital amount of the registered capital of the Company by the Existing Shareholders is RMB10,000, and the shares percentage by the Existing Shareholders is 100%, which all of the registered capital are unpaid. The basic information of the Company is shown as Exhibit A.

2. The Existing shareholders intend to transfer all of their equity in the Company to the WFOE and/or its designated entities and/or individuals without violating the PRC Laws, and the WFOE intends to accept such transfer by itself or other entities and/or individuals appointed by it.

3. The Company intends to transfer all of the assets held by it to the WFOE and/or its designated entities and/or individuals without violating the PRC Laws, and the WFOE intends to accept such transfer by itself or other entities and/or individuals appointed by it.

4. The Company and the Existing shareholders intend to reduce the capital of the Company and increase the capital of the Company by the WFOE and/or its designated entities and/or individuals

without violating the PRC Laws, and the WFOE intends to subscribe such increased capital by itself or other entities and/or individuals appointed by it.

5. In order to fulfill the above-mentioned share or asset transfer, the Existing Shareholders and the Company agree to separately and exclusively grant irrevocable share purchase option and asset purchase option to the WFOE. According to such share purchase option and asset purchase option, subject to the PRC Laws, the Existing Shareholders or the Company shall, in accordance with the requirements of the WFOE, transfer the Option Shares or Company Assets (as defined below) to the WFOE and/or any other entity and/or individual designated by the WFOE in accordance with the provisions of this Agreement; in order to fulfill the above-mentioned capital reduction and capital increase of the Company, the Existing Shareholders and the Company agree to grant an irrevocable share subscription option to the WFOE. According to such share subscription option, subject to the PRC Laws, the Company shall, in accordance with the requirements of the WFOE, reduce the capital of the Company, and the Capital Increase Shares (as defined below) shall be subscribed by the WFOE and/or any other entity and/or individual designated by the WFOE in accordance with the provisions of this Agreement

6. The Company agrees the Existing Shareholders to grant the WFOE the Shares Purchase Option (as defined below) pursuant to the terms and conditions of this Agreement.

7. The Existing Shareholders agrees the Company to grant the WFOE the Assets Purchase Option (as defined below) pursuant to the terms and conditions of this Agreement.

8. The Company and the Existing Shareholders agree to grant the WFOE the Shares Subscription Option (as defined below) pursuant to the terms and conditions of this Agreement.

NOW, THEREFORE, the Parties agree as follows through negotiations:

1. DEFINITIONS

1.1 Definitions. Unless otherwise provided, in this Agreement:

PRC Laws means the then effective laws, administrative regulations, local regulations, judicial interpretation and other binding regulatory documents of the People's Republic of China.

Shares Purchase Option means the option to purchase the shares of the Company granted by the Existing Shareholders to the WFOE pursuant to the terms and conditions of this Agreement.

Assets Purchase Option means the option to purchase the assets of the Company granted by the Company to the WFOE pursuant to the terms and conditions of this Agreement.

Shares Subscription Option means the option to request the Company reduce its capital (the amount shall be part of or all of the Option Shares (as defined below)), and to subscribe increased capital of the Company by the WFOE or other entities and/or individuals appointed by it .

Option Shares means all the shares of the Company Register Capital (as defined below) held by the Existing Shareholders, namely the shares of 100% of the Company Register Capital.

Company Registered Capital means as the date hereof, the registered capital of the Company at the amount of RMB10,000, also include the increased registered capital by any form of capital increase during the term of this Agreement.

Transfer Shares means when the WFOE exercises its Shares Purchase Option, it is entitled to require the Existing Shareholders to transfer the shares of the Company to it and/or its designated entity and/or individual in accordance with the provisions of Section 3 of this Agreement. The number of which may be all or part of the Option Shares, and the specific number shall be freely determined by the WFOE in accordance with the PRC laws and its own commercial considerations.

Transfer Assets means when the WFOE exercises its Assets Purchase Option, it is entitled to require the Company to transfer the assets of the Company to it and/or its designated entity and/or individual in accordance with the provisions of Section 3 of this Agreement. It may be all or part of the Company Assets, and shall be freely determined by the WFOE in accordance with the PRC laws and its own commercial considerations.

Increased Capital Shares means when the WFOE exercises its Shares Subscription Option before or after the reduction of capital of the Company, the WFOE and/or its designated entity and/or individual is entitled to subscribe the newly increased capital of the Company in accordance with the provisions of Section 3 of this Agreement. The specific number of which shall be freely determined by the WFOE in accordance with the PRC laws and its own commercial considerations.

Exercise means the WFOE exercises its Shares Purchase Option, Assets Purchase Option and Shares Subscription Option.

Transfer Price means in each Exercise, all the considerations that need to be paid by the WFOE and/or its designated entity and/or individual to the Existing Shareholders or the Company in order to obtain the Transfer Shares or Transfer Assets.

Capital Reduction Price means in each Exercise, all the considerations that the Company needs to pay to the Existing Shareholders in respect of the reduction of Company Register Capital.

Capital Increase Price means in each Exercise, all the considerations that need to be paid by the WFOE and/or its designated entity and/or individual to the Company for subscription of the Increased Capital Shares.

Business License means any approvals, permits, filings and registrations that the company must hold in order to operate all its businesses legally and effectively, including but not limited to “Enterprise Entity Business License” and other relevant permits and licenses required by the PRC Laws then.

Company Assets means all the tangible and intangible assets the Company owned or has the right to dispose, including but not limited to any real estate, moveable properties, and intellectual properties such as trademarks, copyrights, patents, domain names, software use rights.

Material Contracts means the contracts Company as a party have material effects on the Company's business or assets, including but not limited to the Exclusive Service Agreemen signed by the Company and the WFOE simultaneously with this Agreement and other material contracts about the Company's business.

Exercise Notice has the meaning assigned to it in Section 3.9.

Confidential Information has the meaning assigned to it in Section 8.1.

Defaulting Party has the meaning assigned to it in Section 11.1.

Default has the meaning assigned to it in Section 11.1.

Non-defaulting Party has the meaning assigned to it in Section 11.1.

Such Party's Right has the meaning assigned to it in Section 12.5.

1.2 Any referring to any law or statutory provision under this Agreement shall be deemed to:

(a) also include referring to any revision, extension, combination and replacement related to such law or provision; and
(b) also include referring to orders, ordinances, instructions and other subordinate legislation promulgated in accordance with relevant law or provisions.

1.3 All references in this Agreement to designated "Sections" and other subdivisions are to the designated Sections and other subdivisions of the body of this Agreement unless explicitly stated otherwise

2. GRANT OF SHARES PURCHASE OPTION, ASSETS PURCHASE OPTION AND SHARE SUBSCRIPTION OPTION

2.1 The Existing Shareholders hereby agree to exclusively grant an irrevocable Shares Purchase Option to the WFOE without any additional condition. According to such Share Purchase Option, subject to the PRC Laws, the WFOE is entitled to require the Existing Shareholders transfer the Option Shares to the WFOE and/or any other entity and/or individual designated by the WFOE at any time (including but not limited to when the WFOE, after its independent judgment, believes that the Existing Shareholders are at risk of transferring all or part of the Option Shares they hold to any third party in accordance with the requirements of the PRC Laws, other than to the WFOE and/or its designated entity and/or individual) in accordance with the provisions of this Agreement. The WFOE agrees to accept such Shares Purchase Option.

2.2 The Company hereby agrees the Existing Shareholders grant such Shares Purchase Option to the WFOE in accordance with the Section 2.1 above and other provisions of this Agreement.

2.3 The Company hereby agrees to exclusively grant an irrevocable Assets Purchase Option to the WFOE without any additional condition. According to such Assets Purchase Option, subject to the PRC Laws, the WFOE is entitled to require the Company transfer all of or part of the Company Assets to the WFOE and/or any other entity and/or individual designated by the WFOE at any time (including but not limited to when the WFOE, after its independent judgment, believes that the Existing Shareholders are at risk of transferring all or part of the Option Shares they hold to any third party in accordance with the requirements of the PRC Laws, other than to the WFOE and/or its designated entity and/or individual) in accordance with the provisions of this Agreement. The WFOE agrees to accept such Assets Purchase Option.

2.4 The Existing Shareholders hereby agree the Company grant such Assets Purchase Option to the WFOE in accordance with the Section 2.3 above and other provisions of this Agreement.

2.5 The Existing Shareholders and the Company hereby severally and jointly agree, to exclusively grant an irrevocable Shares Subscription Option to the WFOE without any additional condition. According to such Share Subscription Option, subject to the PRC Laws, the WFOE is entitled to require the Company reduce its capital at any time (including but not limited to when the WFOE, after its independent judgment, believes that the Existing Shareholders are at risk of transferring all or part of the Option Shares they hold to any third party in accordance with the requirements of the PRC Laws, other than to the WFOE and/or its designated entity and/or individual) , and the WFOE and/or any other entity and/or individual designated by the WFOE is entitled to subscribe the Increased Capital Shares in accordance with the provisions of this Agreement. The WFOE agrees to accept such Shares Subscription Option.

3. Exercise Methods

3.1 Subject to the terms and conditions of this Agreement, as permitted by the PRC Laws, the WFOE has absolute discretion to determine the specific time, method and frequency of Exercise.

3.2 Subject to the terms and conditions of this Agreement, the WFOE has the right to request the purchase of all or part of the Company's shares from the Existing Shareholders by itself and/or through other entities and/or individuals designated by the WFOE at any time without violating the PRC laws then effective.

3.3 Subject to the terms and conditions of this Agreement, the WFOE has the right to request the purchase of all or part of the Company's assets from the Company by itself and/or through other entities and/or individuals designated by the WFOE at any time without violating the PRC laws then effective.

3.4 Subject to the terms and conditions of this Agreement, the WFOE has the right to request the reduction of capital of the Company, and to subscribe the Increased Capital Shares by itself and/or

through other entities and/or individuals designated by the WFOE at any time without violating the PRC laws then effective.

3.5 As for the Shares Purchase Option, at each Exercise, the WFOE has the right to decide the number of shares that the Existing Shareholders should transfer to the WFOE and/or through other entities and/or individuals designated by the WFOE during such Exercise, and the Existing Shareholders shall respectively transfer the Transfer Shares to the WFOE and/or through other entities and/or individuals designated by the WFOE according to the number required by the WFOE. The WFOE and/or through other entities and/or individuals designated by the WFOE shall pay the Transfer Price to the Existing Shareholders who have transferred the Transfer Shares in respect of the Transfer Shares purchased in each Exercise.

3.6 As for the Assets Purchase Option, at each Exercise, the WFOE has the right to decide the specific Company Assets that the Company should transfer to the WFOE and/or through other entities and/or individuals designated by the WFOE during such Exercise, and the Company shall transfer the Transfer Assets to the WFOE and/or through other entities and/or individuals designated by the WFOE according to the number required by the WFOE. The WFOE and/or through other entities and/or individuals designated by the WFOE shall pay the Transfer Price to the Company in respect of the Transfer Assets purchased in each Exercise.

3.7 As for the Shares Subscription Option, at each Exercise, the Company shall confirm the amount of capital which shall be reduced in such Exercise pursuant to the request of the WFOE, the WFOE has the right to decide the Existing Shareholders reduce their capital contribution to the Company, and the Company and the Existing Shareholders shall reduce capital of the Company pursuant to the request of the WFOE; concurrently, the WFOE has the right to decide the number of the Increase Capital Shares to be subscribed by the WFOE and/or through other entities and/or individuals designated by the WFOE, and the Company shall accept the subscription of the Increase Capital Shares from the WFOE and/or through other entities and/or individuals designated by the WFOE according to the request of the WFOE. The Company shall pay the Capital Reduction Price to the Company in respect of the capital reduced in respect of the capital reduction in each Exercise. The WFOE and/or through other entities and/or individuals designated by the WFOE shall pay the Capital Increase Price to the Company in respect of the Increase Capital Shares subscribed in each Exercise.

3.8 At each Exercise, the WFOE could purchase the Transfer Shares, Transfer Assets or subscribe the Increase Capital Shares by itself, and could designate any third party to purchase all or part of the Transfer Shares, Transfer Assets or subscribe all or part of the Increase Capital Shares.

3.9 At each time the WFOE decide the Exercise, it shall delivery to the Existing Shareholders and/or the Company a Shares Purchase Option exercise notice, Assets Purchase Option exercise notice or Shares Subscription Option exercise notice (the “Exercise Notice”, in the form respectively set forth in Exhibit B, Exhibit C and Exhibit D). Upon receipt of the Exercise Notice, the Existing Shareholders or the Company shall immediately transfer the Transfer Shares or Transfer Assets to the WFOE and/or through other entities and/or individuals designated by the WFOE in one time in accordance with the method described in Section 3.5 or 3.6 of this Agreement, or shall reduce the capital of the Company in the

manner described in Section 3.7, and the Increased Capital Shares shall be subscribed by the WFOE and/or through other entities and/or individuals designated by the WFOE.

4. TRANSFER PRICE, CAPITAL REDUCTION PRICE AND CAPITAL INCREASE PRICE

4.1 As for the Shares Purchase Option, at each Exercise, the total Transfer Price that the WFOE and/or through other entities and/or individuals designated by the WFOE should pay to the Existing Shareholders shall be the actual paid-in capital contribution corresponding to the relevant Transfer Shares in the Company's registered capital. If the minimum price allowed by the PRC Laws at that time is higher than the aforementioned actual paid-in capital, the minimum price allowed by the PRC Laws shall prevail. Under the premise of complying with the PRC Laws, the Existing Shareholders shall immediately return and gift it to the WFOE and/or its designated entity after receiving the Transfer Price.

4.2 As for the Assets Purchase Option, at each Exercise, the total Transfer Price that the WFOE and/or through other entities and/or individuals designated by the WFOE should pay to the Existing Shareholders shall be the net book value of the relevant assets. If the minimum price allowed by the PRC Laws at that time is higher than the aforementioned net book value, the minimum price allowed by the PRC Laws shall prevail. Under the premise of complying with the PRC Laws, the Existing Shareholders shall immediately return and gift it to the WFOE and/or its designated entity after receiving the Transfer Price.

4.3 As for the Share Subscription Option, at each Exercise, the Company shall pay the Capital Reduction Price to the Existing Shareholders who have reduced their capital contribution to the company. The Capital Reduction Price shall be the reduced actual paid-up amount of the Company Registered Capital. If the minimum price allowed by the PRC Laws at that time is higher than the aforementioned Capital Reduction Price, the minimum price allowed by the PRC Laws shall prevail; and the total subscription price that WFOE and/or through other entities and/or individuals designated by the WFOE should pay to the Company for the subscription of Increased Capital Shares is the Capital Reduction Price paid to the Existing Shareholders when the Company reduces its capital and the registered capital that the Existing Shareholders have not paid to the company at the time of capital reduction (if any), unless the WFOE and the Company agree otherwise. Under the premise of complying with the PRC Laws, the Existing Shareholders shall immediately return and gift it to the WFOE and/or its designated entity after receiving the Capital Reduction Price.

4.4 All taxes and fees arising from the Exercise of the Shares Purchase Option, Assets Purchase Option or Shares Subscription Option under this Agreement in accordance with applicable laws, shall be paid by each Party or withheld in accordance with the laws.

5. REPRESENTATIONS AND WARRANTIES

5.1 The Existing Shareholders represent and warrant as follows:

(a) The Existing Shareholders are limited partnerships legally registered and validly existing in accordance with the PRC laws and has complete and independent legal status and legal capacity to execute, deliver and perform this Agreement, and can independently act as a party to a litigation.

(b) The Company is a limited liability company legally registered and validly existing in accordance with the PRC laws and has independent legal capacity; has complete and independent legal status and legal capacity to execute, deliver and perform this Agreement, and can independently act as a party to a litigation.

(c) The Existing Shareholders have the full internal power and authorization to sign and deliver this Agreement and all other documents that they will sign related to the transactions described in this Agreement, and they have the full power and authorization to complete the transactions described in this Agreement.

(d) This Agreement constitutes the Existing Shareholders' legal, valid and binding obligations, and shall be enforceable against them.

(e) The Existing Shareholders are the registered legal owner of the Option Shares when this Agreement becomes effective. Except for the Shares Purchase Option, Shares Subscription Option, the pledge contemplated in the Share Pledge Agreement by and among the Company, the WFOE and the Existing Shareholders dated [ ], 2020 and the entrustment contemplated in the Shareholder Voting Rights Proxy Agreement dated [ ], 2020 , there is no liens, pledges, claims and other security rights and third-party rights on the Option Shares. According to this Agreement, after the Exercise by the WFOE and/or through other entities and/or individuals designated by the WFOE, it can obtain good ownership of the Transfer Shares without any lien, pledge, claim, other security rights and third-party rights.

(f) Except for the Assets Purchase Option, there is no liens, pledges, claims and other security rights and third-party rights on the Company Assets. According to this Agreement, after the Exercise by the WFOE and/or through other entities and/or individuals designated by the WFOE, it can obtain good ownership of the Company Assets without any lien, pledge, claim, other security rights and third-party rights.

5.2 The Company represents and warrants as follows:

(a) The Company is a limited liability company legally registered and validly existing in accordance with the PRC laws and has independent legal capacity; has complete and independent legal status and legal capacity to execute, deliver and perform this Agreement, and can independently act as a party to a litigation.

(b) The Company has the full internal power and authorization to sign and deliver this Agreement and all other documents that it will sign related to the transactions described in this Agreement,

and it has the full power and authorization to complete the transactions described in this Agreement.

(c) This Agreement is legally and duly executed and delivered by the Company. This Agreement constitutes the Company's legal, valid and binding obligations, and shall be enforceable against it.

(d) Except for the Assets Purchase Option, there is no liens, pledges, claims and other security rights and third-party rights on the Company Assets. According to this Agreement, after the Exercise by the WFOE and/or through other entities and/or individuals designated by the WFOE, it can obtain good ownership of the Company Assets without any lien, pledge, claim, other security rights and third-party rights.

5.3 The WFOE represents and warrants as follows:

(a) The WFOE is a limited liability company legally registered and validly existing in accordance with the PRC laws and has independent legal capacity; has complete and independent legal status and legal capacity to execute, deliver and perform this Agreement, and can independently act as a party to a litigation.

(b) The WFOE has the full internal power and authorization to sign and deliver this Agreement and all other documents that it will sign related to the transactions described in this Agreement, and it has the full power and authorization to complete the transactions described in this Agreement.

(c) This Agreement is legally and duly executed and delivered by the WFOE. This Agreement constitutes the WFOE's legal, valid and binding obligations, and shall be enforceable against it.

6. EXISTING SHAREHOLDERS' COVENANTS

The Existing Shareholders irrevocably undertake as follows:

6.1 During the term of this Agreement, without prior written consent of the WFOE:

(a) They shall not transfer or dispose of any Option Shares in any other way or set any security right or other third party rights on any Option Shares;

(b) They shall not increase or decrease the Company Registered Capital, or cause the Company to merge with any other entity;

(c) They shall not dispose of or procure the Company's management to dispose of any material Company Assets (except those occur in the ordinary course of business);

(d) They shall not terminate or procure the Company's management to terminate any material agreement signed by the Company, or enter into any other agreement that conflicts with existing material agreements;

(e) They shall not appoint or remove any Company's directors, supervisors or other company's managers who should be appointed or removed by the Existing Shareholders;

(f) They shall not procure the company to declare or actually distribute any distributable profits or dividends;

(g) They shall not take any actions (including any omissions) that will affect the effective existence of the Company; nor take any actions that may make the Company to be terminated, liquidated or dissolved;

(h) They shall not amend the articles and associations of the Company; and

(i) They shall not take any actions (including any omissions) that make the company lend or borrow loans, or provide guarantees or make other forms of guarantees, or undertake any substantial obligations outside of ordinary business activities.

6.2 During the term of this Agreement, they must use their best efforts to develop the Company's business and ensure the Company's operation is in compliance with the laws and regulations. They will not conduct any action or omission that may damage the Company's assets, goodwill or affect the validity of the Company's business licenses.

6.3 During the term of this Agreement, they shall promptly inform the WFOE of any situation that may have a material adverse effect on the Company's existence, business operations, financial conditions, assets or goodwill, and promptly take all measures agreed by the WFOE to eliminate such unfavorable situations or take effective remedial measures.

6.4 Once the WFOE issues the Exercise Notice:

(a) They shall immediately adopt shareholder decisions and take all other necessary actions to agree the Existing Shareholders or the Company to transfer all Transfer Shares or Transfer Assets to the WFOE and/or through other entities and/or individuals designated by the WFOE at the Transfer Price, or agree the reduction of the Company's capital, and accept the WFOE and/or through other entities and/or individuals designated by the WFOE to subscribe for the Increased Capital Shares of the Company (depending on the situation);

(b) With respect to the Shares Purchase Option, they shall immediately sign an shares transfer agreement with the WFOE and/or through other entities and/or individuals designated by the WFOE, transfer all the Transfer Shares to the WFOE and/or through other entities and/or individuals designated by the WFOE at the Transfer Price, and provide the WFOE with the necessary support in accordance with the requirements of the WFOE and the provisions of laws

and regulations (including providing and signing all relevant legal documents, and fulfilling all government approvals and registration procedures and assume all relevant obligations) so that the WFOE and/or through other entities and/or individuals designated by the WFOE can obtain all the Transfer Shares, and there should be no legal flaws in such Transfer Shares and there should be no security rights, third-party restrictions or any other restrictions on shares;

(c) With respect to the Shares Subscription Option, the Existing Shareholders shall immediately sign an capital reduction agreement with the Company in a form and substance to the satisfactory of the WFOE, the Existing Shareholders shall assist and cooperate with the Company to implement capital reduction procedure (including notifying creditors, making public announcement of capital reduction, signing all relevant legal documents, and fulfilling all government approvals and registration procedures and assume all relevant obligations) so that the Company could complete the capital reduction successfully, and the WFOE and/or through other entities and/or individuals designated by the WFOE could complete the subscription of the Increased Capital Shares.

6.5 If the Transfer Price received by the Existing Shareholders for the Transfer Shares held by them, the Capital Reduction Price received as a result of the Company's capital reduction, and/or the amounts received from distribution of the Company's remaining assets when the company is terminated or liquidated, are higher than the capital contributions to the Company by them, or receives any form of profits distribution or dividends from the Company, then the Existing Shareholders agree and confirm that they will not be entitled to the income and profits distribution or dividends from the premium (after deduction of relevant taxes) without violating the PRC Laws, and such portion of the income and profits distribution or dividends should be attributed to the WFOE. The Existing shareholders shall instruct the relevant transferee or the Company to pay such portion of the proceeds to the bank account then designated by the WFOE.

6.6 They irrevocably agree to the Company's execution and performance of this Agreement, and provide the Company with all cooperation in the execution and performance of this Agreement, including but not limited to signing all necessary documents or documents required by the WFOE, and taking all necessary or actions required by the WFOE, and no action or omission will be taken to prevent the WFOE from claiming and realizing its rights under this Agreement.

6.7 Once they know or should be aware that the Option Shares they hold may be transferred to any third party other than the WFOE and/or through other entities and/or individuals designated by the WFOE due to applicable laws, judgments or awards of courts or arbitration institution, or for any other reason, they should immediately and without hesitation notify the WFOE.

7. COMPANY'S COVENANTS

7.1 The Company irrevocably undertakes as follows:

(a) If the execution and performance of this Agreement and the granting of Shares Purchase Option, Assets Purchase Option or Shares Subscription Option under this Agreement require the consent, permission, waiver, authorization of any third party, or the approval, permission, exemption or approval of any government authorities, or the registration or filing procedures with any government authorities (if required by the Laws), the company will use its best effort to assist in meeting the above conditions.

(b) Without prior written consent of the WFOE, it shall not assist or allow the Existing Shareholders transfer or dispose of any Option Shares in any other way or set any security right or other third party rights on any Option Shares.

(c) Without prior written consent of the WFOE, it shall not transfer or dispose of any material Company Assets (except those occur in the ordinary course of business) in any other way or set any security right or other third party rights on any Company Assets.

(d) The Company shall not carry out or allow any behavior or action that may adversely affect the interests of the WFOE under this Agreement, including but not limited to any behavior and action restricted by Section 6.1.

(e) Once it knows or should be aware that the Option Shares hold by the Existing Shareholders may be transferred to any third party other than the WFOE and/or through other entities and/or individuals designated by the WFOE due to applicable laws, judgments or awards of courts or arbitration institution, or for any other reason, it should immediately and without hesitation notify the WFOE.

7.2 Once the WFOE issues the Exercise Notice:

(a) The Company shall immediately procure the Existing Shareholders to adopt shareholders decisions and take all other necessary actions to agree the Company to transfer all Transfer Assets to the WFOE and/or through other entities and/or individuals designated by the WFOE at the Transfer Price, or agree the reduction of the Company's capital, and accept the WFOE and/or through other entities and/or individuals designated by the WFOE to subscribe for all the Increased Capital Shares of the Company (depending on the situation);

(b) With respect to the Assets Purchase Option, the Company shall immediately sign an assets transfer agreement with the WFOE and/or through other entities and/or individuals designated by the WFOE, transfer all the Transfer Assets to the WFOE and/or through other entities and/or individuals designated by the WFOE at the Transfer Price, and procure the Existing Shareholders to provide the WFOE with necessary support in accordance with the requirements of the WFOE and the provisions of laws and regulations (including providing and signing all relevant legal documents, and fulfilling all government approvals and registration procedures and assume all relevant obligations) so that the WFOE and/or through other entities and/or individuals designated by the WFOE can obtain all the Transfer Assets, and there should be no

legal flaws in such Transfer Assets and there should be no security rights, third-party restrictions or any other restrictions on Company Assets;

(c) With respect to the Shares Subscription Option, the Company shall immediately sign an capital reduction agreement with the Existing Shareholders in a form and substance to the satisfactory of the WFOE, the Company shall, and the Existing Shareholders shall procure the Company to implement capital reduction procedure (including notifying creditors, making public announcement of capital reduction, signing all relevant legal documents, and fulfilling all government approvals and registration procedures and assume all relevant obligations) so that the Company could complete the capital reduction successfully, and the WFOE and/or through other entities and/or individuals designated by the WFOE could complete the subscription of the Increased Capital Shares.

8. CONFIDENTIALITY

8.1 Regardless of whether this Agreement is terminated or not, both parties shall strictly keep confidential the trade secrets, proprietary information, customer information and other confidential information of the other Party obtained during the execution and performance of this Agreement. Without the prior written consent from the disclosing Party, or mandatorily required to be disclosed to third party by relevant laws and regulations or the requirements of the listing place of a Party's related company, the receiving Party should not disclose any confidential information to any third party; unless for the purpose of performance of this Agreement, the receiving Party should not use or indirectly use any confidential information.

8.2 Confidential information shall not include information:

(a) is known to the Receiving Party prior to disclosure by the disclosing Party as demonstrated by documentary evidence;

(b) is or becomes available to the public other than as a result of the receiving Party’s fault; or

(c) information obtained legally by the receiving Party from other sources after receiving confidential information.

8.3 The receiving Party may disclose confidential information to its relevant employees, agents or professionals engaged, provided the receiving Party shall ensure the abovementioned personnel be in compliance with the relevant terms and conditions of this Agreement and be liable for any responsibilities incurred by breach of the relevant terms and conditions of this Agreement by the abovementioned personnel.

8.4 Notwithstanding any other terms of this Agreement, this section shall still be valid and binding upon the termination of this Agreement.

9. TERM

This Agreement takes effect as of the date of execution. Unless otherwise required by the WFOE, this Agreement will terminate after all the Option Shares and Company Assets are legally transferred to the WFOE and/or through other entities and/or individuals designated by the WFOE in accordance with this Agreement.

10. NOTICE

10.1 All the notices, request, requirement and other communications pursuant to this Agreement shall be delivered to the relevant Party in written form.

10.2 Abovesaid notices or other notices if given by facsimile transmission or e-mail, shall be deemed effectively given upon successful transmission; if given by person, shall be deemed effectively given upon delivery by person; if given by post, shall be deemed effectively given on the date after two (2) days from posting.

11. DEFAULT

11.1 Both Parties agree and confirm that, if any Party ("**Defaulting Party**") materially violates any of the terms under this Agreement, or fails to perform, incompletely perform or delays the performance of any of the obligations under this Agreement, it shall constitute a breach of this Agreement ("**Default**"). Any Party of the other non-defaulting Party ("**Non-Defaulting Party**") has the right to request Defaulting Party to make amendments or remedies within reasonable period. If the Defaulting Party fails to make amendments or remedies within reasonable period or ten (10) days after the other Party sends a written notice to Party B and requests for amendments, then:

(a) if the Existing Shareholders or the Company is the Defaulting Party, the WFOE is entitled to terminate this Agreement, and requires the Defaulting Party to compensate all the losses;

(b) if the WFOE is the Defaulting Party, the Non-Defaulting Party is entitled to require the Defaulting Party to compensate all the losses, however, unless otherwise required by the Laws, it has no right to terminate or cancel this Agreement under any circumstances.

For the purpose of this Section 11.1, the Existing Shareholders further confirm and agree that their breach of Section 6 of this Agreement will constitute a material violation of this Agreement; the Company further confirms and agrees that its breach of Section 7 of this Agreement will constitute its material violation of this Agreement.

11.2 Notwithstanding any other terms of this Agreement, the validity of this Section shall not be affected by the termination of this Agreement.

12. MISCELLANEOUS PROVISIONS

12.1 This Agreement is executed in the Chinese language. This Agreement may be executed in five (5) counterparts, which the Company keeps one (1) counterpart, one (1) counterpart for governmental approval or registration, and the WFOE keeps other three (3) counterparts.

12.2 This Agreement, including the execution, validity, performance, interpretation and dispute resolution of this Agreement, shall be governed by and construed in accordance with the PRC Laws.

12.3 Dispute Resolution

(a) The Parties shall firstly attempt to resolve any and all disputes arising out of or relating to this Agreement through friendly consultations. If a dispute is not resolved through friendly consultations, then each Party may submit the dispute to Guangzhou Arbitration Commission for arbitration in accordance with then effective arbitration rules of such commission. The arbitration shall be conducted in Guangzhou. The award of the arbitration tribunal shall be final and binding upon the Parties. The costs of arbitration shall be borne by the losing Party, unless otherwise determined by the arbitration tribunal.

(b) When any dispute is under arbitration, except for the matters in dispute, the Parties shall continue to fulfil their respective obligations under this Agreement.

12.4 Any rights, powers and remedies granted to both Parties by any terms of this Agreement shall not exclude any other rights, powers or remedies that the Party is entitled to in accordance with the laws and other terms under this Agreement, and one Party's exercise of its rights, powers and remedies does not preclude such Party from exercising other rights, powers and remedies.

12.5 A Party's failure to exercise or delay in exercising any of its rights, powers and remedies ("**Such Party's Rights**") under this Agreement or the laws will not result in the waiver of such rights, and any single or partial waiver of Such Party's Rights will not exclude such Party's exercise of such rights in other manner and the exercise of other Such Party's Rights.

12.6 The titles of the sections and subsections of this Agreement are for convenience of reference only and are not to be considered in construing this Agreement.

12.7 Each provision of this Agreement shall be severable and independent. If any single or multiple provisions hereof become invalid, illegal or unenforceable in any aspect, the validity, legality and enforceability of the remaining provisions of this Agreement shall not be affected in any aspect.

12.8 This Agreement once executed shall supersede all prior agreements both Parties executed before, with respect to the subject matter hereof and thereof. Any amendment and supplements to this Agreement shall be made in writing, and only takes effect after the execution by all Parties hereunder, except for the WFOE's transfer of its rights under Section 12.9 of this Agreement.

12.9 Without the prior written consent of the WFOE, the other Parties have no right to transfer or assign any of its rights and obligations hereunder to any third party. The other Parties hereby agree that the WFOE may transfer its rights and obligations under this Agreement to a third party, and that the

WFOE only needs to send a written notice to the other Parties of such transfer, and there is no need to obtain consent from the other Parties for such transfer.

12.10 This Agreement shall be binding upon the respective successors and assigns. The Existing Shareholders assure to WFOE that they have made all proper arrangements and signed all necessary documents to ensure that when they bankrupts, liquidates or incurs other situations that may affect the exercise of their shareholders' rights, their legal transferees, successors, heirs, liquidators, bankruptcy administrators, creditors, and other persons who may obtain the Company's shares or related rights shall not affect or hinder the performance of this Agreement. For this purpose, the Existing Shareholders and the Company should promptly sign all other documents required by the WFOE and take all other actions required by the WFOE (including but not limited to notarization of this Agreement).

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This page is the signature page of the Exclusive Option Agreement of Guangzhou Shangying Internet Technology Co., Ltd.

Existing Shareholder:

Ting Li
/s/ Ting Li

This page is the signature page of the Exclusive Option Agreement of Guangzhou Shangying Internet Technology Co., Ltd.

Existing Shareholder:

Lin Song
/s/ Lin Song

This page is the signature page of the Exclusive Option Agreement of Guangzhou Shangying Internet Technology Co., Ltd.

Existing Shareholder:

Di Fu
/s/ Di Fu

This page is the signature page of the Exclusive Option Agreement of Guangzhou Shangying Internet Technology Co., Ltd.

Company:

Guangzhou Shangying Internet Technology Co., Ltd. (seal)
/seal/ Guangzhou Shangying Internet Technology Co., Ltd.
/s/ Wenxian Zhong
Name: Wenxian Zhong
Title: Legal Representative

This page is the signature page of the Exclusive Option Agreement of Guangzhou Shangying Internet Technology Co., Ltd.

WFOE:

Guangzhou Baiguoyuan Information Technology Co., Ltd. (seal)
/seal/ Guangzhou Baiguoyuan Information Technology Co., Ltd.
/s/ Wenxian Zhong
Name: Wenxian Zhong
Title: Legal Representative

Exhibit 4.26

Shareholder Voting Rights Proxy Agreement

This Shareholder Voting Rights Proxy Agreement (this "**Agreement**") dated January 15, 2021, is signed by and among:

1. **Ting Li:**

   Identity Card Number: ***

2. **Lin Song:**

   Identity Card Number: ***

3. **Di Fu:** (together with Ting Li and Lin Song, collectively as the"**Existing Shareholders**"**):**

   Identity Card Number: ***

4. **Guangzhou Shangying Internet Technology Co., Ltd.** ("***Company***")

   Registered address: 4/F, 5/F, 6/F, 13/F, 14/F, 15/F, 16/F, Jisheng Business Center, No. 278 Xingtai

   Road, Shiqiao Street, Panyu District, Guangzhou

   Legal representative: Wenxian Zhong

5. **Guangzhou Baiguoyuan Information Technology Co., Ltd.** ("***WFOE***")

   Registered address: 5/F to 13/F, West Tower, Building C, No. 274 Xingtai Road,

   Shiqiao Street, Panyu District, Guangzhou

   Legal representative: Wenxian Zhong

The parties above shall be hereinafter respectively referred to as a "Party", collectively referred to as "Parties".

WHEREAS:

1. The Existing Shareholders are all the present shareholder of the Company, which holds 100% shares of the Company;
2. The Existing Shareholders intend to entrust the individual designated by the WFOE with the exercise of their voting rights in the Company and the WFOE is willing to designate such individual to accept such entrustment.

THEREFORE, the Parties, after friendly consultations, hereby agree as follows:

Article 1 Voting Right Entrustment

1.1 The Existing Shareholders hereby irrevocably undertake to sign a power of attorney in the form and substance as set forth in Annex 1 after execution of this Agreement to entrust the individual designated by the WFOE (hereinafter, the "**Entrusted Person**") to exercise on its behalf the following rights they, as the shareholder of the Company, are entitled to under the then effective articles of association of the Company (collectively, the "**Entrusted Rights**"):

(a) Proposing to convene and attending shareholders' meetings of the Company as the representative of the Existing Shareholders according to the articles of association of the Company;

(b) On behalf of the Existing Shareholders, exercising voting rights on all the issues needing to be discussed and resolved by the shareholders' meetings of the Company, including but not limited to the appointment of the Company's directors and other officers needing to be appointed and removed by shareholders;

(c) Other shareholder voting rights as specified in the articles of association of the Company (including any other shareholder voting rights as specified in the amended articles of association); and

(d) When the Existing Shareholders transfer the shares of the Company held by it, agrees to the transfer of assets of the Company, agrees to reduce capital contributions to the company, or accepts the WFOE or its designated party to subscribe the increased capital of the Company in accordance with the Exclusive Option Agreement signed by the parties on the same date hereof, to sign relevant share transfer agreements, asset transfer agreements (if applicable), capital reduction agreements, capital increase agreements, shareholder decisions and other relevant documents on behalf of the Existing Shareholders, and handle government approval, registration and filing procedure required for such transfer, capital reduction and capital increase.

The above authorization and entrustment are granted subject to the status of the Entrusted Person as a PRC citizen and the approval by the WFOE. Upon and only upon written notice of dismissing and replacing the Entrusted Person given by the WFOE to the Existing Shareholders, the Existing Shareholders shall promptly entrust another PRC citizen then designated by the WFOE to exercise the above Entrusted Rights, and once new entrustment is made, the original entrustment shall be replaced. The Existing Shareholders shall not cancel the authorization and entrustment for the Entrusted Person otherwise.

1.2 The Entrusted Person shall perform the fiduciary obligations within the scope of authorization with due care and diligence and in compliance with laws. The Existing Shareholders acknowledge and assume relevant liabilities for any legal consequences of the Entrusted Person's exercise of the foregoing Entrusted Rights.

1.3 The Existing Shareholders hereby acknowledge that the Entrusted Person is not required to seek advice from the Existing Shareholders prior to the exercise of the foregoing Entrusted Rights. However, the Entrusted Person shall inform the Existing Shareholders in a timely manner of any resolution or any proposal on convening interim shareholders' meeting after such resolution or proposal is made.

Article 2 Right to Information

2.1 For the purpose of exercising the Entrusted Rights hereunder, the Entrusted Person is entitled to know the information with regard to the Company's operation, business, customers, finance, staff, etc., and shall have access to the relevant materials of the Company. The Company shall adequately cooperate with the Entrusted Person in this regard.

Article 3 Exercise of Entrusted Rights

3.1 The Existing Shareholders will provide adequate assistance to the exercise of the Entrusted Rights by the Entrusted Person, including timely execution of the resolutions of the shareholders' meeting of the Company adopted by the Entrusted Person or other related legal documents when necessary (e.g., when it is necessary for examination and approval of or registration or filing with governmental departments).

3.2 If at any time during the term of this Agreement, the grant or exercise of the Entrusted Rights hereunder is unenforceable for any reason (except for default of Existing Shareholders or the Company), the Parties shall immediately seek a most similar substitute for the unenforceable provision and, if necessary, enter into a supplementary agreement to amend or adjust the provisions herein, in order to ensure the realization of the purpose of this Agreement.

Article 4 Exemption and Compensation

4.1 The Parties acknowledge that the WFOE shall not be requested to be liable to or compensate (monetary or otherwise) other Parties or any third party due to exercise of the Entrusted Rights hereunder by the individuals designated by it in any circumstances.

4.2 The Existing Shareholders and the Company agree to indemnify and hold harmless the WFOE from and against all losses incurred or likely to be incurred by it due to exercise of the Entrusted Rights by the Entrusted Person designated by the WFOE, including without limitation, any loss resulting from any litigation, demand, arbitration or claim initiated or raised by any third party against it or from administrative investigation or penalty of governmental authorities (collectively, the "Losses"), PROVIDED THAT the above indemnity in respect of any Losses shall not be available to the WFOE to the extent that such Losses have been caused by the willful default or gross negligence on the part of the Entrusted Person.

Article 5 Representations and Warranties

5.1 The Existing Shareholders hereby represent and warrant that:

(b) The Existing Shareholders are l PRC citizens with full capacity; they have complete and independent legal status and legal capacity to execute, deliver and perform this Agreement, and can independently act as a party to a litigation.

(b) The Company is a limited liability company legally registered and validly existing in accordance with the PRC laws and has independent legal capacity; has complete and independent legal status and legal capacity to execute, deliver and perform this Agreement, and can independently act as a party to a litigation.

(c) They have the full power and authority to execute and deliver this Agreement and all other documents relating to the transaction contemplated hereby and to be executed by it. It also has the full power and authority to consummate the transaction contemplated hereby. This Agreement, when duly executed and delivered, shall constitute a legal, valid and binding obligation enforceable against it in accordance with the terms of this Agreement.

(d) They are the recorded legal shareholder of the Company as of the effective date of this Agreement, and except for the rights under this Agreement, the Equity Pledge Agreement and the Exclusive Option Agreement entered into among the Existing Shareholders, the Company and the WFOE, the Entrusted Rights are free of any third-party right. Pursuant to this Agreement, the Entrusted Person may fully and sufficiently exercise the Entrusted Rights in accordance with the then effective articles of association of the Company.

(e) Without the consent of the WFOE, the Existing Shareholders shall not take any measures to advice, claim or request amendment, modification, termination or change the articles of association of the Company in any other forms.

5.2 The Existing Shareholders hereby irrevocably represent and warrant that, once they know or should be aware that the shares held by them may be transferred to any third party other than the WFOE and/or through other entities and/or individuals designated by the WFOE due to applicable laws, judgments or awards of courts or arbitration institution, or for any other reason, they should immediately and without hesitation notify the WFOE.

5.3. Each of the WFOE and the Company hereby represents and warrants that:

(a) It is a limited liability company duly organized and validly existing under the PRC Law with an independent legal personality. It has the full and independent legal status and legal capacity to execute, deliver and perform this Agreement and may sue or be sued as an independent party.

(b) It has the full corporate power and authority to execute and deliver this Agreement and all other documents relating to the transaction contemplated hereby and to be executed by it. It also has the full power and authority to consummate the transaction contemplated hereby.

5.4 The Company further represents and warrants that:

(a) The Existing Shareholders are the recorded legal shareholders of the Company as of the effective date of this Agreement, and except for the rights under this Agreement, the Equity Pledge Agreement and the Exclusive Option Agreement entered into among the Existing Shareholders, the Company and the WFOE, the Entrusted Rights are free of any third-party right. Pursuant to this Agreement, the Entrusted Person may fully and sufficiently exercise the Entrusted Rights in accordance with the then effective articles of association of the Company.

5.5 The Company hereby irrevocably represents and warrants that, once it knows or should be aware that the shares held by the Existing Shareholders may be transferred to any third party other than the WFOE and/or through other entities and/or individuals designated by the WFOE due to applicable laws, judgments or awards of courts or arbitration institution, or for any other reason, it should immediately and without hesitation notify the WFOE.

Article 6 Term

6.1 Subject to the provisions of Articles 6.2 and 6.3 hereof, this Agreement shall become effective as of the date of the due execution by the Parties and the term of this Agreement shall be twenty (20) years; unless prematurely terminated by the Parties in writing or pursuant to Article 9.1 hereof. After the expiration of this Agreement, unless the WFOE informs other Parties 30 days in advance that this Agreement will not be renewed, this Agreement will be automatically renewed for one year after the expiration of the term, and so on.

6.2 If the Company or the WFOE, upon expiry of its duration, fails to handle the examination, approval and registration procedures concerning the extension of its duration, this Agreement shall be terminated.

6.3 In case that the Existing Shareholders transfer all of the equity interest held by it in the Company with the WFOE's prior consent, such Existing Shareholder shall cease to be a party to this Agreement since it has completed relevant assistant obligation, executed all the relevant and necessary documents, completed relevant internal procedure of the Company and governmental approval, registration, filing procedures (provided subject to Article 4, Article 5.1, Article 6, Article 7, Article 8, Article 9 and Article 10).

Article 7 Notices

7.1 All the notices, request, requirement and other communications pursuant to this Agreement shall be delivered to the relevant Party in written form.

7.2 Abovesaid notices or other notices if given by facsimile transmission or e-mail, shall be deemed effectively given upon successful transmission; if given by person, shall be deemed effectively given upon delivery by person; if given by post, shall be deemed effectively given on the date after two (2) days from posting.

Article 8 Confidentiality

8.1 Regardless of whether this Agreement is terminated or not, each Party shall keep strictly confidential all the business secrets, proprietary information, customer information and other information of a confidential nature about the other Parties known by it during the execution and performance of this Agreement (collectively, the "**Confidential Information**"). The receiving Party shall not disclose any Confidential Information to any third party except with the prior written consent of the disclosing Party or in accordance with relevant laws or regulations or under requirements of the place where its affiliate is listed on a stock exchange. The receiving Party shall not use or indirectly use any Confidential Information other than for performing this Agreement.

8.2 The following information shall not be deemed part of the Confidential Information:

(a) any information already known by the receiving Party by legal means prior to disclosure, which is substantiated in writing;

(b) any information being part of public knowledge through no fault of the receiving Party; or

(c) any information rightfully received by the receiving Party from other sources after disclosure.

8.3 The receiving Party may disclose the Confidential Information to its relevant employees, agents or engaged professionals, but the receiving Party shall guarantee that they are in compliance with the relevant terms and conditions of this Agreement and assume any responsibility arising from any breach thereof by them.

8.4 Notwithstanding any other provision herein, the validity of this Article shall survive the termination of this Agreement.

Article 9 Defaulting Liability

9.1 The Parties agree and acknowledge that, if any of the Parties (the "**Defaulting Party**") materially breaches any provision herein or materially fails to perform or delays performance of any of the obligations hereunder, such breach, failure or delay shall constitute a default under this Agreement (a "**Default**"). In such event, any of the other Parties without default (the "**Non-defaulting Party**") shall have the right to require the Defaulting Party to rectify such Default or take remedial measures within a reasonable period. If the Defaulting Party fails to rectify such Default or take remedial measures within such reasonable period or within ten (10) days of the Non-defaulting Party notifying the Defaulting Party in writing and requiring the Default to be rectified, then:

(a) if the Existing Shareholder or the Company is the Defaulting Party, the WFOE shall be entitled to terminate this Agreement and require the Defaulting Party to indemnify all damages;

(b) if the WFOE is the Defaulting Party, the Non-defaulting Party shall be entitled to require the Defaulting Party to indemnify all damages, but the Non-defaulting Party shall not be entitled to any rights to terminate or cancel this Agreement in any situation unless otherwise provided by the mandatory provisions of the laws.

b)

9.2 Notwithstanding any other provision herein, the validity of this Article shall survive the suspension or termination of this Agreement.

Article 10 Miscellaneous

10.1 This Agreement is written in Chinese and executed in three (3) originals, with one (1) original to be retained by each Party hereto.

10.2 The formation, validity and interpretation of, resolution of disputes in connection with, this Agreement, shall be governed by PRC Law.

10.3 Dispute Resolution

(a) Any dispute arising hereunder and in connection herewith shall be resolved through consultations among the Parties, and if the Parties fail to reach a mutual agreement, any Party may submit such dispute to Guangzhou Arbitration Commission for arbitration in accordance with its arbitration rules in effect at the time of applying for arbitration. The seat of arbitration shall be Guangzhou. The arbitral award shall be final and binding on the Parties. The costs of arbitration shall be borne by the losing Party, unless otherwise determined by the arbitration tribunal.

(b) During dispute resolution, the Parties shall continue to perform the terms of this Agreement other than those relating to disputes.

10.4 Any right, power or remedy conferred on any Party by any provision of this Agreement shall not be exclusive of any other right, power or remedy available to it at law and under the other provisions of this Agreement, and the exercise by such Party of any of its rights, powers and remedies shall not preclude the exercise of any other rights, powers and remedies it may have.

10.5 No failure or delay by a Party in exercising any of its rights, powers and remedies available to it hereunder or at law (hereinafter, the "**Party's Rights**") shall operate as a waiver thereof, nor shall the waiver of any single or partial exercise of the Party's Rights shall preclude such Party from exercising such rights in any other way and exercising the remaining part of the Party's Rights.

10.6 The headings contained herein shall be for reference only, and in no circumstances shall such headings be used in or affect the interpretation of the provisions hereof.

10.7 Each provision contained herein shall be severable and independent from each of other provisions, and if at any time any one or more provisions herein become invalid, illegal or unenforceable, the validity, legality or enforceability of the remaining provisions herein shall not be affected as a result thereof.

10.8 This Agreement, once executed, replaces any other legal documents previously signed by the parties on the same subject. Any amendment or supplement hereto shall be made in writing and shall become effective only upon due execution by the Parties hereto, except for the WFOE's transfer of its rights under Section 10.9 of this Agreement.

10.9 Without the WFOE's prior written consent, any other Party shall not transfer any of its rights and/or obligations hereunder to any third party. The Existing Shareholders and the Company hereby agree that the WFOE is entitled to transfer any of its rights and/or obligations hereunder to any third party upon written notice thereof to the other Parties, and there is no need to obtain consent from the other Parties for such transfer.

10.10 This Agreement shall be binding upon the respective successors and assigns. The Existing Shareholders assure to WFOE that they have made all proper arrangements and signed all necessary documents to ensure that when they bankrupts, liquidates or incurs other situations that may affect the exercise of their shareholders' rights, their legal transferees, successors, heirs, liquidators, bankruptcy administrators, creditors, and other persons who may obtain the Company's shares or related rights shall not affect or hinder the performance of this Agreement. For this purpose, the Existing Shareholders and the Company should promptly sign all other documents required by the WFOE and take all other actions required by the WFOE (including but not limited to notarization of this Agreement).

[Remainder of this page intentionally left blank]

This page is the signature page of the Shareholder Voting Rights Proxy Agreement of Guangzhou Shangying Internet Technology Co., Ltd.

Existing Shareholder:

Ting Li
/s/ Ting Li

This page is the signature page of the Shareholder Voting Rights Proxy Agreement of Guangzhou Shangying Internet Technology Co., Ltd.

Existing Shareholder:

Lin Song
/s/ Lin Song

This page is the signature page of the Shareholder Voting Rights Proxy Agreement of Guangzhou Shangying Internet Technology Co., Ltd.

Existing Shareholder:

Di Fu
/s/ Di Fu

This page is the signature page of the Shareholder Voting Rights Proxy Agreement of Guangzhou Shangying Internet Technology Co., Ltd.

Company:

Guangzhou Shangying Internet Technology Co., Ltd. (seal)
/seal/ Guangzhou Shangying Internet Technology Co., Ltd.
/s/ Wenxian Zhong
Name: Wenxian Zhong
Title: Legal Representative

This page is the signature page of the Shareholder Voting Rights Proxy Agreement of Guangzhou Shangying Internet Technology Co., Ltd.

WFOE:

Guangzhou Baiguoyuan Information Technology Co., Ltd. (seal)
/seal/ Guangzhou Baiguoyuan Information Technology Co., Ltd.
/s/ Wenxian Zhong
Name: Wenxian Zhong
Title: Legal Representative

PARTNERSHIP INTEREST PLEDGE AGREEMENT

THIS PARTNERSHIP INTEREST PLEDGE AGREEMENT (this "**Agreement**") is entered into on January 15, 2021 ("**Execution Date**")

BY AND AMONG:

1. **Ting Li:**
   Identity Card Number: ***

2. **Lin Song:**
   Identity Card Number: ***

3. **Di Fu:** (together with Ting Li and Lin Song, collectively as the "**Limited Partners**")**:**
   Identity Card Number: ***

4. **Guangzhou Shangying Internet Technology Co., Ltd.** (the "**General Partner**", together with Limited Partners, the "**Pledgors**" and each a "**Pledgor**")
   Registered address: 4/F, 5/F, 6/F, 13/F, 14/F, 15/F, 16/F, Jisheng Business Center, No. 278 Xingtai Road, Shiqiao Street, Panyu District, Guangzhou
   Legal representative: Wenxian Zhong

5. **Guangzhou Fangu Internet Technology L.P.** (the "**Partnership**")
   Registered address: 4/F, 5/F, 6/F, 13/F, 14/F, 15/F, 16/F, Jisheng Business Center, No. 278 Xingtai Road, Shiqiao Street, Panyu District, Guangzhou
   Executive Partner: Guangzhou Shangying Internet Technology Co., Ltd.

6. **Guangzhou Baiguoyuan Information Technology Co., Ltd.** (the "**Pledgee**")
   Registered address: 5/F to 13/F, West Tower, Building C, No. 274 Xingtai Road, Shiqiao Street, Panyu District, Guangzhou
   Legal representative: Wenxian Zhong

In this Agreement, the aforementioned parties are referred to individually as a "**Party**" and collectively as the "**Parties**".

WHEREAS:

1. The Pledgors are the registered partners of the Partnership and lawfully hold all partnership interest in the Partnership ("**Partnership Interest**"). As of the Execution Date, the capital commitments, percentage of commitments and capital contribution to the Partnership set forth in Schedule 1 hereto.

2. The Parties hereto entered into a Partner Voting Rights Proxy Agreement ("**Proxy Agreement**") on January 15, 2021, pursuant to which the each of the Pledgors has irrevocably granted a general power of attorney to such persons as may then be appointed by the Pledgee to exercise its entire partner voting rights in the Partnership on behalf of the Pledgors.

3. The Partnership and the Pledgee entered into an Exclusive Service Agreement

("**Service Agreement**") on January 15, 2021, pursuant to which the Partnership has, on an exclusive basis, engaged the Pledgee to provide it with relevant services and agrees to pay relevant service fees to the Pledgee for such services.

4. The Parties hereto entered into an Exclusive Option Agreement ("**Option Agreement**") on January 15, 2021, pursuant to which the Pledgors and the Partnership shall, to the extent permitted by the PRC Laws, transfer, at the request of the Pledgee, all or part of their partnership interests in the Partnership or all or part of the assets of the Partnership respectively to the Pledgee and/or any entity and/or individual designated by it, or the Partnership shall decrease its capital and the Pledgee and/or any entity and/or individual designated by it shall subscribe for the newly increased registered capital of the Partnership.

5. As security for the performance by the Pledgors of their Contractual Obligations (as defined below) and their repayment of the Secured Indebtedness (as defined below), each Pledgor is willing to pledge all of its Partnership Interest to the Pledgee and create first priority pledge in favor of the Pledgee; and the Partnership has agreed to such partnership interest pledge arrangement.

NOW, THEREFORE, upon consensus through consultation, the Parties agree as follows:

ARTICLE I DEFINITIONS

1.1 Unless otherwise required by the context, the following terms shall have the following meanings in this Agreement:

"**Contractual Obligations**"	means all of the each Pledgor's contractual obligations under the Proxy Agreement and the Option Agreement; all of the Partnership's contractual obligations under the Proxy Agreement, the Service Agreement and the Option Agreement; and all of the contractual obligations of the each Pledgor and the Partnership under this Agreement.
"Secured Indebtedness"	means all direct, indirect or consequential losses and loss of projectable benefits suffered by the Pledgee as a result of any Event of Default (as defined below) of the Pledgors and/or the Partnership, and the basis for determining the amounts of such losses shall include, without limitation, reasonable commercial plans and profit forecasts of the Pledgee and all costs incurred by the Pledgee in connection with its enforcement of the Contractual Obligations of each Pledgor and/or the Partnership.
"Transaction Agreements"	means the Proxy Agreement, the Service Agreement and the Option Agreement.

"Event of Default"	means a breach by any Pledgor of any of its Contractual Obligations under the Proxy Agreement, the Option Agreement and/or this Agreement, and a breach by the Partnership of any of its Contractual Obligations under the Proxy Agreement, the Service Agreement, the Option Agreement and/or this Agreement.
"Pledged Interest"	means all of the Partnership Interest lawfully owned by the Pledgors as of the effectiveness of this Agreement and to be pledged hereunder to the Pledgee as security for the performance by the Pledgors and the Partnership of their respective Contractual Obligations and increased capital contribution amounts and dividends under Sections 2.6 and 2.7 hereof.
"PRC Laws"	means the then effective laws, administrative regulations, administrative rules, local regulations, judicial interpretations and other binding regulatory documents of the People's Republic of China.

1.2 In this Agreement, any reference to any PRC Law shall be deemed to include (i) a reference to such PRC Law as modified, amended, supplemented or reenacted, effective either before or after the date hereof; and (ii) a reference to any other decision, circular or rule made thereunder or effective as a result thereof.

1.3 Unless otherwise required by the context, a reference to an article, section, clause or paragraph herein shall be a reference to an article, section, clause or paragraph of this Agreement.

ARTICLE II INTEREST PLEDGE

2.1 Each Pledgor hereby agrees to pledge, in accordance with the terms hereof, its lawfully owned and rightfully disposable Pledged Interest to the Pledgee as security for the performance by such Pledgor of its Contractual Obligations and its repayment of the Secured Indebtedness. The Partnership hereby agrees for the Pledgors to so pledge the Pledged Interest to the Pledgee in accordance with the terms hereof.

2.2 Each Pledgor covenants that it will assume the responsibility of recording the interest pledge arrangement ("**Interest Pledge**") hereunder in the partner's register of the Partnership on the Execution Date. Each Pledgor further covenants that it will use its best efforts and take all necessary measures to (i) register the Interest Pledge as soon as possible with the competent administrative authority for market regulation of the Partnership; and (ii) under the condition that the PRC Laws and relevant government departments or registration agencies have established relevant pledge registration systems, file pledge registration of the Interest Pledge with relevant government departments or registration agencies according to the requirements of the Pledgee.

2.3 During the validity term hereof, the Pledgee shall not be liable in whatsoever manner for any diminution in value of the Pledged Interest and the Pledgors shall have no right to seek any form of recourse or bring any claims against the Pledgee in connection therewith, except where such diminution arises out of any willful conduct of the Pledgee or its gross negligence having immediate causal link with such result.

2.4 Subject to Section 2.3 above, if the Pledged Interest is likely to suffer such a manifest value diminution as to impair the rights of the Pledgee, the Pledgee may at any time auction or sell the Pledged Interest on behalf of the Pledgor and may, as agreed with the Pledgors, apply the proceeds from such auction or sale towards early repayment of the Secured Indebtedness, or deposit (entirely at the cost of the Pledgee) such proceeds with a notary organ of the place of the Pledgee. In addition, upon request by the Pledgee, the Pledgors shall provide other property as security for the Secured Indebtedness.

2.5 Upon occurrence of any Event of Default, the Pledgee shall be entitled to dispose of the Pledged Interest in such manner as prescribed by Article IV hereof.

2.6 The Pledgors shall not increase the capital of the Partnership except with prior consent of the Pledgee. Any increase in the capital contribution made by the Pledgors to the registered capital of the Partnership as a result of any capital increase shall equally become part of the Pledged Interest, and the Pledgors shall register the pledge of the Partnership Interest corresponding to such capital contribution with the competent administrative authority for market regulation of the Partnership.

2.7 The Pledgors shall not receive any dividend or profit in respect of the Pledged Interest except with prior consent of the Pledgee. Any dividend or profit received by the Pledgors in respect of the Pledged Interest shall be deposited into an account designated by the Pledgee, monitored by the Pledgee and first applied towards repayment of the Secured Indebtedness.

2.8 Upon occurrence of an Event of Default, the Pledgee shall be entitled to dispose of any Pledged Interest of the Pledgors in accordance with the terms hereof.

ARTICLE III RELEASE OF PLEDGE

3.1 Upon full and complete performance by the Pledgors and the Partnership of all of their Contractual Obligations and full repayment of the Secured Indebtedness, the Pledgee shall, at the request of the Pledgors, release the Interest Pledge hereunder and cooperate with the Pledgors in relation to both the deregistration of the Interest Pledge in the partner's register of the Partnership and the deregistration of the Interest Pledge with the relevant administrative authority for market regulation; reasonable costs arising out of such release of the Interest Pledge shall be borne by the Pledgee.

ARTICLE IV DISPOSAL OF PLEDGED INTEREST

4.1 The Parties hereby agree that upon occurrence of any Event of Default, the Pledgee shall be entitled to exercise, upon written notice to the Pledgors, all of the remedies, rights and powers available to it under the PRC Laws, the Transaction Agreements and this Agreement, including, without limitation, the right to auction or sell the Pledged Interest for prior satisfaction of claims. The Pledgee shall not be held liable for any losses resulting from its reasonable exercise of such rights and powers.

The Pledgors further acknowledge and agree that its breach of Article IX hereof shall constitute its material breach of this Agreement; the Partnership further acknowledges and agrees that its breach of Article X hereof shall constitute its material breach of this Agreement.

4.2 The Pledgee shall be entitled to appoint, in writing, its counsels or other agents to exercise any and all of its foregoing rights and powers, and neither anyPledgor nor the Partnership shall object thereto.

4.3 The Pledgee shall have the right to fully deduct all reasonable costs incurred by it in connection with its exercise of any or all of its foregoing rights and powers from the proceeds obtained as a result of such exercise of rights and powers.

4.4 The proceeds obtained as a result of the exercise by the Pledgee of its rights and powers shall be applied in the following order of precedence:

(a) towards payment of all costs arising out of the disposal of the Pledged Interest and the exercise by the Pledgee of its rights and powers (including fees paid to its counsels and agents);

(b) towards payment of the taxes payable in connection with the disposal of the Pledged Interest; and

(c) towards repayment of the Secured Indebtedness to the Pledgee.

Any balance after the deduction of the foregoing payments shall either be returned by the Pledgee to the Pledgors or any other person who may be entitled to such balance under relevant laws and regulations or be deposited by the Pledgee with a notary organ of the place of the Pledgee (any costs arising out of such deposit shall be borne by the Pledgee).

4.5 The Pledgee shall have the right to exercise, at its option, concurrently or successively, any of its breach of contract remedies; the Pledgee shall not be required to first exercise other breach of contract remedies prior to the exercise of its right to auction or sell the Pledged Interest hereunder.

ARTICLE V COSTS AND EXPENSES

5.1 All actual costs and expenses arising in connection with the creation of the

Interest Pledge hereunder, including, without limitation, the stamp duty, any other taxes and all legal costs, shall be borne by the Parties severally.

ARTICLE VI CONTINUING GUARANTEE AND NON-WAIVER

6.1 The Interest Pledge created hereunder shall constitute a continuing guarantee and shall remain valid until full performance of the Contractual Obligations or full repayment of the Secured Indebtedness, whichever occurs later. Neither any waiver or grace granted by the Pledgee with respect to any breach by any Pledgor nor any delay of the Pledgee in its exercise of any of its rights under the Transaction Agreements and this Agreement shall affect the right of the Pledgee under this Agreement, relevant PRC Laws and the Transaction Agreements to require at any time thereafter the Pledgors to strictly perform the Transaction Agreements and this Agreement or any right that may be available to the Pledgee as a result of any subsequent breach by the Pledgors of the Transaction Agreements and/or this Agreement.

ARTICLE VII REPRESENTATIONS AND WARRANTIES BY THE PLEDGOR

Each Pledgor represents and warrants to the Pledgee that:

7.1 Each Limited Partner is a PRC citizen with full capacity; the General Partner is a limited liability company legally registered and validly existing in accordance with the PRC laws with independent legal personality. Each Pledgor has full and independent legal status and capacity to execute, deliver and perform this Agreement and may sue or be sued as an independent party.

7.2 All reports, documents and information provided by it to the Pledgee prior to the effectiveness of this Agreement with respect to all matters pertaining to such Pledgor or required by this Agreement are true, correct, complete and not misleading in all material respects as of the effectiveness of this Agreement.

7.3 All reports, documents and information provided by it to the Pledgee subsequent to the effectiveness of this Agreement with respect to all matters pertaining to such Pledgor or required by this Agreement are true and valid in all material respects as of the time of provision of the same.

7.4 As of the effectiveness of this Agreement, such Pledgor is the sole lawful owner of the Pledged Interest free from any ongoing or potential dispute or any third party claim as to the ownership thereof; and such Pledgor has the right to dispose of the Pledged Interest or any part thereof.

7.5 Other than the security interest created on the Pledged Interest hereunder and the rights created under the Transaction Agreements, the Pledged Interest is free from any other security interests, third party rights or interests or any other restrictions.

7.6 The Pledged Interest may be lawfully pledged and assigned, and such Pledgor has full rights and powers to pledge the Pledged Interest to the Pledgee in

accordance with the terms hereof.

7.7 Once duly executed by such Pledgor, this Agreement will constitute lawful, valid and binding obligations of such Pledgor.

7.8 Other than the registration of the Interest Pledge with the relevant administrative authority for market regulation, any consents, permissions, waivers or authorizations by any third party or any approval, license or exemption from or any registration or filing formalities with any governmental body (if required by law), requisite in each case for the execution and performance of this Agreement and the creation of the Interest Pledge hereunder, have been obtained or completed and will remain fully valid during the validity term hereof.

7.9 The execution and performance by such Pledgor of this Agreement do not violate or conflict with any law applicable to such Pledgor, any agreement to which such Pledgor is a party or by which he is bound, any court judgment, any arbitral award, or any decision of any administrative authority.

7.10 The pledge hereunder constitutes a first priority security interest on the Pledged Interest.

7.11 All taxes and costs payable in connection with the acquisition of the Pledged Interest have been paid in full by such Pledgor.

7.12 There are no pending, or to the knowledge of such Pledgor, threatened, suits, legal proceedings or claims before any court or arbitral tribunal or by any governmental body or administrative authority against such Pledgor or its property or the Pledged Interest having a material or adverse effect on the financial condition of such Pledgor or its ability to perform its obligations and the guarantee liability hereunder.

7.13 Each Pledgor hereby warrants to the Pledgee that the foregoing representations and warranties will remain true and correct and be fully complied with under all circumstances at any time prior to the full performance of the Contractual Obligations or full repayment of the Secured Indebtedness.

ARTICLE VIII REPRESENTATIONS AND WARRANTIES BY THE PARTNERSHIP

The General Partner and the Partnership represent and warrant to the Pledgee that:

8.1 The Partnership is a limited liability Partnership duly registered and lawfully existing under the PRC Laws; and has full and independent legal status and capacity to execute, deliver and perform this Agreement and may sue or be sued as an independent party.

8.2 All reports, documents and information provided by it to the Pledgee prior to the effectiveness of this Agreement with respect to all matters pertaining to the Pledged Interest or required by this Agreement are true, correct, complete and

not misleading in all material respects as of the effectiveness of this Agreement.

8.3 All reports, documents and information provided by it to the Pledgee subsequent to the effectiveness of this Agreement with respect to all matters pertaining to the Pledged Interest or required by this Agreement are true and valid in all material respects as of the time of provision of the same.

8.4 Once duly executed by it, this Agreement will constitute lawful, valid and binding obligations of the Partnership.

8.5 It has full internal corporate power and authority to execute and deliver this Agreement and all other documents to be executed by it in connection with the transactions contemplated hereunder as well as full power and authority to consummate the transactions contemplated hereunder.

8.6 There are no pending, or to the knowledge of the Partnership, threatened, suits, legal proceedings or claims before any court or arbitral tribunal or by any governmental body or administrative authority against the Pledged Interest, the Partnership or its assets having a material or adverse effect on the financial condition of the Partnership or the ability of the Pledgors to perform its obligations and the guarantee liability hereunder.

8.7 The Partnership hereby agrees to be severally and jointly liable to the Pledgee for the representations and warranties made by the Pledgors under Sections 7.4, 7.5, 7.6, 7.8 and 7.10 hereof.

8.8 The Partnership hereby warrants to the Pledgee that the foregoing representations and warranties will remain true and correct and be fully complied with under all circumstances at any time prior to the full performance of the Contractual Obligations or full repayment of the Secured Indebtedness.

ARTICLE IX UNDERTAKINGS BY THE PLEDGORS

The Pledgors hereby agree and irrevocably undertake to the Pledgee that:

9.1 Without prior written consent of the Pledgee, the Pledgors will not create or permit to be created any new pledge or any other security interest on the Pledged Interest, and any pledge or any other security interest created on all or part of the Pledged Interest without prior written consent of the Pledgee shall be null and void.

9.2 Without prior written notice to and prior written consent of the Pledgee, (i) the Pledgors will not assign or otherwise dispose of the Pledged Interest or request the Partnership to decrease its capital, and any of such actions taken by the Pledgors without prior consent of the Pledgee shall be null and void; (ii) the Pledgors will not assist or permit other existing partners (as applicable) to take any of the foregoing actions without prior written consent of the Pledgee. The proceeds received by the Pledgors from the assignment or other disposal of the Pledged Interest shall be first applied towards early full repayment of the Secured Indebtedness to the Pledgee or deposited with a third party to be

agreed with the Pledgee.

9.3 Should there arise any suit, arbitration or other claims which are likely to have an adverse effect on the interests of the Pledgors or the Pledgee under the Transaction Agreements and this Agreement or on the Pledged Interest, the Pledgors warrant that it will notify the Pledgee in writing of the same as soon as possible and without delay and will, in accordance with the reasonable request of the Pledgee, take all necessary actions to ensure the Pledgee's pledge rights and interests in and to the Pledged Interest.

9.4 The Pledgors warrant that it shall complete the business term extension registration formalities of the Partnership within three (3) months prior to the expiry of the business term of the Partnership such that the validity of this Agreement shall be maintained.

9.5 The Pledgors shall not do or permit to be done any act or action likely to have an adverse effect on the interests of the Pledgee under the Transaction Agreements and this Agreement or on the Pledged Interest.

9.6 The Pledgors will use its best efforts and take all necessary measures to register the Interest Pledge hereunder as soon as possible with the relevant administrative authority for market regulation after the execution of this Agreement, and the Pledgors warrant, in accordance with the reasonable request of the Pledgee, to take all necessary actions and execute all necessary documents (including, without limitation, any supplement hereto) to ensure the Pledgee's pledge rights and interests in and to the Pledged Interest as well as the exercise and realization by the Pledgee of such rights and interests.

9.7 Should the exercise of the pledge rights hereunder result in an assignment of any Pledged Interest, the Pledgors warrant that it will take all actions to realize such assignment.

9.8 The Pledgors ensure that the partner's resolutions adopted, convening procedures of, the methods of voting at and the contents of the partners' meeting (as applicable) and board meetings of the Partnership held in connection with the execution of this Agreement and the creation and exercise of the pledge rights hereunder shall not violate laws, administrative regulations or the articles of association of the Partnership.

9.9 Once the Pledgors know or should have known any possible transfer of the Pledged Interest held by him to any third parties other than the Pledgee or any individual or entity designated by the Pledgee as a result of applicable PRC Laws or any judgment or award rendered by a court or arbitral body or for any other reasons, it shall notify the Pledgee immediately and without delay.

9.10 Without prior written consent of the Pledgee, the Pledgors shall not take any measure to advise, claim or request amendment, revision, termination or change the limited partnership agreement of the Partnership, and shall not procure or agree the General Partner and/or the Partnership reach any ancillary agreement or supplemental agreement with the Pledgors in respect of the

limited partnership agreement of the Partnership.

ARTICLE X UNDERTAKINGS BY THE GENERAL PARTNER AND THE PARTNERSHIP

The General Partner and the Partnership hereby severally and jointly agree and irrevocably undertake to the Pledgee that:

10.1 The General Partner and the Partnership will use every effort to assist with the obtainment of any consents, permissions, waivers or authorizations by any third party or any approval, license or exemption from any governmental body or the completion of any registration or filing formalities with any governmental body (if required by law), requisite in each case for the execution and performance of this Agreement and the creation of the Interest Pledge hereunder, and the maintenance of the same in full force and effect during the validity term hereof.

10.2 Without prior written consent of the Pledgee, the General Partner and the Partnership will not assist or permit the Pledgors to create any new pledge or any other security interest on the Pledged Interest.

10.3 Without prior written consent of the Pledgee, (i) the Partnership will not assist or permit the Pledgors to assign or otherwise dispose of the Pledged Interest, (ii) the General Partner and the Partnership will not assist or permit withdrawal from the Partnership by the Pledgors, delisting the Pledgors from the Partnership, reduce the capital commitment to the Partnership or dissolution of the Partnership. Without limiting the foregoing, once the abovesaid disposal, withdrawal, delisting, reduction of capital commitment or dissolution occurs, the General Partner and the Partnership shall notify the Pledgee when they know or should have known such circumstances.

10.4 Without the prior written consent of the Pledgee, the General Partner and the Partnership shall not make the Pledgor receive any revenue distribution or return of the Partnership Interest for the Pledged Interest. The revenue distribution or return of the Partnership Interests that the Pledgor is entitled to receive due to the Pledged Interest shall be deposited in the designated account of the Pledgee, and the General Partner and the Partnership shall notify the Pledgee such revenue distribution and the return of the Partnership Interest.

10.5 Should there arise any suit, arbitration or other claims which are likely to have an adverse effect on the Partnership, the Pledged Interest or the interests of the Pledgee under the Transaction Agreements and this Agreement, the Partnership warrants that it will notify the Pledgee in writing of the same as soon as possible and without delay and will, in accordance with the reasonable request of the Pledgee, take all necessary actions to ensure the Pledgee's pledge rights and interests in and to the Pledged Interest.

10.6 The Partnership warrants that it shall complete its business term extension registration formalities within three (3) months prior to the expiry of its business term such that the validity of this Agreement shall be maintained.

10.7 The Partnership shall not do or permit to be done any act, action or omission likely to have an adverse effect on the interests of the Pledgee under the Transaction Agreements and this Agreement or on the Pledged Interest.

10.8 The General Partner and the Partnership will, during the first month of each calendar quarter, submit to the Pledgee the financial statements of the Partnership for the preceding calendar quarter, including, without limitation, the balance sheet, the income statement and the cash flow statement.

10.9 The Partnership warrants, in accordance with the reasonable request of the Pledgee, to take all necessary actions and execute all necessary documents (including, without limitation, any supplement hereto) to ensure the Pledgee's pledge rights and interests in and to the Pledged Interest as well as the exercise and realization by the Pledgee of such rights and interests.

10.10 Should the exercise of the pledge rights hereunder result in an assignment of any Pledged Interest, the Partnership warrants that it will take all actions to realize such assignment.

10.11 The Partnership covenants that it will assist the Pledgors to register the Interest Pledge hereunder with the competent administrative authority for market regulation of the Partnership as soon as possible after the execution of this Agreement and provide all necessary cooperation to complete such registration in a timely manner.

10.12 Once the Partnership knows or should have known any possible transfer of the Pledged Interest held by the Pledgors to any third parties other than the Pledgee or any individual or entity designated by the Pledgee as a result of applicable PRC Laws or any judgment or award rendered by a court or arbitral body or for any other reasons, it shall notify the Pledgee immediately and without delay.

10.13 Without prior written consent of the Pledgee, the General Partner shall not take any measure to advise, claim or request amendment, revision, termination or change the limited partnership agreement of the Partnership, and the General Partner and/or the Partnership shall not reach any ancillary agreement or supplemental agreement with the Pledgors in respect of the limited partnership agreement of the Partnership.

ARTICLE XI FUNDAMENTAL CHANGES OF CIRCUMSTANCES

11.1 As a supplementary agreement and without contravening other provisions of the Transaction Agreements and this Agreement, if, at any time, in the opinion of the Pledgee, as a result of any promulgation of or amendment to any PRC Laws, regulations or rules, or any change in the interpretation or application of such laws, regulations or rules, or any change in relevant registration procedures, the maintenance of the validity of this Agreement and/or the disposal of the Pledged Interest in the manner prescribed hereby becomes illegal or contravenes such laws, regulations or rules, the Pledgors and the Partnership shall, based on the Pledgee's written instructions and in

accordance with its reasonable request, immediately take any actions and/or execute any agreements or other documents so as to:

(a) maintain the validity of this Agreement;

(b) facilitate the disposal of the Pledged Interest in the manner prescribed hereby; and/or

(c) maintain or realize the security created or purported to be created hereunder.

ARTICLE XII EFFECTIVENESS AND TERM OF AGREEMENT

12.1 This Agreement shall become effective after duly executed by the parties; and

12.2 The term of this Agreement shall end when the Contractual Obligations have been fully performed or the Secured Indebtedness have been fully repaid, whichever is later.

ARTICLE XIII NOTICES

13.1 Any notice, request, demand and other correspondences required by or made pursuant to this Agreement shall be made in writing and delivered to the relevant Parties.

13.2 Such notice or other correspondences shall be deemed delivered when it is transmitted if transmitted by fax or email; or upon delivery if delivered in person; or two (2) days after posting if delivered by mail.

ARTICLE XIV MISCELLANEOUS

14.1 The Pledgors and the Partnership agree that the Pledgee may, immediately upon notice to the Pledgors and the Partnership, assign its rights and/or obligations hereunder to any third party; provided that without prior written consent of the Pledgee, neither the Pledgors nor the Partnership may assign their respective rights, obligations or liabilities hereunder to any third party.

14.2 The sum of the Secured Indebtedness determined by the Pledgee in its discretion in connection with its exercise of its pledge rights to the Pledged Interest in accordance with the terms hereof shall constitute the conclusive evidence for the Secured Indebtedness hereunder.

14.3 This Agreement is made in Chinese in five (5) originals, of which one (1) copy shall be held by the Partnership, one (1) copy shall be used for governmental approval/registration purposes and the three (3) copies shall be kept by the Pledgee.

14.4 The entry into, effectiveness and interpretation of, and resolution of disputes under, this Agreement shall be governed by the PRC Laws.

14.5 Dispute Resolution

(a) All disputes arising out of or in connection with this Agreement shall be first settled by the relevant Parties through amiable consultations; if such Parties fail to resolve the dispute through consultations, the dispute shall be submitted to China Guangzhou Arbitration Commission ("**CGAC**") for arbitration according to CGAC arbitration rules in effect at the time of applying for arbitration. The seat of arbitration shall be in Guangzhou. The arbitration award shall be final and binding on the relevant Parties. Except as otherwise required by the arbitration award, the arbitration fees shall be borne by the losing party. The losing party shall also indemnify for the attorneys' fee and other expenses incurred by the winning party.

(b) Pending the resolution of such dispute, the Parties shall continue to perform the remaining provisions of this Agreement other than the disputed matters.

14.6 No right, power or remedy empowered to any Party by any provision of this Agreement shall preclude any other right, power or remedy enjoyed by such Party in accordance with law or any other provisions hereof and no exercise by a Party of any of its rights, powers and remedies shall preclude its exercise of its other rights, powers and remedies.

14.7 No failure or delay by a Party in exercising any right, power or remedy under this Agreement or laws ("**Party's Rights**") shall result in a waiver of such rights; and no single or partial waiver by a Party of the Party's Rights shall preclude such Party from exercising such rights in any other way or exercising the remaining part of the Party's Rights.

14.8 The section headings herein are inserted for convenience of reference only and shall in no event be used in or affect the interpretation of the provisions hereof.

14.9 Each provision contained herein shall be severable and independent of any other provisions hereof, and if at any time any one or more provisions hereof become invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions hereof shall not be affected thereby.

14.10 (i) Once executed, this Agreement shall replace any other legal documents previously entered into by the Parties in respect of the same subject matter hereof. To clarify, despite the foregoing agreement, all parties irrevocably promise, agree and recognize to sign a simplified version of interest pledge agreement ("**Simplified Pledge Agreement**"), only for the purpose of the pledge registration of the Partnership's competent administrative department for industry and commerce. If the simplified pledge agreement is inconsistent with this agreement, the agreement is not as clear as this agreement, or the simplified pledge agreement does not cover matters, this agreement shall prevail. (ii) Any amendments or supplements to this Agreement shall be made in writing. Except for the transfer of rights hereunder by the Pledgee according

to Section 14.1 hereof, such amendments or supplements shall become effective only if they are duly signed by the Parties hereto.

14.11 This Agreement shall be binding upon the legal assignees or successors of the Parties. The successors or permitted assignees (if any) of the Pledgors and the Partnership shall continue to perform the respective obligations of the Pledgors and the Partnership hereunder. The Pledgors warrant to the Pledgee that he has made all appropriate arrangements and executed all necessary documents to ensure that, in the event of its bankruptcy, dissolution or occurrence of other circumstances that might affect exercise of its partner rights, his legal assignee, successor, heir, creditor, liquidator, bankruptcy administrator and other persons that might consequently acquire the Partnership Interest or relevant rights cannot affect or impede the performance of this Agreement. For this purpose, the Pledgors and the Partnership shall promptly sign all other documents and take all other actions (including, without limitation, notarization of this Agreement) as required by the Pledgee.

14.12 Concurrently with the execution of this Agreement, the Pledgors shall execute a power of attorney ("**Power of Attorney**") in the form of Schedule 2 hereto, entrusting any nominee of the Pledgee to execute, on its behalf in accordance with this Agreement, any and all legal documents as may be required in order for the Pledgee to exercise its rights hereunder. Such Power of Attorney shall be submitted to the Pledgee for custody and may be presented by the Pledgee to relevant governmental authorities whenever necessary.

[THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK. EXECUTION PAGE FOLLOWS]

Pledgor:

Ting Li
/s/ Ting Li

Pledgor:

Lin Song
/s/ Lin Song

Pledgor:

Di Fu
/s/ Di Fu

Pledgor:

Guangzhou Shangying Internet Technology Co., Ltd. (seal)
/seal/ Guangzhou Shangying Internet Technology Co., Ltd.
/s/ Wenxian Zhong
Name: Wenxian Zhong
Title: Legal Representative

Partnership:

Guangzhou Fangu Internet Technology L.P. (seal)
/seal/ Guangzhou Fangu Internet Technology L.P.
Executive Partner:
Guangzhou Shangying Internet Technology Co., Ltd.
/seal/ Guangzhou Shangying Internet Technology Co., Ltd.

Pledgee:

Guangzhou Baiguoyuan Information Technology Co., Ltd. (seal)
/seal/ Guangzhou Baiguoyuan Information Technology Co., Ltd.
/s/ Wenxian Zhong
Name: Wenxian Zhong
Title: Legal Representative

Exhibit 4.28

Exclusive Service Agreement

This Exclusive Service Agreement (this "***Agreement***") is made and entered into by and between the following parties on January 15, 2021:

(1) **Guangzhou Fangu Internet Technology L.P.** ("***Party A***")
Registered address: 4/F, 5/F, 6/F, 13/F, 14/F, 15/F, 16/F, Jisheng Business Center, No. 278 Xingtai Road, Shiqiao Street, Panyu District, Guangzhou
Legal representative: Guangzhou Shangying Internet Technology Co., Ltd.

(2) **Guangzhou Baiguoyuan Information Technology Co., Ltd.** ("***Party B***")
Registered address: 23/F, Building B-1, North Block of Wanda Plaza, No. 79 Wanbo Er Road, Nancun Town, Panyu District, Guangzhou
Legal representative: LI Ting

Each of Party A and Party B shall be hereinafter referred to as a "Party" respectively, and as the "Parties" collectively.

PREAMBLE

1. Party A is a limited partnership registered and validly existing in Guangzhou, China, which engages in software development; enterprise management; information technology consulting services; information consulting services (except for license required business);

2. Party B is a wholly-foreign-owned enterprise registered and validly existing in Guangzhou, China, which engages in information technology consulting services; information system integration services; software development; computer software and hardware and auxiliary equipment wholesale; computer software, hardware and auxiliary equipment retail; software sales; corporate management; corporate management consulting; goods import and export; various engineering construction activities; technology import and export.

3. Party A needs Party B to provide services related to the Party A Business, and Party B agrees to provide such services to Party A.

NOW, THEREFORE, the Parties have reached the following agreements:

1. DEFINITIONS

1.1 Unless otherwise provided, in this Agreement:

Party A's Business means all business activities that Party A currently operates and operates at any time during the term of this Agreement.

Services means services exclusively provided by Party B to Party A with respect to the Party A's Business, which may include but without limitation:

(a) Approval of Party A to use the software related to the Party A's Business that Party B has legal rights;

(b) Providing economic information, computer technology, commercial and management consulting or advices for Party A;

(c) Providing business planning, design, marketing plan;

(d) Daily management, maintenance and update of hardware equipment and databases or software resources and customer resources;

(e) Providing comprehensive operation and solution plan in information technology/operation management required by Party A's business;

(f) Software development, maintenance, and update which the Party A's Business requires;

(g) Providing business training, support and assistance of relevant personnel of Party A;

(h) Other relevant services that are required to be provided by Party A from time to time.

Service Fee means all the fees Party A shall pay to Party B for the Services Party B provides subject to Section 3.

Annual Business Plan means according to this Agreement, the Party A's Business development plan and budget report for the next calendar year prepared by Party A before November 30 of each year, with the assistance of Party B.

Business Related Intellectual Property Rights means any and all intellectual property rights related to the Party A's business developed by Party A on the basis of the services provided by Party B under this agreement.

Confidential Information has the meaning assigned to it in Section 6.1.

Defaulting Party has the meaning assigned to it in Section 12.1.

Default has the meaning assigned to it in Section 12.1.

Such Party's Right has the meaning assigned to it in Section 14.5.

1.2 Any referring to any law or statutory provision under this Agreement shall be deemed to:

(a) also include referring to any revision, extension, combination and replacement related to such law or provision; and

(b) also include referring to orders, ordinances, instructions and other subordinate legislation promulgated in accordance with relevant law or provisions.

1.3 All references in this Agreement to designated "Sections" and other subdivisions are to the designated Sections and other subdivisions of the body of this Agreement unless explicitly stated otherwise

2. SERVICES

2.1 During the term of this Agreement, Party A hereby exclusively engages Party B to provide the Services, and Party B shall provide the Services to Party A diligently pursuant to the requirement of Party A's Business. Both Parties understand that, the actual Services provided by Party B shall be limited to the approved business scope of Party B; if the Services Party A requires exceed the approved business scope of Party B, Party B will apply for extension of its business scope under the maximum scope permitted by the laws, and will provide related Services after permission of such extension.

2.2 For the purpose of providing Services in accordance with this Agreement, Party B shall communicate with Party A and exchange various information related to the Party A's Business.

2.3 Notwithstanding any other provisions of this Agreement, Party B is entitled to appoint any third party to provide any or all of the Services under this Agreement, or perform any obligations under this Agreement on behalf of Party B. Party A hereby agrees that Party B has the right to transfer or assign the rights and obligations of Party B under this Agreement to any third party.

3. SERVICE FEE

3.1 The Party A shall pay Party B the Service Fee for the Services contemplated in this Agreement as following:
3.1.1 After mutual consents between both Parties, for the Services provided by Party B to Party A in each calendar year within the term of this agreement, Party A shall pay Party B the relevant Service Fee on an annual basis; and

3.1.2 With respect to the Service Fee incurred by the specific Services Party B provided as required by Party A from time to time, after mutual consents between both Parties, Party A shall pay the Service Fee separately.

3.2 Party B shall issue a payment notice and value-added tax invoice to Party A in a timely manner, and calculate on an annual basis. Party A shall pay the Service Fee to Party B within one (1) month upon the receipt of Party B's tax invoice.

3.3 Both Parties agree, without violating any mandatory requirement of any laws and regulations, the amount of the Service Fee and service scope as set forth in Section 3.1 and 3.2, may be confirmed and adjusted by both Parties in accordance with advices made by Party B from time to time.

3.4 The parties shall bear the taxes they shall pay and withhold the taxes (if any) in accordance with the applicable law.

4. PARTY A'S OBLIGATION

4.1 The Services provided by Party B is exclusive. During the term of this Agreement, without prior written consent of Party B, the Party A shall not enter into any agreement with any third party and accept any services identical or similar to the Services hereunder from any third party.

4.2 Party A shall provide the Annual Business Plan to Party B before November 30 of each year, to the extent that Party B could arrange Services plan and add necessary personnel and resources. If Party A requires personnel supplement temporarily, Party A shall negotiate with Party B with 15 days in advance to reach an agreement.

4.3 For better Services provided by Party B, Party A shall timely provide related materials that Party B requires.

4.4 Party A shall pay the Service Fee in a timely and sufficient manner in accordance with Section 3.

4.5 Party A should maintain its own good reputation, actively expand its business, and strive to maximize revenue.

4.6 During the term of this Agreement, Party A agrees to cooperate with Party B and Party B's parent company (including direct or indirect) to conduct related-party transaction audits and other audits, and provide Party B, its parent company, or its authorized auditors with information on Party A's operations, business, customers, finances, employees and other related information and materials, and agree that Party B's parent company shall disclose such information and materials in order to meet the regulatory requirements of the place where its securities are listed.

5. INTELLECTUAL PROPERTY RIGHTS

5.1 Party B shall have proprietary rights and interests in all rights, ownership, interests of the intellectual property rights it already has before entering into this Agreement, and created or arising out of providing of Services during the term of this Agreement.

5.2 Since the operation of Party A's Business depends on the Services provided by Party B under this Agreement, Party A agrees to the following arrangements regarding the Business Related Intellectual Property Rights developed by Party A on the basis of such Services:

(1) If the Business Related Intellectual Property Rights are developed by Party A entrusted by Party B, or obtained through cooperation between Party A and Party B, the ownership and the right to apply for related intellectual property rights shall belong to Party B.

(2) If the Business Related Intellectual Property Rights are independently developed and acquired by Party A, the ownership shall belong to Party A, provided that (A) Party A informs Party B of the details of the Business Related Intellectual Property Rights in a timely manner, and provides relevant information that Party B has reasonably requested; (B) If Party A wants to license or transfer such Business Related Intellectual Property Rights, Party A shall transfer to Party B or grant Party B an exclusive license prior to any third party, without violating the mandatory provisions of the laws of China, and Party B may use such Business Related Intellectual Property Rights within the scope of such transfer or license from Party A (but Party B has the right to decide whether to accept such transfer or license); Party A can only transfer or license the Business Related Intellectual Property Rights to a third party without offering more favorable conditions than which Party A offers to Party B (including but not limited to the transfer price or license fee) provided that Party B has waived the priority to purchase the ownership of the Business Related Intellectual Property Rights or the exclusive right to use the Business Related Intellectual Property Rights, and shall ensure that such third party fully complies with and performs the obligations of Party A under this Agreement; (C) Except for the circumstances mentioned in item (B) above, during the term of this Agreement, Party B has the right to purchase such Business Related Intellectual Property Rights; then Party A shall agree to Party B's such purchase request provided that there would be no violation of the mandatory provisions of the laws of China, and the purchase price shall be the lowest price allowed by the laws of China at that time.

5.3 If Party B is licensed to exclusively use the Business Related Intellectual Property Rights according to Section 5.2 (2) of this Agreement, such license shall be implemented in according with the following rules:

(1) Licensing period shall not be less than five (5) years (calculated from the effective date of relevant licensing agreement);

(2) The scope of license shall be the maximum scope as far as possible;

(3) Within the licensing period and scope of license, any other parties (include Party A) except Party B shall not use or license others to use the Business Related Intellectual Property Rights;

(4) Without prejudicing to Section 5.3 (3), Party A is entitled to, at its own discretion, license the Business Related Intellectual Property Rights to any other third parties;

(5) After expiration of licensing period, Party B is entitled to request the renewal of the license agreement and Party A shall agree to it. The terms of the license agreement shall remain unchanged, except for changes approved by Party B.

5.4 Notwithstanding Section 5.2 (2) above, if any Business Related Intellectual Property Rights described in such Section can be valid only after registration of ownership under applicable laws, then the application for registration of ownership shall be implemented in according with the following rules:

(1) Party A shall obtain prior written consent from Party B if Party A would apply for registration of ownership with regard to any Business Related Intellectual Property Rights described in such Section;

(2) Party A can only apply for registration of ownership on its own or transfer such right of applying for registration of ownership to a third party when Party B waives its right to purchase the right to apply for registration of ownership of the Business Related Intellectual Property Rights. In the case where Party A transfers the aforementioned right to apply for registration of ownership to a third party, Party A shall ensure that such third party will fully comply with and perform the obligations that Party A shall perform under this Agreement; meanwhile, the terms and conditions of the transfer (including but not limited to the transfer price) which Party A transfer the right to apply for registration of ownership to a third party shall not be more favorable than the terms and conditions proposed to Party B in accordance with Section 5.4 (3).

(3) During the term of this Agreement, Party B may request Party A to file an application for the registration of ownership of such Business Related Intellectual Property Rights at any time, and decide on its own whether to purchase the right to apply for such registration of ownership. Upon request of Party B, Party A shall transfer the right to apply for registration of ownership to Party B at that time, without violating the mandatory provisions of the laws of China, at the lowest price allowed by the laws of China; after Party B has obtained the right to apply for registration of ownership of the Business Related Intellectual Property Rights, filed the registration of ownership and completed the registration, Party B shall be the legal owner of such registration of ownership.

5.5 Both Parties respectively warrants to each other that they will compensate the other Party for any and all economic losses due to any infringement of the intellectual property rights of any third party.

6. CONFIDENTIALITY

6.1 Regardless of whether this Agreement is terminated or not, both parties shall strictly keep confidential the trade secrets, proprietary information, customer information and other confidential information of the other Party obtained during the execution and performance of this Agreement. Without the prior written consent from the disclosing Party, or mandatorily required to be disclosed to third party by relevant laws and regulations or the requirements of the listing place of a Party's related company, the receiving Party should not disclose any confidential information to any third party; unless for the purpose of performance of this Agreement, the receiving Party should not use or indirectly use any confidential information.

6.2 Confidential information shall not include information:

(a) is known to the Receiving Party prior to disclosure by the disclosing Party as demonstrated by documentary evidence;

(b) is or becomes available to the public other than as a result of the receiving Party's fault; or

(c) information obtained legally by the receiving Party from other sources after receiving confidential information.

6.3 The receiving Party may disclose confidential information to its relevant employees, agents or professionals engaged, provided the receiving Party shall ensure the abovementioned personnel be in compliance with the relevant terms and conditions of this Agreement and be liable for any responsibilities incurred by breach of the relevant terms and conditions of this Agreement by the abovementioned personnel.

6.4 Notwithstanding any other terms of this Agreement, this section shall still be valid and binding upon the termination of this Agreement.

7. REPRESENTATIONS AND WARRANTIES OF PARTY A

Party A represents and warrants to Party B as follows:

7.1 It is a limited liability company legally registered and validly existing in accordance with the PRC laws and has independent legal capacity; has complete and independent legal status and legal capacity to sign, deliver and perform this Agreement, and can independently act as a party to a litigation.

7.2 It has the full internal power and authorization to sign and deliver this Agreement and all other documents that it will sign related to the transactions described in this Agreement, and it has the full power and authorization to complete the transactions described in this Agreement. This Agreement is legally and appropriately signed and delivered by it. This Agreement constitutes the Party A's legal, valid and binding obligations, and shall be enforceable against it.

7.3 It shall promptly inform Party B of circumstances that have caused or may cause a material adverse effect on the Party A's Business and its operations, and shall use its best effort to prevent the occurrence of such circumstances and/or the expansion of losses.

7.4 Without the written consent of Party B, Party A will not, in any form, dispose of Party A's material assets, nor will it change Party A's existing equity structure.

7.5 Upon being effective of this Agreement, Party A has obtained all necessary business license, competent rights and qualification to conduct Party A's Business now engaged in the territory of China;

7.6 Once Party B submits a written request, Party A will use all accounts receivables and/or all other assets that are legally owned and can be disposed of at that time, in a manner permitted by law, as guarantee of payment obligation of the Service Fee set forth in Section 3 of this Agreement.

7.7 Without the written consent of Party B, Party A shall not enter into any other agreement or arrangement that conflicts with this Agreement or may damage Party B's rights and interests under this Agreement.

8. REPRESENTATIONS AND WARRANTIES OF PARTY B

Party B represents and warrants to Party A as follows:

8.1 It is a limited liability company legally registered and validly existing in accordance with the PRC laws and has independent legal capacity; has complete and independent legal status and legal capacity to sign, deliver and perform this Agreement, and can independently act as a party to a litigation.

8.2 It has the full internal power and authorization to sign and deliver this Agreement and all other documents that it will sign related to the transactions described in this Agreement, and it has the full power and authorization to complete the transactions described in this Agreement. This Agreement is legally and appropriately signed and delivered by it. This Agreement constitutes the Party B's legal, valid and binding obligations, and shall be enforceable against it.

9. TERM

9.1 This Agreement takes effect as of the date of execution. Unless otherwise provided in this Agreement, or this Agreement terminated by Party B in writing, the term of this Agreement shall be twenty (20) years. After the expiration of this Agreement, unless Party B informs Party A 30 days in advance that this Agreement will not be renewed, this Agreement will be automatically renewed for one year after the expiration of the term, and so on.

9.2 If Party A or Party B fails to complete the approval and registration procedures for extending the business term at the expiration of the business term, this Agreement shall be terminated on the date when the business term of Party A or B expires. Both Parties shall complete the approval and registration procedures for extending the business term within three months before the expiration of their respective business term, to the extent that the term of this Agreement could be extended.

9.3 After the termination of this Agreement, both Parties shall still abide by their obligations under Section 6 of this Agreement.

10. INDEMNIFICATION

The Party A shall indemnify and hold harmless Party B from all the losses including but not limited to any losses caused by any lawsuit, claims, arbitration, damages by any third party or governmental investigation and penalties against Party B arising from providing the Services. However, if the losses are caused by Party B's willful conduct or gross negligence, such losses shall not be included in the indemnification.

11. NOTICE

11.1 All the notices, request, requirement and other communications pursuant to this Agreement shall be delivered to the relevant Party in written form.

11.2 Abovesaid notices or other notices if given by facsimile transmission or e-mail, shall be deemed effectively given upon successful transmission; if given by person, shall be deemed effectively given upon delivery by person; if given by post, shall be deemed effectively given on the date after two (2) days from posting.

12. DEFAULT

12.1 Both Parties agree and confirm that, if any Party (“**Defaulting Party**”) materially violates any of the terms under this Agreement, or fails to perform, incompletely perform or delays the performance of any of the obligations under this Agreement, it shall constitute a breach of this Agreement (“**Default**”). The other Party has the right to request Defaulting Party to make amendments or remedies within reasonable period. If the Defaulting Party fails to make amendments or remedies within reasonable period or ten (10) days after the other Party sends a written notice to Party B and requests for amendments, and if Party A is the Defaulting Party, then Party B is entitled to decide at its own discretion: (1) to terminate this Agreement, and requires Defaulting Party to compensate all the losses; or (2) requires the mandatory performance of Defaulting Party 's obligations under this Agreement, and requires the Defaulting Party to compensate all the losses; if Party B is the Defaulting Party, then Party A is entitled to require the performance of the Defaulting Party 's obligations under this Agreement, and require the Defaulting Party to compensate all the losses.

12.2 Notwithstanding the foregoing Section 12.1, both Parties agree and confirm that, except as otherwise provided by law, Party A shall not unilaterally terminate this Agreement in any circumstances.

12.3 Notwithstanding any other terms of this Agreement, the validity of this Section 12 shall not be affected by the termination of this Agreement.

13. FORCE MAJEURE

If the performance of this Agreement by any Party is affected or any Party delays or fails to perform its obligation hereunder due to earthquake, typhoon, flood, fire, war, computer virus, design vulnerabilities of instrumental software, hacker attack on internet, modification of governmental policy or laws, and other exceptional situation that cannot be overcome or avoided by the Parties and cannot be foreseen by the Party alleged to be affected by such force majeure, the Party being affected shall immediately notify

the other Party by facsimile and provide proof of the details of the force majeure and the reasons why this Agreement cannot be implemented or the performance needs to be delayed. Such proof documents must be issued by a notary institution in the jurisdiction where the force majeure occurred. Based on the extent of the force majeure event's impact on the performance of this Agreement, the two Parties shall negotiate whether the performance of this Agreement should be partially waived or postponed. Neither Party shall be liable for compensation for the economic losses caused to both Parties by the force majeure event.

14. MISCELLANEOUS PROVISIONS

14.1 This Agreement is executed in the Chinese language. This Agreement may be executed in five (5) counterparts, which Party A keeps one (1) counterpart, one (1) counterpart for governmental approval or registration, and Party B keeps other three (3) counterparts.

14.2 This Agreement, including the execution, validity, performance, interpretation and dispute resolution of this Agreement, shall be governed by and construed in accordance with the laws of China

14.3 Dispute Resolution

14.3.1 The Parties shall firstly attempt to resolve any and all disputes arising out of or relating to this Agreement through friendly consultations. If a dispute is not resolved through friendly consultations, then each Party may submit the dispute to Guangzhou Arbitration Commission for arbitration in accordance with then effective arbitration rules of such commission. The arbitration shall be conducted in Guangzhou. The award of the arbitration tribunal shall be final and binding upon the Parties. The costs of arbitration shall be borne by the losing Party, unless otherwise determined by the arbitration tribunal.

14.3.2 When any dispute is under arbitration, except for the matters in dispute, the Parties shall continue to fulfil their respective obligations under this Agreement.

14.4 Any rights, powers and remedies granted to both Parties by any terms of this Agreement shall not exclude any other rights, powers or remedies that the Party is entitled to in accordance with the laws and other terms under this Agreement, and one Party's exercise of its rights, powers and remedies does not preclude such Party from exercising other rights, powers and remedies.

14.5 A Party's failure to exercise or delay in exercising any of its rights, powers and remedies ("**Such Party's Rights**") under this Agreement or the laws will not result in the waiver of such rights, and any single or partial waiver of Such Party's Rights will not exclude such Party's exercise of such rights in other manner and the exercise of other Such Party's Rights.

14.6 The titles of the sections and subsections of this Agreement are for convenience of reference only and are not to be considered in construing this Agreement.

14.7 Each provision of this Agreement shall be severable and independent. If any single or multiple provisions hereof become invalid, illegal or unenforceable in any aspect, the validity, legality and enforceability of the remaining provisions of this Agreement shall not be affected in any aspect.

14.8 This Agreement once executed shall supersede all prior agreements both Parties executed before, with respect to the subject matter hereof and thereof. Any amendment and supplements to this Agreement shall be made in writing, and only takes effect after the execution by all Parties hereunder, except for Party B's transfer of its rights under Section 14.9 of this Agreement.

14.9 Without the prior written consent of Party B, Party A has no right to transfer or assign any of its rights and obligations hereunder to any third party. Party A hereby agrees that Party B may transfer its rights and obligations under this Agreement to a third party, and that Party B only needs to send a written notice to the Party A of such transfer, and there is no need to obtain consent from the Party A for such transfer.

14.10 This Agreement shall be binding upon the respective successors, assigns, creditors and other person who may acquire the equity or relevant rights of the Parties.

14.11 The taxes applicable to the execution and performance of this Agreement shall be borne by the respective Party.

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This page is the signature page of the Exclusive Service Agreement of Guangzhou Fangu Internet Technology L.P.

Party A:

Guangzhou Fangu Internet Technology L.P. (seal)
/seal/ Guangzhou Fangu Internet Technology L.P.
Executive Partner:

Guangzhou Shangying Internet Technology Co., Ltd.
/seal/ Guangzhou Shangying Internet Technology Co., Ltd.

This page is the signature page of the Exclusive Service Agreement of Guangzhou Fangu Internet Technology L.P.

Party B:

Guangzhou Baiguoyuan Information Technology Co., Ltd. (seal)
/seal/ Guangzhou Baiguoyuan Information Technology Co., Ltd.
/s/ Wenxian Zhong
Name: Wenxian Zhong
Title: Legal Representative

Exclusive Option Agreement

This Exclusive Option Agreement (this "***Agreement***"), dated January 15, 2021, is entered into by and between:

1. **Ting Li:**
   Identity Card Number: ***

2. **Lin Song:**
   Identity Card Number: ***

3. **Di Fu:** (together with Ting Li and Lin Song, collectively as the"***Limited Partners***"**):**
   Identity Card Number: ***

4. **Guangzhou Shangying Internet Technology Co., Ltd.** (the "**General Partner**", together with the Limited Partners, collectively as "***Existing Partners***")
   Registered address: 4/F, 5/F, 6/F, 13/F, 14/F, 15/F, 16/F, Jisheng Business Center, No. 278 Xingtai Road, Shiqiao Street, Panyu District, Guangzhou
   Legal representative: Wenxian Zhong

5. **Guangzhou Fangu Internet Technology L.P.** (the "**Partnership**")
   Registered address: 4/F, 5/F, 6/F, 13/F, 14/F, 15/F, 16/F, Jisheng Business Center, No. 278 Xingtai Road, Shiqiao Street, Panyu District, Guangzhou
   Executive Partner: Guangzhou Shangying Internet Technology Co., Ltd.

6. **Guangzhou Baiguoyuan Information Technology Co., Ltd.** (the "***WFOE***")
   Registered address: 5/F to 13/F, West Tower, Building C, No. 274 Xingtai Road,

Shiqiao Street, Panyu District, Guangzhou
Legal representative: Wenxian Zhong

The parties above shall be hereinafter individually referred to as a “Party”; collectively, the “Parties”.

PREAMBLE

1. The Existing Partners are the registered partners of the Partnership and holds all the interests of the Partnership. As of the date hereof, the capital commitment and percentage of the capital commitment to the Partnership is shown as Exhibit A.

2. The Existing Partners intend to transfer all of their interests in the Partnership to the WFOE and/or its designated entities and/or individuals without violating the PRC Laws, and the WFOE intends to accept such transfer by itself or other entities and/or individuals appointed by it.

3. The Partnership intends to transfer all of the assets held by it to the WFOE and/or its designated entities and/or individuals without violating the PRC Laws, and the WFOE intends to accept such transfer by itself or other entities and/or individuals appointed by it.

4. The Partnership and the Existing Partners intend to reduce the capital commitment of the Partnership (including withdrawal from the Partnership), and the partners intend to accept the capital commitment by the WFOE and/or its designated entities and/or individuals without violating the PRC Laws, and the WFOE intends to subscribe such capital by itself or other entities and/or individuals appointed by it.

5. In order to fulfill the above-mentioned Partnership interests transfer or asset transfer, the Existing Partners and the Partnership agree to separately and exclusively grant irrevocable Partnership Interests Purchase Option (as defined below) and Assets Purchase Option (as defined below) to the WFOE. According to such Partnership Interests Purchase Option and Assets Purchase Option, subject to the PRC Laws, the Existing Partners or the Partnership shall, in accordance with the requirements of the WFOE, transfer the Option Partnership Interests or Partnership Assets (as defined below) to the WFOE and/or any other entity and/or individual designated by the WFOE in accordance with the provisions of this Agreement; in order to fulfill the above-mentioned capital commitment reduction of the Partnership and the capital subscription of the Partnership by the WFOE, the Existing Partners and the Partnership agree to grant an irrevocable Capital Subscription Option to the WFOE. According to such Capital Subscription

Option, subject to the PRC Laws, the Partnership shall, in accordance with the requirements of the WFOE, reduce the capital commitment of the Partnership, and the Subscription Capital (as defined below) shall be subscribed by the WFOE and/or any other entity and/or individual designated by the WFOE in accordance with the provisions of this Agreement.

6. The Partnership agrees the Existing Partners to grant the WFOE the Partnership Interests Purchase Option (as defined below) pursuant to the terms and conditions of this Agreement.

7. The Existing Partners agrees the Partnership to grant the WFOE the Assets Purchase Option (as defined below) pursuant to the terms and conditions of this Agreement.

8. The Partnership and the Existing Partners agree to grant the WFOE the Capital Subscription Option (as defined below) pursuant to the terms and conditions of this Agreement.

NOW, THEREFORE, the Parties agree as follows through negotiations:

1. DEFINITIONS

1.1 Definitions. Unless otherwise provided, in this Agreement:

PRC Laws means the then effective laws, administrative regulations, local regulations, judicial interpretation and other binding regulatory documents of the People's Republic of China.

Partnership Interests Purchase Option means the option to purchase the interests of the Partnership granted by the Existing Partners to the WFOE pursuant to the terms and conditions of this Agreement.

Assets Purchase Option means the option to purchase the assets of the Partnership granted by the Partnership to the WFOE pursuant to the terms and conditions of this Agreement.

Capital Subscription Option means the option to request the partners reduce its capital commitment to the Partnership (the amount shall be part of or all of the Option Partnership Interests (as

defined below)), and to subscribe Subscription Capital of the Partnership and join the Partnership by the WFOE or other entities and/or individuals appointed by it .

Option Partnership Interests means all the interests of the Partnership Capital Commitment (as defined below) held by the Existing Partners, namely the shares of 100% of the Partnership Capital Commitment.

Partnership Capital Commitment means as the date hereof, the capital commitment of the Partnership at the amount of RMB1,000,000, also include the increased capital commitment by any form of capital increase during the term of this Agreement.

Transfer Partnership Interests means when the WFOE exercises its Partnership Interests Purchase Option, it is entitled to require the Existing Partners to transfer the interests of the Partnership to it and/or its designated entity and/or individual in accordance with the provisions of Section 3 of this Agreement. The number of which may be all or part of the Option Partnership Interests, and the specific number shall be freely determined by the WFOE in accordance with the PRC laws and its own commercial considerations.

Transfer Assets means when the WFOE exercises its Assets Purchase Option, it is entitled to require the Partnership to transfer the assets of the Partnership to it and/or its designated entity and/or individual in accordance with the provisions of Section 3 of this Agreement. It may be all or part of the Partnership Assets, and shall be freely determined by the WFOE in accordance with the PRC laws and its own commercial considerations.

Subscription Capital means when the WFOE exercises its Capital Subscription Option before or after the reduction of capital commitment of the Partnership, the WFOE and/or its designated entity and/or individual is entitled to subscribe the capital of the Partnership in accordance with the provisions of Section 3 of this Agreement. The specific number of which shall be freely determined by the WFOE in accordance with the PRC laws and its own commercial considerations.

Exercise means the WFOE exercises its Partnership Interests Purchase Option, Assets Purchase Option and Capital Subscription Option .

Transfer Price means in each Exercise, all the considerations that need to be paid by the WFOE and/or its designated entity and/or individual to the Existing Partners or the Partnership in order to obtain the Transfer Partnership Interests or Transfer Assets.

Returned Interests means in each Exercise, all the considerations that the Partnership needs to pay to the Existing Partners in respect of the reduction of Partnership Capital Commitment.

Subscription Price means in each Exercise, all the considerations that need to be paid by the WFOE and/or its designated entity and/or individual to the Partnership for subscription of the Subscription Capital.

Business License means any approvals, permits, filings and registrations that the Partnership must hold in order to operate all its businesses legally and effectively, including but not limited to "Partnership Business License" and other relevant permits and licenses required by the PRC Laws then.

Partnership Assets means all the tangible and intangible assets the Partnership owned or has the right to dispose, including but not limited to any real estate, moveable properties, and intellectual properties such as trademarks, copyrights, patents, domain names, software use rights.

Material Contracts means the contracts Partnership as a party have material effects on the Partnership's business or assets, including but not limited to the Exclusive Service Agreemen signed by the Partnership and the WFOE simultaneously with this Agreement and other material contracts about the Partnership's business.

Exercise Notice has the meaning assigned to it in Section 3.9.

Confidential Information has the meaning assigned to it in Section 8.1.

Defaulting Party has the meaning assigned to it in Section 11.1.

Default has the meaning assigned to it in Section 11.1.

Non-defaulting Party has the meaning assigned to it in Section 11.1.

Such Party's Right has the meaning assigned to it in Section 12.5.

1.2 Any referring to any law or statutory provision under this Agreement shall be deemed to:

(a) also include referring to any revision, extension, combination and replacement related to such law or provision; and
(b) also include referring to orders, ordinances, instructions and other subordinate legislation promulgated in accordance with relevant law or provisions.

1.3 All references in this Agreement to designated "Sections" and other subdivisions are to the designated Sections and other subdivisions of the body of this Agreement unless explicitly stated otherwise

2. GRANT OF PARTNERSHIP INTERESTS PURCHASE OPTION, ASSETS PURCHASE OPTION AND CAPITAL SUBSCRIPTION OPTION

2.1 The Existing Partners hereby agree to exclusively grant an irrevocable Partnership Interests Purchase Option to the WFOE without any additional condition. According to such Share Purchase Option, subject to the PRC Laws, the WFOE is entitled to require the Existing Partners transfer the Option Partnership Interests to the WFOE and/or any other entity and/or individual designated by the WFOE at any time (including but not limited to when the WFOE, after its independent judgment, believes that the Existing Partners are at risk of transferring all or part of the Option Partnership Interests they hold to any third party in accordance with the requirements of the PRC Laws, other than to the WFOE and/or its designated entity and/or individual) in accordance with the provisions of this Agreement. The WFOE agrees to accept such Partnership Interests Purchase Option .

2.2 The Partnership hereby agrees the Existing Partners grant such Partnership Interests Purchase Option to the WFOE in accordance with the Section 2.1 above and other provisions of this Agreement.

2.3 The Partnership hereby agrees to exclusively grant an irrevocable Assets Purchase Option to the WFOE without any additional condition. According to such Assets Purchase Option, subject to the

PRC Laws, the WFOE is entitled to require the Partnership transfer all of or part of the Partnership Assets to the WFOE and/or any other entity and/or individual designated by the WFOE at any time (including but not limited to when the WFOE, after its independent judgment, believes that the Existing Partners are at risk of transferring all or part of the Option Partnership Interests they hold to any third party in accordance with the requirements of the PRC Laws, other than to the WFOE and/or its designated entity and/or individual) in accordance with the provisions of this Agreement. The WFOE agrees to accept such Assets Purchase Option.

2.4 The Existing Partners hereby agree the Partnership grant such Assets Purchase Option to the WFOE in accordance with the Section 2.3 above and other provisions of this Agreement.

2.5 The Existing Partners and the Partnership hereby severally and jointly agree, to exclusively grant an irrevocable Capital Subscription Option to the WFOE without any additional condition. According to such Share Subscription Option, subject to the PRC Laws, the WFOE is entitled to require the partners reduce its capital commitment to the Partnership at any time (including but not limited to when the WFOE, after its independent judgment, believes that the Existing Partners are at risk of transferring all or part of the Option Partnership Interests they hold to any third party in accordance with the requirements of the PRC Laws, other than to the WFOE and/or its designated entity and/or individual) , and the WFOE and/or any other entity and/or individual designated by the WFOE is entitled to subscribe the Subscription Capital and join the Partnership in accordance with the provisions of this Agreement. The WFOE agrees to accept such Capital Subscription Option .

3. Exercise Methods

3.1 Subject to the terms and conditions of this Agreement, as permitted by the PRC Laws, the WFOE has absolute discretion to determine the specific time, method and frequency of Exercise.

3.2 Subject to the terms and conditions of this Agreement, the WFOE has the right to request the purchase of all or part of the Partnership's interests from the Existing Partners by itself and/or through other entities and/or individuals designated by the WFOE at any time without violating the PRC laws then effective.

3.3 Subject to the terms and conditions of this Agreement, the WFOE has the right to request the purchase of all or part of the Partnership's assets from the Partnership by itself and/or through other

entities and/or individuals designated by the WFOE at any time without violating the PRC laws then effective.

3.4 Subject to the terms and conditions of this Agreement, the WFOE has the right to request the partners reduce their capital commitment of the Partnership, and to subscribe the Subscription Capital and join the Partnership by itself and/or through other entities and/or individuals designated by the WFOE at any time without violating the PRC laws then effective.

3.5 As for the Partnership Interests Purchase Option , at each Exercise, the WFOE has the right to decide the number of partnership interests that the Existing Partners should transfer to the WFOE and/or through other entities and/or individuals designated by the WFOE during such Exercise, and the Existing Partners shall respectively transfer the Transfer Partnership Interests to the WFOE and/or through other entities and/or individuals designated by the WFOE according to the number required by the WFOE. The WFOE and/or through other entities and/or individuals designated by the WFOE shall pay the Transfer Price to the Existing Partners who have transferred the Transfer Partnership Interests in respect of the Transfer Partnership Interests purchased in each Exercise.

3.6 As for the Assets Purchase Option, at each Exercise, the WFOE has the right to decide the specific Partnership Assets that the Partnership should transfer to the WFOE and/or through other entities and/or individuals designated by the WFOE during such Exercise, and the Partnership shall transfer the Transfer Assets to the WFOE and/or through other entities and/or individuals designated by the WFOE according to the number required by the WFOE. The WFOE and/or through other entities and/or individuals designated by the WFOE shall pay the Transfer Price to the Partnership in respect of the Transfer Assets purchased in each Exercise.

3.7 As for the Capital Subscription Option , at each Exercise, the Partnership shall confirm the amount of capital commitment which shall be reduced in such Exercise pursuant to the request of the WFOE, the WFOE has the right to decide the Existing Partners reduce their capital commitment to the Partnership, and the Partnership and the Existing Partners shall reduce capital commitment of the Partnership pursuant to the request of the WFOE; concurrently, the WFOE has the right to decide the number of the Subscription Capital to be subscribed by the WFOE and/or through other entities and/or individuals designated by the WFOE, and the Partnership shall accept the subscription of the Subscription Capital from the WFOE and/or through other entities and/or individuals designated by the WFOE according to the request of the WFOE. The Partnership shall pay the Returned Interests to the Partnership in respect of the capital commitment reduced in respect of the capital reduction in each Exercise. The WFOE and/or through other entities and/or individuals designated by the WFOE shall pay

the Subscription Price to the Partnership in respect of the Subscription Capital subscribed in each Exercise.

3.8 At each Exercise, the WFOE could purchase the Transfer Partnership Interests, Transfer Assets or subscribe the Subscription Capital by itself, and could designate any third party to purchase all or part of the Transfer Partnership Interests, Transfer Assets or subscribe all or part of the Subscription Capital.

3.9 At each time the WFOE decide the Exercise, it shall delivery to the Existing Partners and/or the Partnership a Partnership Interests Purchase Option exercise notice, Assets Purchase Option exercise notice or Capital Subscription Option exercise notice (the "Exercise Notice", in the form respectively set forth in Exhibit B, Exhibit C and Exhibit D). Upon receipt of the Exercise Notice, the Existing Partners or the Partnership shall immediately transfer the Transfer Partnership Interests or Transfer Assets to the WFOE and/or through other entities and/or individuals designated by the WFOE in one time in accordance with the method described in Section 3.5 or 3.6 of this Agreement, or shall reduce the capital commitment of the Partnership in the manner described in Section 3.7, and the Subscription Capital shall be subscribed by the WFOE and/or through other entities and/or individuals designated by the WFOE.

4. TRANSFER PRICE, RETURNED CAPITAL AND SUBSCRIPTION PRICE

4.1 As for the Partnership Interests Purchase Option , at each Exercise, the total Transfer Price that the WFOE and/or through other entities and/or individuals designated by the WFOE should pay to the Existing Partners shall be the actual paid-in capital contribution corresponding to the relevant Transfer Partnership Interests in the Partnership's registered capital. If the minimum price allowed by the PRC Laws at that time is higher than the aforementioned actual paid-in capital, the minimum price allowed by the PRC Laws shall prevail. Under the premise of complying with the PRC Laws, the Existing Partners shall immediately return and gift it to the WFOE and/or its designated entity after receiving the Transfer Price.

4.2 As for the Assets Purchase Option, at each Exercise, the total Transfer Price that the WFOE and/or through other entities and/or individuals designated by the WFOE should pay to the Existing Partners shall be the net book value of the relevant assets. If the minimum price allowed by the PRC Laws at that time is higher than the aforementioned net book value, the minimum price allowed by the PRC Laws shall prevail. Under the premise of complying with the PRC Laws, the Existing Partners shall immediately return and gift it to the WFOE and/or its designated entity after receiving the Transfer Price.

4.3 As for the Share Subscription Option, at each Exercise, the Partnership shall pay the Returned Interests to the Existing Partners who have reduced their capital commitment to the Partnership. The amount of the Returned Interests shall be the reduced actual paid-up amount of the capital commitment by the partners. If the minimum price allowed by the PRC Laws at that time is higher than the aforementioned Returned Interests , the minimum price allowed by the PRC Laws shall prevail; and the total Subscription Price that WFOE and/or through other entities and/or individuals designated by the WFOE should pay to the Partnership for the subscription of Subscription Capital is the Returned Interests paid to the Existing Partners when the Partnership reduces its capital commitment and the registered capital that the Existing Partners have not paid to the Partnership at the time of capital reduction (if any), unless the WFOE and the Partnership agree otherwise. Under the premise of complying with the PRC Laws, the Existing Partners shall immediately return and gift it to the WFOE and/or its designated entity after receiving the Returned Interests .

4.4 All taxes and fees arising from the Exercise of the Partnership Interests Purchase Option , Assets Purchase Option or Capital Subscription Option under this Agreement in accordance with applicable laws, shall be paid by each Party or withheld in accordance with the laws.

5. REPRESENTATIONS AND WARRANTIES

5.1 The Existing Partners represent and warrant as follows:

(a) Each Limited Partner is a PRC citizen with full capacity; the General Partner is a limited liability company legally registered and validly existing in accordance with the PRC laws. Each Existing Partners has complete and independent legal status and legal capacity to execute, deliver and perform this Agreement, and can independently act as a party to a litigation.

(b) The Partnership is a limited partnership legally registered and validly existing in accordance with the PRC Laws; it has complete and independent legal status and legal capacity to execute, deliver and perform this Agreement, and can independently act as a party to a litigation.

(c) Each Existing Partner has the full internal power and authorization to sign and deliver this Agreement and all other documents that they will sign related to the transactions described in

this Agreement, and it has the full power and authorization to complete the transactions described in this Agreement.

(d) This Agreement constitutes the Existing Partners' legal, valid and binding obligations, and shall be enforceable against them.

(e) The Existing Partners are the registered legal owner of the Option Partnership Interests when this Agreement becomes effective. Except for the Partnership Interests Purchase Option , Capital Subscription Option , the pledge contemplated in the Partnership Interests Pledge Agreement by and among the Partnership, the WFOE and the Existing Partners dated January 15, 2021 and the entrustment contemplated in the Partner Voting Rights Proxy Agreement dated January 15, 2021 , there is no liens, pledges, claims and other security rights and third-party rights on the Option Partnership Interests. According to this Agreement, after the Exercise by the WFOE and/or through other entities and/or individuals designated by the WFOE, it can obtain good ownership of the Transfer Partnership Interests without any lien, pledge, claim, other security rights and third-party rights.

(f) Except for the Assets Purchase Option, there is no liens, pledges, claims and other security rights and third-party rights on the Partnership Assets. According to this Agreement, after the Exercise by the WFOE and/or through other entities and/or individuals designated by the WFOE, it can obtain good ownership of the Partnership Assets without any lien, pledge, claim, other security rights and third-party rights.

5.2 The Partnership represents and warrants as follows:

(a) The Partnership is a limited partnership legally registered and validly existing in accordance with the PRC Laws; has complete and independent legal status and legal capacity to execute, deliver and perform this Agreement, and can independently act as a party to a litigation.

(b) The Partnership has the full internal power and authorization to sign and deliver this Agreement and all other documents that it will sign related to the transactions described in this Agreement, and it has the full power and authorization to complete the transactions described in this Agreement.

(c) This Agreement is legally and duly executed and delivered by the Partnership. This Agreement constitutes the Partnership's legal, valid and binding obligations, and shall be enforceable against it.

(d) Except for the Assets Purchase Option, there is no liens, pledges, claims and other security rights and third-party rights on the Partnership Assets. According to this Agreement, after the Exercise by the WFOE and/or through other entities and/or individuals designated by the WFOE, it can obtain good ownership of the Partnership Assets without any lien, pledge, claim, other security rights and third-party rights.

5.3 The WFOE represents and warrants as follows:

(a) The WFOE is a limited liability Partnership legally registered and validly existing in accordance with the PRC laws and has independent legal capacity; has complete and independent legal status and legal capacity to execute, deliver and perform this Agreement, and can independently act as a party to a litigation.

(b) The WFOE has the full internal power and authorization to sign and deliver this Agreement and all other documents that it will sign related to the transactions described in this Agreement, and it has the full power and authorization to complete the transactions described in this Agreement.

(c) This Agreement is legally and duly executed and delivered by the WFOE. This Agreement constitutes the WFOE's legal, valid and binding obligations, and shall be enforceable against it.

6. EXISTING PARTNERS' COVENANTS

The Existing Partners irrevocably undertake as follows:

6.1 During the term of this Agreement, without prior written consent of the WFOE:

(a) They shall not transfer or dispose of any Option Partnership Interests in any other way or set any security right or other third party rights on any Option Partnership Interests;

(b) They shall not increase or decrease the Partnership Capital Commitment, or cause the Partnership to merge with any other entity;

(c) They shall not dispose of or procure the Partnership's management to dispose of any material Partnership Assets (except those occur in the ordinary course of business);

(d) They shall not terminate or procure the Partnership's management to terminate any material agreement signed by the Partnership, or enter into any other agreement that conflicts with existing material agreements;

(e) They shall not appoint or remove any Partnership's executive partner or other Partnership's managers who should be appointed or removed by the Existing Partners;

(f) They shall not procure the Partnership to declare or actually distribute any distributable profits or dividends;

(g) They shall not take any actions (including any omissions) that will affect the effective existence of the Partnership; nor take any actions that may make the Partnership to be terminated, liquidated or dissolved;

(h) They shall not take any measure to advise, claim or request amendment, revision, termination or change the limited partnership agreement of the Partnership, and shall not procure or agree the General Partner and/or the Partnership reach any affiliated agreement or supplemental agreement with specific partner in respect of the limited partnership agreement of the Partnership; and

(i) They shall not take any actions (including any omissions) that make the Partnership lend or borrow loans, or provide guarantees or make other forms of guarantees, or undertake any substantial obligations outside of ordinary business activities.

6.2 During the term of this Agreement, they must use their best efforts to develop the Partnership's business and ensure the Partnership's operation is in compliance with the laws and regulations. They will not conduct any action or omission that may damage the Partnership's assets, goodwill or affect the validity of the Partnership's business licenses.

6.3 During the term of this Agreement, they shall promptly inform the WFOE of any situation that may have a material adverse effect on the Partnership's existence, business operations, financial conditions, assets or goodwill, and promptly take all measures agreed by the WFOE to eliminate such unfavorable situations or take effective remedial measures.

6.4 Once the WFOE issues the Exercise Notice:

(a) They shall immediately adopt shareholder decisions and take all other necessary actions to agree the Existing Partners or the Partnership to transfer all Transfer Partnership Interests or Transfer Assets to the WFOE and/or through other entities and/or individuals designated by the WFOE at the Transfer Price, or agree the reduction of the Partnership's capital, and accept the WFOE and/or through other entities and/or individuals designated by the WFOE to subscribe for the Subscription Capital of the Partnership and join the Partnership (depending on the situation);

(b) With respect to the Partnership Interests Purchase Option , they shall immediately sign an shares transfer agreement with the WFOE and/or through other entities and/or individuals designated by the WFOE, transfer all the Transfer Partnership Interests to the WFOE and/or through other entities and/or individuals designated by the WFOE at the Transfer Price, and provide the WFOE with the necessary support in accordance with the requirements of the WFOE and the provisions of laws and regulations (including providing and signing all relevant legal documents, and fulfilling all government approvals and registration procedures and assume all relevant obligations) so that the WFOE and/or through other entities and/or individuals designated by the WFOE can obtain all the Transfer Partnership Interests, and there should be no legal flaws in such Transfer Partnership Interests and there should be no security rights, third-party restrictions or any other restrictions on shares;

(c) With respect to the Capital Subscription Option, the Existing Partners shall immediately issue a resolution in a form and substance to the satisfactory of the WFOE, sign an admission agreement or capital commitment document (depending on situation) with the Partnership in a form and substance to the satisfactory of the WFOE, amend the limited partnership agreement of the Partnership (including the register of partners), assist and cooperate with the Partnership

to implement relevant admission (if applicable), withdrawal (if applicable), capital commitment (if applicable) and Partnership Capital Commitment change procedure (if applicable) (including signing all relevant legal documents, and fulfilling all government approvals and registration procedures and assume all relevant obligations) so that the Partnership could complete the capital commitment reduction successfully, and the WFOE and/or through other entities and/or individuals designated by the WFOE could complete the subscription of the Subscription Capital.

6.5 If the Transfer Price received by the Existing Partners for the Transfer Partnership Interests held by them, the Returned Interests received as a result of the Partnership's capital commitment reduction, and/or the amounts received from distribution of the Partnership's remaining assets when the Partnership is terminated or liquidated, are higher than the capital contributions to the Partnership by them, or receives any form of profits distribution or dividends from the Partnership, then the Existing Partners agree and confirm that they will not be entitled to the income and profits distribution or dividends from the premium (after deduction of relevant taxes) without violating the PRC Laws, and such portion of the income and profits distribution or dividends should be attributed to the WFOE. The Existing Partners shall instruct the relevant transferee or the Partnership to pay such portion of the proceeds to the bank account then designated by the WFOE.

6.6 They irrevocably agree to the Partnership's execution and performance of this Agreement, and provide the Partnership with all cooperation in the execution and performance of this Agreement, including but not limited to signing all necessary documents or documents required by the WFOE, and taking all necessary or actions required by the WFOE, and no action or omission will be taken to prevent the WFOE from claiming and realizing its rights under this Agreement.

6.7 Once they know or should be aware that the Option Partnership Interests they hold may be transferred to any third party other than the WFOE and/or through other entities and/or individuals designated by the WFOE due to applicable laws, judgments or awards of courts or arbitration institution, or for any other reason, they should immediately and without hesitation notify the WFOE.

7. EXISTING PARTNER AND PARTNERSHIP'S COVENANTS

7.1 The Existing Partner hereby further, together with the Partnership, irrevocably, severally and jointly undertake as follows:

(a) If the execution and performance of this Agreement and the granting of Partnership Interests Purchase Option, Assets Purchase Option or Capital Subscription Option under this

Agreement require the consent, permission, waiver, authorization of any third party, or the approval, permission, exemption or approval of any government authorities, or the registration or filing procedures with any government authorities (if required by the Laws), the Partnership will use its best effort to assist in meeting the above conditions.

(b) Without prior written consent of the WFOE, it shall not assist or allow the Existing Partners transfer or dispose of any Option Partnership Interests in any other way or set any security right or other third party rights on any Option Partnership Interests.

(c) Without prior written consent of the WFOE, it shall not transfer or dispose of any material Partnership Assets (except those occur in the ordinary course of business) in any other way or set any security right or other third party rights on any Partnership Assets.

(d) The Partnership shall not carry out or allow any behavior or action that may adversely affect the interests of the WFOE under this Agreement, including but not limited to any behavior and action restricted by Section 6.1.

(e) Once it knows or should be aware that the Option Partnership Interests hold by the Existing Partners may be transferred to any third party other than the WFOE and/or through other entities and/or individuals designated by the WFOE due to applicable laws, judgments or awards of courts or arbitration institution, or for any other reason, it should immediately and without hesitation notify the WFOE.

7.2 Once the WFOE issues the Exercise Notice:

(a) The Partnership shall immediately procure the Existing Partners to adopt necessary resolutions and take all other necessary actions to agree the Partnership to transfer all Transfer Assets to the WFOE and/or through other entities and/or individuals designated by the WFOE at the Transfer Price, or agree the reduction of the Partnership's capital, and accept the WFOE and/or

through other entities and/or individuals designated by the WFOE to subscribe for all the Subscription Capital of the Partnership and join the Partnership (depending on the situation);

(b) With respect to the Assets Purchase Option, the Partnership shall immediately sign an assets transfer agreement with the WFOE and/or through other entities and/or individuals designated by the WFOE, transfer all the Transfer Assets to the WFOE and/or through other entities and/or individuals designated by the WFOE at the Transfer Price, and procure the Existing Partners to provide the WFOE with necessary support in accordance with the requirements of the WFOE and the provisions of laws and regulations (including providing and signing all relevant legal documents, and fulfilling all government approvals and registration procedures and assume all relevant obligations) so that the WFOE and/or through other entities and/or individuals designated by the WFOE can obtain all the Transfer Assets, and there should be no legal flaws in such Transfer Assets and there should be no security rights, third-party restrictions or any other restrictions on Partnership Assets;

(c) With respect to the Capital Subscription Option, the Partnership shall procure the Existing Partners immediately issue a resolution in a form and substance to the satisfactory of the WFOE, sign an admission agreement or capital commitment document (depending on situation) with the Partnership in a form and substance to the satisfactory of the WFOE, amend the limited partnership agreement of the Partnership (including the register of partners), assist and cooperate with the Partnership to implement relevant admission (if applicable), withdrawal (if applicable), capital commitment (if applicable) and Partnership Capital Commitment change procedure (including signing all relevant legal documents, and fulfilling all government approvals and registration procedures and assume all relevant obligations) so that the Partnership could complete the capital commitment reduction successfully, and the WFOE and/or through other entities and/or individuals designated by the WFOE could complete the subscription of the Subscription Capital and join the Partnership.

8. CONFIDENTIALITY

8.1 Regardless of whether this Agreement is terminated or not, both parties shall strictly keep confidential the trade secrets, proprietary information, customer information and other confidential information of the other Party obtained during the execution and performance of this Agreement. Without the prior written consent from the disclosing Party, or mandatorily required to be disclosed to third party by relevant laws and regulations or the requirements of the listing place of a Party's related Partnership, the receiving Party should not disclose any confidential information to any third party; unless for the

purpose of performance of this Agreement, the receiving Party should not use or indirectly use any confidential information.

8.2 Confidential information shall not include information:

(a) is known to the Receiving Party prior to disclosure by the disclosing Party as demonstrated by documentary evidence;

(b) is or becomes available to the public other than as a result of the receiving Party's fault; or

(c) information obtained legally by the receiving Party from other sources after receiving confidential information.

8.3 The receiving Party may disclose confidential information to its relevant employees, agents or professionals engaged, provided the receiving Party shall ensure the abovementioned personnel be in compliance with the relevant terms and conditions of this Agreement and be liable for any responsibilities incurred by breach of the relevant terms and conditions of this Agreement by the abovementioned personnel.

8.4 Notwithstanding any other terms of this Agreement, this section shall still be valid and binding upon the termination of this Agreement.

9. TERM

This Agreement takes effect as of the date of execution. Unless otherwise required by the WFOE, this Agreement will terminate after all the Option Partnership Interests and Partnership Assets are legally transferred to the WFOE and/or through other entities and/or individuals designated by the WFOE in accordance with this Agreement.

10. NOTICE

10.1 All the notices, request, requirement and other communications pursuant to this Agreement shall be delivered to the relevant Party in written form.

10.2 Abovesaid notices or other notices if given by facsimile transmission or e-mail, shall be deemed effectively given upon successful transmission; if given by person, shall be deemed effectively given upon delivery by person; if given by post, shall be deemed effectively given on the date after two (2) days from posting.

11. DEFAULT

11.1 Both Parties agree and confirm that, if any Party ("**Defaulting Party**") materially violates any of the terms under this Agreement, or fails to perform, incompletely perform or delays the performance of any of the obligations under this Agreement, it shall constitute a breach of this Agreement ("**Default**"). Any Party of the other non-defaulting Party ("**Non-Defaulting Party**") has the right to request Defaulting Party to make amendments or remedies within reasonable period. If the Defaulting Party fails to make amendments or remedies within reasonable period or ten (10) days after the other Party sends a written notice to Party B and requests for amendments, then:

(a) if the Existing Partners or the Partnership is the Defaulting Party, the WFOE is entitled to terminate this Agreement, and requires the Defaulting Party to compensate all the losses;

(b) if the WFOE is the Defaulting Party, the Non-Defaulting Party is entitled to require the Defaulting Party to compensate all the losses, however, unless otherwise required by the Laws, it has no right to terminate or cancel this Agreement under any circumstances.

For the purpose of this Section 11.1, the Existing Partners further confirm and agree that their breach of Section 6 of this Agreement will constitute a material violation of this Agreement; the Partnership further confirms and agrees that its breach of Section 7 of this Agreement will constitute its material violation of this Agreement.

11.2 Notwithstanding any other terms of this Agreement, the validity of this Section shall not be affected by the termination of this Agreement.

12. MISCELLANEOUS PROVISIONS

12.1 This Agreement is executed in the Chinese language. This Agreement may be executed in five (5) counterparts, which the Partnership keeps one (1) counterpart, one (1) counterpart for governmental approval or registration, and the WFOE keeps other three (3) counterparts.

12.2 This Agreement, including the execution, validity, performance, interpretation and dispute resolution of this Agreement, shall be governed by and construed in accordance with the PRC Laws.

12.3 Dispute Resolution

(a) The Parties shall firstly attempt to resolve any and all disputes arising out of or relating to this Agreement through friendly consultations. If a dispute is not resolved through friendly consultations, then each Party may submit the dispute to Guangzhou Arbitration Commission for arbitration in accordance with then effective arbitration rules of such commission. The arbitration shall be conducted in Guangzhou. The award of the arbitration tribunal shall be final and binding upon the Parties. The costs of arbitration shall be borne by the losing Party, unless otherwise determined by the arbitration tribunal.

(b) When any dispute is under arbitration, except for the matters in dispute, the Parties shall continue to fulfil their respective obligations under this Agreement.

12.4 Any rights, powers and remedies granted to both Parties by any terms of this Agreement shall not exclude any other rights, powers or remedies that the Party is entitled to in accordance with the laws and other terms under this Agreement, and one Party's exercise of its rights, powers and remedies does not preclude such Party from exercising other rights, powers and remedies.

12.5 A Party's failure to exercise or delay in exercising any of its rights, powers and remedies ("**Such Party's Rights**") under this Agreement or the laws will not result in the waiver of such rights, and any single or partial waiver of Such Party's Rights will not exclude such Party's exercise of such rights in other manner and the exercise of other Such Party's Rights.

12.6 The titles of the sections and subsections of this Agreement are for convenience of reference only and are not to be considered in construing this Agreement.

12.7 Each provision of this Agreement shall be severable and independent. If any single or multiple provisions hereof become invalid, illegal or unenforceable in any aspect, the validity, legality and enforceability of the remaining provisions of this Agreement shall not be affected in any aspect.

12.8 This Agreement once executed shall supersede all prior agreements both Parties executed before, with respect to the subject matter hereof and thereof. Any amendment and supplements to this Agreement shall be made in writing, and only takes effect after the execution by all Parties hereunder, except for the WFOE's transfer of its rights under Section 12.9 of this Agreement.

12.9 Without the prior written consent of the WFOE, the other Parties have no right to transfer or assign any of its rights and obligations hereunder to any third party. The other Parties hereby agree that the WFOE may transfer its rights and obligations under this Agreement to a third party, and that the WFOE only needs to send a written notice to the other Parties of such transfer, and there is no need to obtain consent from the other Parties for such transfer.

12.10 This Agreement shall be binding upon the respective successors and assigns. The Existing Partners assure to WFOE that they have made all proper arrangements and signed all necessary documents to ensure that when they dies, loses capacity, bankrupts, liquidates or incurs other situations that may affect the exercise of their shareholders' rights, their legal transferees, successors, heirs, liquidators, bankruptcy administrators, creditors, and other persons who may obtain the Partnership's shares or related rights shall not affect or hinder the performance of this Agreement. For this purpose, (a) After the date hereof, upon request of the WFOE, each limited partner shall sign as soon as possible, and each Existing Partner and the Partnership will procure the spouse of the limited partner to sign as soon as possible, a marital property agreement in a form and substance to the satisfactory of the WFOE；(b) the Existing Partners and the Partnership should promptly sign all other documents required by the WFOE and take all other actions required by the WFOE (including but not limited to notarization of this Agreement).

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This page is the signature page of the Exclusive Option Agreement of Guangzhou Fangu Internet Technology L.P.

Existing Partner:

Ting Li
/s/ Ting Li

This page is the signature page of the Exclusive Option Agreement of Guangzhou Fangu Internet Technology L.P.

Existing Partner:

Lin Song
/s/ Lin Song

This page is the signature page of the Exclusive Option Agreement of Guangzhou Fangu Internet Technology L.P.

Existing Partner:

Di Fu
/s/ Di Fu

This page is the signature page of the Exclusive Option Agreement of Guangzhou Fangu Internet Technology L.P.

Existing Partner:

Guangzhou Shangying Internet Technology Co., Ltd. (seal)
/seal/ Guangzhou Shangying Internet Technology Co., Ltd.
/s/ Wenxian Zhong
Name: Wenxian Zhong
Title: Legal Representative

This page is the signature page of the Exclusive Option Agreement of Guangzhou Fangu Internet Technology L.P.

Partnership:

Guangzhou Fangu Internet Technology L.P. (seal)
/seal/ Guangzhou Fangu Internet Technology L.P.
Executive Partner:

Guangzhou Shangying Internet Technology Co., Ltd.
/seal/ Guangzhou Shangying Internet Technology Co., Ltd.

This page is the signature page of the Exclusive Option Agreement of Guangzhou Baiguoyuan Internet Technology Co., Ltd.

WFOE:

Guangzhou Baiguoyuan Information Technology Co., Ltd. (seal)
/seal/ Guangzhou Baiguoyuan Information Technology Co., Ltd.
/s/ Wenxian Zhong
Name: Wenxian Zhong
Title: Legal Representative

Exhibit 4.30

Partner Voting Rights Proxy Agreement

This Partner Voting Rights Proxy Agreement (this "**Agreement**") dated January 15, 2021, is signed by and among:

1. **Ting Li:**
   Identity Card Number: ***

2. **Lin Song:**
   Identity Card Number: ***

3. **Di Fu:** (together with Ting Li and Lin Song, collectively as the"**Limited Partners**"**):**
   Identity Card Number: ***

4. **Guangzhou Shangying Internet Technology Co., Ltd.** (the "**General Partner**", together with the Limited Partners,collectively as "***Existing Partners***")
   Registered address: 4/F, 5/F, 6/F, 13/F, 14/F, 15/F, 16/F, Jisheng Business Center, No. 278 Xingtai Road, Shiqiao Street, Panyu District, Guangzhou
   Legal representative: Wenxian Zhong

5. **Guangzhou Fangu Internet Technology L.P.** (the "**Partnership**")
   Registered address: 4/F, 5/F, 6/F, 13/F, 14/F, 15/F, 16/F, Jisheng Business Center, No. 278 Xingtai Road, Shiqiao Street, Panyu District, Guangzhou
   Executive Partner: Guangzhou Shangying Internet Technology Co., Ltd.

6. **Guangzhou Baiguoyuan Information Technology Co., Ltd.** (the "***WFOE***")
   Registered address: 5/F to 13/F, West Tower, Building C, No. 274 Xingtai Road, Shiqiao Street, Panyu District, Guangzhou
   Legal representative: Wenxian Zhong

The parties above shall be hereinafter respectively referred to as a "Party", collectively referred to as "Parties".

WHEREAS:

1. The Existing Partners are all the present partner of the Partnership, which holds 100% interests of the Partnership;

2. The Existing Partners intend to entrust the individual designated by the WFOE with the exercise of their voting rights in the Partnership and the WFOE is willing to designate such individual to accept such entrustment.

THEREFORE, the Parties, after friendly consultations, hereby agree as follows:

Article 1 Voting Right Entrustment

1.1 Each Limited Partner hereby irrevocably undertakes to sign a power of attorney in the form and substance as set forth in Annex 1 after execution of this Agreement to entrust the individual designated by the WFOE (hereinafter, the "**Entrusted Person**") to exercise on its behalf the following rights they, as the limited partner of the Partnership, are entitled to under the then effective articles of association of the Partnership (collectively, the "**Limited Partners Entrusted Rights**"):

(a) Proposing to convene and attending partners' meetings of the Partnership as the representative of the Limited Partners according to the articles of association of the Partnership;

(b) On behalf of the Limited Partners, exercising voting rights on all the issues needing to be discussed and resolved by the partners' meetings of the Partnership, including but not limited to the appointment of the Partnership's executive partner needing to be appointed and removed by the partners;

(c) Other Limited Partner's voting rights as specified in the articles of association of the Partnership (including any other Limited Partner's voting rights as specified in the amended articles of association);

(d) When the Existing Partners transfer the interests of the Partnership held by it, agrees to the transfer of assets of the Partnership, agrees to reduce capital commitments to the Company (including withdrawal from the Partnership), or accepts the WFOE or its designated party to subscribe the capital commitment of the Partnership in accordance with the Exclusive Option Agreement signed by the parties on the same date hereof, to sign relevant partnership interest transfer agreements, asset transfer agreements (if applicable), capital commitment reduction agreements, capital subscription agreements and other relevant documents on behalf of the Limited Partners, and handle government approval, registration and filing procedure which is required; and

(e) On behalf of each Limited Partner, sign all the other documents that need to be signed by each Limited Partner as the limited partner of the Partnership (including but not limited to the business change registration documents of the Partnership, documents with respect to admission, withdrawal, delisting, increase or decrease in the amount of capital commitments of any Partner, and documents related to the dissolution and liquidation of the Partnership).

The above authorization and entrustment are granted subject to the status of the Entrusted Person as a PRC citizen and the approval by the WFOE. Upon and only upon written notice of dismissing and replacing the Entrusted Person given by the WFOE to the Limited Partners, the Limited Partners shall promptly entrust another PRC citizen then designated by the WFOE to exercise the above Limited Partners Entrusted Rights, and once new entrustment is made, the original

entrustment shall be replaced. The Limited Partners shall not cancel the authorization and entrustment for the Entrusted Person otherwise.

1.2 The General Partner hereby irrevocably undertakes to sign a power of attorney in the form and substance as set forth in Annex 1 after execution of this Agreement to entrust the individual designated by the WFOE (hereinafter, the "**Entrusted Person**") to exercise on its behalf the following rights it, as the general partner and executive partner of the Partnership, are entitled to under the then effective articles of association of the Partnership (collectively, the "**General Partner Entrusted Rights**", together with the Limited Partners Entrusted Rights, the "**Entrusted Rights**"):

(a) Proposing to convene and attending partners' meetings of the Partnership as the representative of the General Partner according to the articles of association of the Partnership;

(b) On behalf of the General Partner, exercising voting rights on all the issues needing to be discussed and resolved by the partners' meetings of the Partnership, including but not limited to the appointment of the Partnership's executive partner needing to be appointed and removed by the partners;

(c) Other General Partner's voting rights and/or decision rights as specified in the articles of association of the Partnership (including rights of representing the Partnership, managing and operating the Partnership and executing partnership affairs based on the General Partner as the executive partner of the Partnership, and any other General Partner's voting rights as specified in the amended articles of association);

(d) When the Existing Partners transfer the interests of the Partnership held by it, agrees to the transfer of assets of the Partnership, agrees to reduce capital commitments to the Company (including withdrawal from the Partnership), or accepts the WFOE or its designated party to subscribe the capital commitment of the Partnership in accordance with the Exclusive Option Agreement signed by the parties on the same date hereof, to sign relevant partnership interest transfer agreements, asset transfer agreements (if applicable), capital commitment reduction agreements, capital subscription agreements and other relevant documents on behalf of the General Partner, and handle government approval, registration and filing procedure which is required; and

(e) On behalf of the General Partner, sign all the other documents that need to be signed by the General Partner as general partner of the Partnership (including but not limited to the business change registration documents of the Partnership, documents with respect to admission, withdrawal, delisting, increase or decrease in the amount of capital commitments of any Partner, and documents related to the dissolution and liquidation of the Partnership).

The above authorization and entrustment are granted subject to the status of the Entrusted Person as a PRC citizen and the approval by the WFOE. Upon and only upon written notice of dismissing

and replacing the Entrusted Person given by the WFOE to the General Partner, the General Partner shall promptly entrust another PRC citizen then designated by the WFOE to exercise the above General Partner Entrusted Rights, and once new entrustment is made, the original entrustment shall be replaced. The General Partner shall not cancel the authorization and entrustment for the Entrusted Person otherwise.

1.3 The Entrusted Person shall perform the fiduciary obligations within the scope of authorization with due care and diligence and in compliance with laws. The Existing Partners acknowledge and assume relevant liabilities for any legal consequences of the Entrusted Person's exercise of the foregoing Entrusted Rights.

1.4 The Existing Partners hereby acknowledge that the Entrusted Person is not required to seek advice from the Existing Partners prior to the exercise of the foregoing Entrusted Rights. However, the Entrusted Person shall inform the Existing Partners in a timely manner of any resolution or any proposal on convening interim partners' meeting after such resolution or proposal is made.

Article 2 Right to Information

2.1 For the purpose of exercising the Entrusted Rights hereunder, the Entrusted Person is entitled to know the information with regard to the Partnership's operation, business, customers, finance, staff, etc., and shall have access to the relevant materials of the Partnership. The Partnership shall adequately cooperate with the Entrusted Person in this regard.

Article 3 Exercise of Entrusted Rights

3.1 The Existing Partners will provide adequate assistance to the exercise of the Entrusted Rights by the Entrusted Person, including timely execution of the resolutions of the partners' meeting of the Partnership adopted by the Entrusted Person or other related legal documents when necessary (e.g., when it is necessary for examination and approval of or registration or filing with governmental departments).

3.2 If at any time during the term of this Agreement, the grant or exercise of the Entrusted Rights hereunder is unenforceable for any reason (except for default of Existing Partners or the Partnership), the Parties shall immediately seek a most similar substitute for the unenforceable provision and, if necessary, enter into a supplementary agreement to amend or adjust the provisions herein, in order to ensure the realization of the purpose of this Agreement.

Article 4 Exemption and Compensation

4.1 The Parties acknowledge that the WFOE shall not be requested to be liable to or compensate (monetary or otherwise) other Parties or any third party due to exercise of the Entrusted Rights hereunder by the individuals designated by it in any circumstances.

4.2 The Existing Partners and the Partnership agree to indemnify and hold harmless the WFOE from and against all losses incurred or likely to be incurred by it due to exercise of the Entrusted Rights by the Entrusted Person designated by the WFOE, including without limitation, any loss resulting from any litigation, demand, arbitration or claim initiated or raised by any third party against it or from administrative investigation or penalty of governmental authorities (collectively, the "Losses"), PROVIDED THAT the above indemnity in respect of any Losses shall not be available to the WFOE to the extent that such Losses have been caused by the willful default or gross negligence on the part of the Entrusted Person.

Article 5 Representations and Warranties

5.1 The Existing Partners hereby represent and warrant that:

(b) Each Limited Partner is a PRC citizen with full capacity; the General Partner is a limited liability company legally registered and validly existing in accordance with the PRC laws. Each Existing Partners has complete and independent legal status and legal capacity to execute, deliver and perform this Agreement, and can independently act as a party to a litigation.

(b) The Partnership is a limited partnership legally registered and validly existing in accordance with the PRC Laws; it has complete and independent legal status and legal capacity to execute, deliver and perform this Agreement, and can independently act as a party to a litigation.

(c) Each Existing Partner has the full internal power and authorization to sign and deliver this Agreement and all other documents that they will sign related to the transactions described in this Agreement, and it has the full power and authorization to complete the transactions described in this Agreement. This Agreement, when duly executed and delivered, shall constitute a legal, valid and binding obligation enforceable against it in accordance with the terms of this Agreement.

(d) The Existing Partners are the recorded legal partner of the Partnership as of the effective date of this Agreement, and except for the rights under this Agreement, the Partnership Interests Pledge Agreement and the Exclusive Option Agreement entered into among the Existing Partners, the Partnership and the WFOE, the Entrusted Rights are free of any third-party right. Pursuant to this Agreement, the Entrusted Person may fully and sufficiently exercise the Entrusted Rights in accordance with the then effective articles of association of the Partnership.

(e) Without the consent of the WFOE, the Existing Partners shall not take any measures to advice, claim or request amendment, modification, termination or change the articles of association of the Partnership in any other forms.

(f) Without the consent of the WFOE, the General Partner and the Partnership shall not, and each Limited Partner shall not procure or agree the General Partner and/or the Partnership reach any ancillary agreement or supplemental agreement with specific partner in respect of the limited partnership agreement of the Partnership.

5.2 The Existing Partners hereby irrevocably represent and warrant that, once they know or should be aware that the Partnership interests held by them may be transferred to any third party other than the WFOE and/or through other entities and/or individuals designated by the WFOE due to applicable laws, judgments or awards of courts or arbitration institution, or for any other reason, they should immediately and without hesitation notify the WFOE.

5.3. Each of the WFOE and the Partnership hereby represents and warrants that:

(a) It is a limited liability company or limited partnership duly organized and validly existing under the PRC Law. It has the full and independent legal status and legal capacity to execute, deliver and perform this Agreement and may sue or be sued as an independent party.

(b) It has the full corporate power and authority to execute and deliver this Agreement and all other documents relating to the transaction contemplated hereby and to be executed by it. It also has the full power and authority to consummate the transaction contemplated hereby.

5.4 The Partnership further represents and warrants that:

(a) The Existing Partners are the recorded legal partners of the Partnership as of the effective date of this Agreement, and except for the rights under this Agreement, the Partnership Interests Pledge Agreement and the Exclusive Option Agreement entered into among the Existing Partners, the Partnership and the WFOE, the Entrusted Rights are free of any third-party right. Pursuant to this Agreement, the Entrusted Person may fully and sufficiently exercise the Entrusted Rights in accordance with the then effective articles of association of the Partnership.

5.5 The Partnership hereby irrevocably represents and warrants that, once it knows or should be aware that the Partnership interests held by the Existing Partners may be transferred to any third party other than the WFOE and/or through other entities and/or individuals designated by the WFOE due to applicable laws, judgments or awards of courts or arbitration institution, or for any other reason, it should immediately and without hesitation notify the WFOE.

Article 6 Term

6.1 Subject to the provisions of Articles 6.2 and 6.3 hereof, this Agreement shall become effective as of the date of the due execution by the Parties and the term of this Agreement shall be twenty (20) years; unless prematurely terminated by the Parties in writing or pursuant to Article 9.1 hereof. After the expiration of this Agreement, unless the WFOE informs other Parties 30 days in advance that this Agreement will not be renewed, this Agreement will be automatically renewed for one year after the expiration of the term, and so on.

6.2 If the Partnership or the WFOE, upon expiry of its duration, fails to handle the examination, approval and registration procedures concerning the extension of its duration, this Agreement shall be terminated.

6.3 In case that the Existing Partners transfer all of the equity interest held by it in the Partnership with the WFOE's prior consent, such Existing Partner shall cease to be a party to this Agreement since it has completed relevant assistant obligation, executed all the relevant and necessary documents, completed relevant internal procedure of the Partnership and governmental approval, registration, filing procedures (provided subject to Article 4, Article 5.1, Article 6, Article 7, Article 8, Article 9 and Article 10). However, the foregoing termination does not affect the binding effect on the legal transferee or heir of such Party under the circumstance that the partnership interest held by either Party has transferred in accordance with Article 10.10, and does not affect the obligations and covenants of other Parties under this Agreement.

Article 7 Notices

7.1 All the notices, request, requirement and other communications pursuant to this Agreement shall be delivered to the relevant Party in written form.

7.2 Abovesaid notices or other notices if given by facsimile transmission or e-mail, shall be deemed effectively given upon successful transmission; if given by person, shall be deemed effectively given upon delivery by person; if given by post, shall be deemed effectively given on the date after two (2) days from posting.

Article 8 Confidentiality

8.1 Regardless of whether this Agreement is terminated or not, each Party shall keep strictly confidential all the business secrets, proprietary information, customer information and other information of a confidential nature about the other Parties known by it during the execution and performance of this Agreement (collectively, the "**Confidential Information**"). The receiving Party shall not disclose any Confidential Information to any third party except with the prior written consent of the disclosing Party or in accordance with relevant laws or regulations or under requirements of the place where its affiliate is listed on a stock exchange. The receiving Party shall not use or indirectly use any Confidential Information other than for performing this Agreement.

8.2 The following information shall not be deemed part of the Confidential Information:

(a) any information already known by the receiving Party by legal means prior to disclosure, which is substantiated in writing;

(b) any information being part of public knowledge through no fault of the receiving Party; or

(c) any information rightfully received by the receiving Party from other sources after disclosure.

8.3 The receiving Party may disclose the Confidential Information to its relevant employees, agents or engaged professionals, but the receiving Party shall guarantee that they are in compliance with the relevant terms and conditions of this Agreement and assume any responsibility arising from any breach thereof by them.

8.4 Notwithstanding any other provision herein, the validity of this Article shall survive the termination of this Agreement.

Article 9 Defaulting Liability

9.1 The Parties agree and acknowledge that, if any of the Parties (the "**Defaulting Party**") materially breaches any provision herein or materially fails to perform or delays performance of any of the obligations hereunder, such breach, failure or delay shall constitute a default under this Agreement (a "**Default**"). In such event, any of the other Parties without default (the "**Non-defaulting Party**") shall have the right to require the Defaulting Party to rectify such Default or take remedial measures within a reasonable period. If the Defaulting Party fails to rectify such Default or take remedial measures within such reasonable period or within ten (10) days of the Non-defaulting Party notifying the Defaulting Party in writing and requiring the Default to be rectified, then:

(a) if the Existing Parner or the Partnership is the Defaulting Party, the WFOE shall be entitled to terminate this Agreement and require the Defaulting Party to indemnify all damages;

(b) if the WFOE is the Defaulting Party, the Non-defaulting Party shall be entitled to require the Defaulting Party to indemnify all damages, but the Non-defaulting Party shall not be entitled to any rights to terminate or cancel this Agreement in any situation unless otherwise provided by the mandatory provisions of the laws.

For the purpose of this Section 9.1, the Partnership and the Existing Partners further confirm and agree that their breach of Section 5 of this Agreement will constitute a material violation of this Agreement.

9.2 Notwithstanding any other provision herein, the validity of this Article shall survive the suspension or termination of this Agreement.

Article 10 Miscellaneous

10.1 This Agreement is written in Chinese and executed in five (5) originals, with one (1) original to be retained by the Partnership, one (1) original to be used for approval or registration with governmental authorities, remaining three (3) original to be retained by the WFOE.

10.2 The formation, validity and interpretation of, resolution of disputes in connection with, this Agreement, shall be governed by PRC Law.

10.3 Dispute Resolution

(a) Any dispute arising hereunder and in connection herewith shall be resolved through consultations among the Parties, and if the Parties fail to reach a mutual agreement, any Party may submit such dispute to Guangzhou Arbitration Commission for arbitration in accordance with its arbitration rules in effect at the time of applying for arbitration. The seat of arbitration shall be Guangzhou. The arbitral award shall be final and binding on the Parties. The costs of arbitration shall be borne by the losing Party, unless otherwise determined by the arbitration tribunal.

(b) During dispute resolution, the Parties shall continue to perform the terms of this Agreement other than those relating to disputes.

10.4 Any right, power or remedy conferred on any Party by any provision of this Agreement shall not be exclusive of any other right, power or remedy available to it at law and under the other provisions of this Agreement, and the exercise by such Party of any of its rights, powers and remedies shall not preclude the exercise of any other rights, powers and remedies it may have.

10.5 No failure or delay by a Party in exercising any of its rights, powers and remedies available to it hereunder or at law (hereinafter, the "**Party's Rights**") shall operate as a waiver thereof, nor shall the waiver of any single or partial exercise of the Party's Rights shall preclude such Party from exercising such rights in any other way and exercising the remaining part of the Party's Rights.

10.6 The headings contained herein shall be for reference only, and in no circumstances shall such headings be used in or affect the interpretation of the provisions hereof.

10.7 Each provision contained herein shall be severable and independent from each of other provisions, and if at any time any one or more provisions herein become invalid, illegal or unenforceable, the validity, legality or enforceability of the remaining provisions herein shall not be affected as a result thereof.

10.8 This Agreement, once executed, replaces any other legal documents previously signed by the parties on the same subject. Any amendment or supplement hereto shall be made in writing and shall become effective only upon due execution by the Parties hereto, except for the WFOE's transfer of its rights under Section 10.9 of this Agreement.

10.9 Without the WFOE's prior written consent, any other Party shall not transfer any of its rights and/or obligations hereunder to any third party. The Existing Partners and the Partnership hereby agree that the WFOE is entitled to transfer any of its rights and/or obligations hereunder to any third party upon written notice thereof to the other Parties, and there is no need to obtain consent from the other Parties for such transfer.

10.10 This Agreement shall be binding upon the respective successors and assigns. The Existing Partners assure to WFOE that they have made all proper arrangements and signed all necessary documents to ensure that when they bankrupts, liquidates or incurs other situations that may affect the exercise of their partners' rights, their legal transferees, successors, heirs, liquidators, bankruptcy administrators, creditors, and other persons who may obtain the Partnership's interests or related rights shall not affect or hinder the performance of this Agreement. For this purpose, (a) After the date hereof, upon request of the WFOE, each limited partner shall sign as soon as possible, and each Existing Partner and the Partnership will procure the spouse of the limited partner to sign as soon as possible, a marital property agreement in a form and substance to the satisfactory of the WFOE；(b) the Existing Partners and the Partnership should promptly sign all other documents required by the WFOE and take all other actions required by the WFOE (including but not limited to notarization of this Agreement).

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This page is the signature page of the Partner Voting Rights Proxy Agreement of Guangzhou Fangu Internet Technology L.P.

Existing Partner:

Ting Li
/s/ Ting Li

This page is the signature page of the Partner Voting Rights Proxy Agreement of Guangzhou Fangu Internet Technology L.P.

Existing Partner:

Lin Song
/s/ Lin Song

This page is the signature page of the Partner Voting Rights Proxy Agreement of Guangzhou Fangu Internet Technology L.P.

Existing Partner:

Di Fu
/s/ Di Fu

This page is the signature page of the Partner Voting Rights Proxy Agreement of Guangzhou Fangu Internet Technology L.P.

Existing Partner:

Guangzhou Shangying Internet Technology Co., Ltd. (seal)
/seal/ Guangzhou Shangying Internet Technology Co., Ltd.
/s/ Wenxian Zhong
Name: Wenxian Zhong
Title: Legal Representative

This page is the signature page of the Partner Voting Rights Proxy Agreement of Guangzhou Fangu Internet Technology L.P.

Partnership:

Guangzhou Fangu Internet Technology L.P. (seal)
/seal/ Guangzhou Fangu Internet Technology L.P.
Executive Partner:

Guangzhou Shangying Internet Technology Co., Ltd.
/seal/ Guangzhou Shangying Internet Technology Co., Ltd.

This page is the signature page of the Partner Voting Rights Proxy Agreement of Guangzhou Fangu Internet Technology L.P.

WFOE:

Guangzhou Baiguoyuan Information Technology Co., Ltd. (seal)
/seal/ Guangzhou Baiguoyuan Information Technology Co., Ltd.
/s/ Wenxian Zhong
Name: Wenxian Zhong
Title: Legal Representative

PARTNERSHIP INTEREST PLEDGE AGREEMENT

THIS PARTNERSHIP INTEREST PLEDGE AGREEMENT (this "**Agreement**") is entered into on January 15, 2021 ("**Execution Date**")

BY AND AMONG:

1. **Ting Li:** Identity Card Number: ***

2. **Lin Song:** Identity Card Number: ***

3. **Di Fu:** (together with Ting Li and Lin Song, collectively as the "**Limited Partners**")**:**
   Identity Card Number: ***

4. **Guangzhou Shangying Internet Technology Co., Ltd.** (the "**General Partner**", together with Limited Partners, the "**Pledgors**" and each a "**Pledgor**")
   Registered address: 4/F, 5/F, 6/F, 13/F, 14/F, 15/F, 16/F, Jisheng Business Center, No. 278 Xingtai Road, Shiqiao Street, Panyu District, Guangzhou
   Legal representative: Wenxian Zhong

5. **Guangzhou Wanyin Internet Technology L.P.** (the "**Partnership**")
   Registered address: 4/F, 5/F, 6/F, 13/F, 14/F, 15/F, 16/F, Jisheng Business Center, No. 278 Xingtai Road, Shiqiao Street, Panyu District, Guangzhou
   Executive Partner: Guangzhou Shangying Internet Technology Co., Ltd.

6. **Guangzhou Baiguoyuan Information Technology Co., Ltd.** (the "**Pledgee**")
   Registered address: 5/F to 13/F, West Tower, Building C, No. 274 Xingtai Road, Shiqiao Street, Panyu District, Guangzhou
   Legal representative: Wenxian Zhong

In this Agreement, the aforementioned parties are referred to individually as a "**Party**" and collectively as the "**Parties**".

WHEREAS:

1. The Pledgors are the registered partners of the Partnership and lawfully hold all partnership interest in the Partnership ("**Partnership Interest**"). As of the Execution Date, the capital commitments, percentage of commitments and capital contribution to the Partnership set forth in Schedule 1 hereto.

2. The Parties hereto entered into a Partner Voting Rights Proxy Agreement ("**Proxy Agreement**") on January 15, 2021, pursuant to which the each of the Pledgors has irrevocably granted a general power of attorney to such persons as may then be appointed by the Pledgee to exercise its entire partner voting rights in the Partnership on behalf of the Pledgors.

3. The Partnership and the Pledgee entered into an Exclusive Service Agreement

("**Service Agreement**") on January 15, 2021, pursuant to which the Partnership has, on an exclusive basis, engaged the Pledgee to provide it with relevant services and agrees to pay relevant service fees to the Pledgee for such services.

4. The Parties hereto entered into an Exclusive Option Agreement ("**Option Agreement**") on January 15, 2021, pursuant to which the Pledgors and the Partnership shall, to the extent permitted by the PRC Laws, transfer, at the request of the Pledgee, all or part of their partnership interests in the Partnership or all or part of the assets of the Partnership respectively to the Pledgee and/or any entity and/or individual designated by it, or the Partnership shall decrease its capital and the Pledgee and/or any entity and/or individual designated by it shall subscribe for the newly increased registered capital of the Partnership.

5. As security for the performance by the Pledgors of their Contractual Obligations (as defined below) and their repayment of the Secured Indebtedness (as defined below), each Pledgor is willing to pledge all of its Partnership Interest to the Pledgee and create first priority pledge in favor of the Pledgee; and the Partnership has agreed to such partnership interest pledge arrangement.

NOW, THEREFORE, upon consensus through consultation, the Parties agree as follows:

ARTICLE I DEFINITIONS

1.1 Unless otherwise required by the context, the following terms shall have the following meanings in this Agreement:

"**Contractual Obligations**"	means all of the each Pledgor's contractual obligations under the Proxy Agreement and the Option Agreement; all of the Partnership's contractual obligations under the Proxy Agreement, the Service Agreement and the Option Agreement; and all of the contractual obligations of the each Pledgor and the Partnership under this Agreement.
"Secured Indebtedness"	means all direct, indirect or consequential losses and loss of projectable benefits suffered by the Pledgee as a result of any Event of Default (as defined below) of the Pledgors and/or the Partnership, and the basis for determining the amounts of such losses shall include, without limitation, reasonable commercial plans and profit forecasts of the Pledgee and all costs incurred by the Pledgee in connection with its enforcement of the Contractual Obligations of each Pledgor and/or the Partnership.
"Transaction Agreements"	means the Proxy Agreement, the Service Agreement and the Option Agreement.

"Event of Default"	means a breach by any Pledgor of any of its Contractual Obligations under the Proxy Agreement, the Option Agreement and/or this Agreement, and a breach by the Partnership of any of its Contractual Obligations under the Proxy Agreement, the Service Agreement, the Option Agreement and/or this Agreement.
"Pledged Interest"	means all of the Partnership Interest lawfully owned by the Pledgors as of the effectiveness of this Agreement and to be pledged hereunder to the Pledgee as security for the performance by the Pledgors and the Partnership of their respective Contractual Obligations and increased capital contribution amounts and dividends under Sections 2.6 and 2.7 hereof.
"PRC Laws"	means the then effective laws, administrative regulations, administrative rules, local regulations, judicial interpretations and other binding regulatory documents of the People's Republic of China.

1.2 In this Agreement, any reference to any PRC Law shall be deemed to include (i) a reference to such PRC Law as modified, amended, supplemented or reenacted, effective either before or after the date hereof; and (ii) a reference to any other decision, circular or rule made thereunder or effective as a result thereof.

1.3 Unless otherwise required by the context, a reference to an article, section, clause or paragraph herein shall be a reference to an article, section, clause or paragraph of this Agreement.

ARTICLE II INTEREST PLEDGE

2.1 Each Pledgor hereby agrees to pledge, in accordance with the terms hereof, its lawfully owned and rightfully disposable Pledged Interest to the Pledgee as security for the performance by such Pledgor of its Contractual Obligations and its repayment of the Secured Indebtedness. The Partnership hereby agrees for the Pledgors to so pledge the Pledged Interest to the Pledgee in accordance with the terms hereof.

2.2 Each Pledgor covenants that it will assume the responsibility of recording the interest pledge arrangement ("**Interest Pledge**") hereunder in the partner's register of the Partnership on the Execution Date. Each Pledgor further covenants that, after the Execution Date, it will use its best efforts and take all necessary measures to (i) register the Interest Pledge as soon as possible with the competent administrative authority for market regulation of the Partnership; and (ii) under the condition that the PRC Laws and relevant government departments or registration agencies have established relevant pledge registration systems, file pledge registration of the Interest Pledge with relevant government departments or registration agencies according to the requirements of the Pledgee.

2.3 During the validity term hereof, the Pledgee shall not be liable in whatsoever manner for any diminution in value of the Pledged Interest and the Pledgors shall have no right to seek any form of recourse or bring any claims against the Pledgee in connection therewith, except where such diminution arises out of any willful conduct of the Pledgee or its gross negligence having immediate causal link with such result.

2.4 Subject to Section 2.3 above, if the Pledged Interest is likely to suffer such a manifest value diminution as to impair the rights of the Pledgee, the Pledgee may at any time auction or sell the Pledged Interest on behalf of the Pledgor and may, as agreed with the Pledgors, apply the proceeds from such auction or sale towards early repayment of the Secured Indebtedness, or deposit (entirely at the cost of the Pledgee) such proceeds with a notary organ of the place of the Pledgee. In addition, upon request by the Pledgee, the Pledgors shall provide other property as security for the Secured Indebtedness.

2.5 Upon occurrence of any Event of Default, the Pledgee shall be entitled to dispose of the Pledged Interest in such manner as prescribed by Article IV hereof.

2.6 The Pledgors shall not increase the capital of the Partnership except with prior consent of the Pledgee. Any increase in the capital contribution made by the Pledgors to the registered capital of the Partnership as a result of any capital increase shall equally become part of the Pledged Interest, and the Pledgors shall register the pledge of the Partnership Interest corresponding to such capital contribution with the competent administrative authority for market regulation of the Partnership.

2.7 The Pledgors shall not receive any dividend or profit in respect of the Pledged Interest except with prior consent of the Pledgee. Any dividend or profit received by the Pledgors in respect of the Pledged Interest shall be deposited into an account designated by the Pledgee, monitored by the Pledgee and first applied towards repayment of the Secured Indebtedness.

2.8 Upon occurrence of an Event of Default, the Pledgee shall be entitled to dispose of any Pledged Interest of the Pledgors in accordance with the terms hereof.

ARTICLE III RELEASE OF PLEDGE

3.1 Upon full and complete performance by the Pledgors and the Partnership of all of their Contractual Obligations and full repayment of the Secured Indebtedness, the Pledgee shall, at the request of the Pledgors, release the Interest Pledge hereunder and cooperate with the Pledgors in relation to both the deregistration of the Interest Pledge in the partner's register of the Partnership and the deregistration of the Interest Pledge with the relevant administrative authority for market regulation; reasonable costs arising out of such release of the Interest Pledge shall be borne by the Pledgee.

ARTICLE IV DISPOSAL OF PLEDGED INTEREST

4.1 The Parties hereby agree that upon occurrence of any Event of Default, the Pledgee shall be entitled to exercise, upon written notice to the Pledgors, all of the remedies, rights and powers available to it under the PRC Laws, the Transaction Agreements and this Agreement, including, without limitation, the right to auction or sell the Pledged Interest for prior satisfaction of claims. The Pledgee shall not be held liable for any losses resulting from its reasonable exercise of such rights and powers.

The Pledgors further acknowledge and agree that its breach of Article IX hereof shall constitute its material breach of this Agreement; the Partnership further acknowledges and agrees that its breach of Article X hereof shall constitute its material breach of this Agreement.

4.2 The Pledgee shall be entitled to appoint, in writing, its counsels or other agents to exercise any and all of its foregoing rights and powers, and neither anyPledgor nor the Partnership shall object thereto.

4.3 The Pledgee shall have the right to fully deduct all reasonable costs incurred by it in connection with its exercise of any or all of its foregoing rights and powers from the proceeds obtained as a result of such exercise of rights and powers.

4.4 The proceeds obtained as a result of the exercise by the Pledgee of its rights and powers shall be applied in the following order of precedence:

(a) towards payment of all costs arising out of the disposal of the Pledged Interest and the exercise by the Pledgee of its rights and powers (including fees paid to its counsels and agents);

(b) towards payment of the taxes payable in connection with the disposal of the Pledged Interest; and

(c) towards repayment of the Secured Indebtedness to the Pledgee.

Any balance after the deduction of the foregoing payments shall either be returned by the Pledgee to the Pledgors or any other person who may be entitled to such balance under relevant laws and regulations or be deposited by the Pledgee with a notary organ of the place of the Pledgee (any costs arising out of such deposit shall be borne by the Pledgee).

4.5 The Pledgee shall have the right to exercise, at its option, concurrently or successively, any of its breach of contract remedies; the Pledgee shall not be required to first exercise other breach of contract remedies prior to the exercise of its right to auction or sell the Pledged Interest hereunder.

ARTICLE V COSTS AND EXPENSES

5.1 All actual costs and expenses arising in connection with the creation of the Interest Pledge hereunder, including, without limitation, the stamp duty, any other taxes and all legal costs, shall be borne by the Parties severally.

ARTICLE VI CONTINUING GUARANTEE AND NON-WAIVER

6.1 The Interest Pledge created hereunder shall constitute a continuing guarantee and shall remain valid until full performance of the Contractual Obligations or full repayment of the Secured Indebtedness, whichever occurs later. Neither any waiver or grace granted by the Pledgee with respect to any breach by any Pledgor nor any delay of the Pledgee in its exercise of any of its rights under the Transaction Agreements and this Agreement shall affect the right of the Pledgee under this Agreement, relevant PRC Laws and the Transaction Agreements to require at any time thereafter the Pledgors to strictly perform the Transaction Agreements and this Agreement or any right that may be available to the Pledgee as a result of any subsequent breach by the Pledgors of the Transaction Agreements and/or this Agreement.

ARTICLE VII REPRESENTATIONS AND WARRANTIES BY THE PLEDGOR

Each Pledgor represents and warrants to the Pledgee that:

7.1 Each Limited Partner is a PRC citizen with full capacity; the General Partner is a limited liability company legally registered and validly existing in accordance with the PRC laws with independent legal personality. Each Pledgor has full and independent legal status and capacity to execute, deliver and perform this Agreement and may sue or be sued as an independent party.

7.2 All reports, documents and information provided by it to the Pledgee prior to the effectiveness of this Agreement with respect to all matters pertaining to such Pledgor or required by this Agreement are true, correct, complete and not misleading in all material respects as of the effectiveness of this Agreement.

7.3 All reports, documents and information provided by it to the Pledgee subsequent to the effectiveness of this Agreement with respect to all matters pertaining to such Pledgor or required by this Agreement are true and valid in all material respects as of the time of provision of the same.

7.4 As of the effectiveness of this Agreement, such Pledgor is the sole lawful owner of the Pledged Interest free from any ongoing or potential dispute or any third party claim as to the ownership thereof; and such Pledgor has the right to dispose of the Pledged Interest or any part thereof.

7.5 Other than the security interest created on the Pledged Interest hereunder and the rights created under the Transaction Agreements, the Pledged Interest is free from any other security interests, third party rights or interests or any other restrictions.

7.6 The Pledged Interest may be lawfully pledged and assigned, and such Pledgor

has full rights and powers to pledge the Pledged Interest to the Pledgee in accordance with the terms hereof.

7.7 Once duly executed by such Pledgor, this Agreement will constitute lawful, valid and binding obligations of such Pledgor.

7.8 Other than the registration of the Interest Pledge with the relevant administrative authority for market regulation, any consents, permissions, waivers or authorizations by any third party or any approval, license or exemption from or any registration or filing formalities with any governmental body (if required by law), requisite in each case for the execution and performance of this Agreement and the creation of the Interest Pledge hereunder, have been obtained or completed and will remain fully valid during the validity term hereof.

7.9 The execution and performance by such Pledgor of this Agreement do not violate or conflict with any law applicable to such Pledgor, any agreement to which such Pledgor is a party or by which he is bound, any court judgment, any arbitral award, or any decision of any administrative authority.

7.10 The pledge hereunder constitutes a first priority security interest on the Pledged Interest.

7.11 All taxes and costs payable in connection with the acquisition of the Pledged Interest have been paid in full by such Pledgor.

7.12 There are no pending, or to the knowledge of such Pledgor, threatened, suits, legal proceedings or claims before any court or arbitral tribunal or by any governmental body or administrative authority against such Pledgor or its property or the Pledged Interest having a material or adverse effect on the financial condition of such Pledgor or its ability to perform its obligations and the guarantee liability hereunder.

7.13 Each Pledgor hereby warrants to the Pledgee that the foregoing representations and warranties will remain true and correct and be fully complied with under all circumstances at any time prior to the full performance of the Contractual Obligations or full repayment of the Secured Indebtedness.

ARTICLE VIII REPRESENTATIONS AND WARRANTIES BY THE PARTNERSHIP

The General Partner and the Partnership represent and warrant to the Pledgee that:

8.1 The Partnership is a limited liability Partnership duly registered and lawfully existing under the PRC Laws; and has full and independent legal status and capacity to execute, deliver and perform this Agreement and may sue or be sued as an independent party.

8.2 All reports, documents and information provided by it to the Pledgee prior to the effectiveness of this Agreement with respect to all matters pertaining to the

Pledged Interest or required by this Agreement are true, correct, complete and not misleading in all material respects as of the effectiveness of this Agreement.

8.3 All reports, documents and information provided by it to the Pledgee subsequent to the effectiveness of this Agreement with respect to all matters pertaining to the Pledged Interest or required by this Agreement are true and valid in all material respects as of the time of provision of the same.

8.4 Once duly executed by it, this Agreement will constitute lawful, valid and binding obligations of the Partnership.

8.5 It has full internal corporate power and authority to execute and deliver this Agreement and all other documents to be executed by it in connection with the transactions contemplated hereunder as well as full power and authority to consummate the transactions contemplated hereunder.

8.6 There are no pending, or to the knowledge of the Partnership, threatened, suits, legal proceedings or claims before any court or arbitral tribunal or by any governmental body or administrative authority against the Pledged Interest, the Partnership or its assets having a material or adverse effect on the financial condition of the Partnership or the ability of the Pledgors to perform its obligations and the guarantee liability hereunder.

8.7 The Partnership hereby agrees to be severally and jointly liable to the Pledgee for the representations and warranties made by the Pledgors under Sections 7.4, 7.5, 7.6, 7.8 and 7.10 hereof.

8.8 The Partnership hereby warrants to the Pledgee that the foregoing representations and warranties will remain true and correct and be fully complied with under all circumstances at any time prior to the full performance of the Contractual Obligations or full repayment of the Secured Indebtedness.

ARTICLE IX UNDERTAKINGS BY THE PLEDGORS

The Pledgors hereby agree and irrevocably undertake to the Pledgee that:

9.1 Without prior written consent of the Pledgee, the Pledgors will not create or permit to be created any new pledge or any other security interest on the Pledged Interest, and any pledge or any other security interest created on all or part of the Pledged Interest without prior written consent of the Pledgee shall be null and void.

9.2 Without prior written notice to and prior written consent of the Pledgee, (i) the Pledgors will not assign or otherwise dispose of the Pledged Interest or request the Partnership to decrease its capital, and any of such actions taken by the Pledgors without prior consent of the Pledgee shall be null and void; (ii) the Pledgors will not assist or permit other existing partners (as applicable) to take any of the foregoing actions without prior written consent of the Pledgee. The proceeds received by the Pledgors from the assignment or other disposal of the Pledged Interest shall be first applied towards early full repayment of the

Secured Indebtedness to the Pledgee or deposited with a third party to be agreed with the Pledgee.

9.3 Should there arise any suit, arbitration or other claims which are likely to have an adverse effect on the interests of the Pledgors or the Pledgee under the Transaction Agreements and this Agreement or on the Pledged Interest, the Pledgors warrant that it will notify the Pledgee in writing of the same as soon as possible and without delay and will, in accordance with the reasonable request of the Pledgee, take all necessary actions to ensure the Pledgee's pledge rights and interests in and to the Pledged Interest.

9.4 The Pledgors warrant that it shall complete the business term extension registration formalities of the Partnership within three (3) months prior to the expiry of the business term of the Partnership such that the validity of this Agreement shall be maintained.

9.5 The Pledgors shall not do or permit to be done any act or action likely to have an adverse effect on the interests of the Pledgee under the Transaction Agreements and this Agreement or on the Pledged Interest.

9.6 The Pledgors will use its best efforts and take all necessary measures to register the Interest Pledge hereunder as soon as possible with the relevant administrative authority for market regulation after the execution of this Agreement, and the Pledgors warrant, in accordance with the reasonable request of the Pledgee, to take all necessary actions and execute all necessary documents (including, without limitation, any supplement hereto) to ensure the Pledgee's pledge rights and interests in and to the Pledged Interest as well as the exercise and realization by the Pledgee of such rights and interests.

9.7 Should the exercise of the pledge rights hereunder result in an assignment of any Pledged Interest, the Pledgors warrant that it will take all actions to realize such assignment.

9.8 The Pledgors ensure that the partner's resolutions adopted, convening procedures of, the methods of voting at and the contents of the partners' meeting (as applicable) and board meetings of the Partnership held in connection with the execution of this Agreement and the creation and exercise of the pledge rights hereunder shall not violate laws, administrative regulations or the articles of association of the Partnership.

9.9 Once the Pledgors know or should have known any possible transfer of the Pledged Interest held by him to any third parties other than the Pledgee or any individual or entity designated by the Pledgee as a result of applicable PRC Laws or any judgment or award rendered by a court or arbitral body or for any other reasons, it shall notify the Pledgee immediately and without delay.

9.10 Without prior written consent of the Pledgee, the Pledgors shall not take any measure to advise, claim or request amendment, revision, termination or change the limited partnership agreement of the Partnership, and shall not procure or agree the General Partner and/or the Partnership reach any ancillary

agreement or supplemental agreement with the Pledgors in respect of the limited partnership agreement of the Partnership.

ARTICLE X UNDERTAKINGS BY THE GENERAL PARTNER AND THE PARTNERSHIP

The General Partner and the Partnership hereby severally and jointly agree and irrevocably undertake to the Pledgee that:

10.1 The General Partner and the Partnership will use every effort to assist with the obtainment of any consents, permissions, waivers or authorizations by any third party or any approval, license or exemption from any governmental body or the completion of any registration or filing formalities with any governmental body (if required by law), requisite in each case for the execution and performance of this Agreement and the creation of the Interest Pledge hereunder, and the maintenance of the same in full force and effect during the validity term hereof.

10.2 Without prior written consent of the Pledgee, the General Partner and the Partnership will not assist or permit the Pledgors to create any new pledge or any other security interest on the Pledged Interest.

10.3 Without prior written consent of the Pledgee, (i) the Partnership will not assist or permit the Pledgors to assign or otherwise dispose of the Pledged Interest, (ii) the General Partner and the Partnership will not assist or permit withdrawal from the Partnership by the Pledgors, delisting the Pledgors from the Partnership, reduce the capital commitment to the Partnership or dissolution of the Partnership. Without limiting the foregoing, once the abovesaid disposal, withdrawal, delisting, reduction of capital commitment or dissolution occurs, the General Partner and the Partnership shall notify the Pledgee when they know or should have known such circumstances.

10.4 Without the prior written consent of the Pledgee, the General Partner and the Partnership shall not make the Pledgor receive any revenue distribution or return of the Partnership Interest for the Pledged Interest. The revenue distribution or return of the Partnership Interests that the Pledgor is entitled to receive due to the Pledged Interest shall be deposited in the designated account of the Pledgee, and the General Partner and the Partnership shall notify the Pledgee such revenue distribution and the return of the Partnership Interest.

10.5 Should there arise any suit, arbitration or other claims which are likely to have an adverse effect on the Partnership, the Pledged Interest or the interests of the Pledgee under the Transaction Agreements and this Agreement, the Partnership warrants that it will notify the Pledgee in writing of the same as soon as possible and without delay and will, in accordance with the reasonable request of the Pledgee, take all necessary actions to ensure the Pledgee's pledge rights and interests in and to the Pledged Interest.

10.6 The Partnership warrants that it shall complete its business term extension registration formalities within three (3) months prior to the expiry of its

business term such that the validity of this Agreement shall be maintained.

10.7 The Partnership shall not do or permit to be done any act, action or omission likely to have an adverse effect on the interests of the Pledgee under the Transaction Agreements and this Agreement or on the Pledged Interest.

10.8 The General Partner and the Partnership will, during the first month of each calendar quarter, submit to the Pledgee the financial statements of the Partnership for the preceding calendar quarter, including, without limitation, the balance sheet, the income statement and the cash flow statement.

10.9 The Partnership warrants, in accordance with the reasonable request of the Pledgee, to take all necessary actions and execute all necessary documents (including, without limitation, any supplement hereto) to ensure the Pledgee's pledge rights and interests in and to the Pledged Interest as well as the exercise and realization by the Pledgee of such rights and interests.

10.10 Should the exercise of the pledge rights hereunder result in an assignment of any Pledged Interest, the Partnership warrants that it will take all actions to realize such assignment.

10.11 The Partnership covenants that it will assist the Pledgors to register the Interest Pledge hereunder with the competent administrative authority for market regulation of the Partnership as soon as possible after the execution of this Agreement and provide all necessary cooperation to complete such registration in a timely manner.

10.12 Once the Partnership knows or should have known any possible transfer of the Pledged Interest held by the Pledgors to any third parties other than the Pledgee or any individual or entity designated by the Pledgee as a result of applicable PRC Laws or any judgment or award rendered by a court or arbitral body or for any other reasons, it shall notify the Pledgee immediately and without delay.

10.13 Without prior written consent of the Pledgee, the General Partner shall not take any measure to advise, claim or request amendment, revision, termination or change the limited partnership agreement of the Partnership, and the General Partner and/or the Partnership shall not reach any ancillary agreement or supplemental agreement with the Pledgors in respect of the limited partnership agreement of the Partnership.

ARTICLE XI FUNDAMENTAL CHANGES OF CIRCUMSTANCES

11.1 As a supplementary agreement and without contravening other provisions of the Transaction Agreements and this Agreement, if, at any time, in the opinion of the Pledgee, as a result of any promulgation of or amendment to any PRC Laws, regulations or rules, or any change in the interpretation or application of such laws, regulations or rules, or any change in relevant registration procedures, the maintenance of the validity of this Agreement and/or the disposal of the Pledged Interest in the manner prescribed hereby becomes illegal or contravenes such laws, regulations or rules, the Pledgors and the

Partnership shall, based on the Pledgee's written instructions and in accordance with its reasonable request, immediately take any actions and/or execute any agreements or other documents so as to:

(a) maintain the validity of this Agreement;

(b) facilitate the disposal of the Pledged Interest in the manner prescribed hereby; and/or

(c) maintain or realize the security created or purported to be created hereunder.

ARTICLE XII EFFECTIVENESS AND TERM OF AGREEMENT

12.1 This Agreement shall become effective after duly executed by the parties; and

12.2 The term of this Agreement shall end when the Contractual Obligations have been fully performed or the Secured Indebtedness have been fully repaid, whichever is later.

ARTICLE XIII NOTICES

13.1 Any notice, request, demand and other correspondences required by or made pursuant to this Agreement shall be made in writing and delivered to the relevant Parties.

13.2 Such notice or other correspondences shall be deemed delivered when it is transmitted if transmitted by fax or email; or upon delivery if delivered in person; or two (2) days after posting if delivered by mail.

ARTICLE XIV MISCELLANEOUS

14.1 The Pledgors and the Partnership agree that the Pledgee may, immediately upon notice to the Pledgors and the Partnership, assign its rights and/or obligations hereunder to any third party; provided that without prior written consent of the Pledgee, neither the Pledgors nor the Partnership may assign their respective rights, obligations or liabilities hereunder to any third party.

14.2 The sum of the Secured Indebtedness determined by the Pledgee in its discretion in connection with its exercise of its pledge rights to the Pledged Interest in accordance with the terms hereof shall constitute the conclusive evidence for the Secured Indebtedness hereunder.

14.3 This Agreement is made in Chinese in five (5) originals, of which one (1) copy shall be held by the Partnership, one (1) copy shall be used for governmental approval/registration purposes and the three (3) copies shall be kept by the Pledgee.

14.4 The entry into, effectiveness and interpretation of, and resolution of disputes

under, this Agreement shall be governed by the PRC Laws.

14.5 Dispute Resolution

(a) All disputes arising out of or in connection with this Agreement shall be first settled by the relevant Parties through amiable consultations; if such Parties fail to resolve the dispute through consultations, the dispute shall be submitted to China Guangzhou Arbitration Commission ("**CGAC**") for arbitration according to CGAC arbitration rules in effect at the time of applying for arbitration. The seat of arbitration shall be in Guangzhou. The arbitration award shall be final and binding on the relevant Parties. Except as otherwise required by the arbitration award, the arbitration fees shall be borne by the losing party. The losing party shall also indemnify for the attorneys' fee and other expenses incurred by the winning party.

(b) Pending the resolution of such dispute, the Parties shall continue to perform the remaining provisions of this Agreement other than the disputed matters.

14.6 No right, power or remedy empowered to any Party by any provision of this Agreement shall preclude any other right, power or remedy enjoyed by such Party in accordance with law or any other provisions hereof and no exercise by a Party of any of its rights, powers and remedies shall preclude its exercise of its other rights, powers and remedies.

14.7 No failure or delay by a Party in exercising any right, power or remedy under this Agreement or laws ("**Party's Rights**") shall result in a waiver of such rights; and no single or partial waiver by a Party of the Party's Rights shall preclude such Party from exercising such rights in any other way or exercising the remaining part of the Party's Rights.

14.8 The section headings herein are inserted for convenience of reference only and shall in no event be used in or affect the interpretation of the provisions hereof.

14.9 Each provision contained herein shall be severable and independent of any other provisions hereof, and if at any time any one or more provisions hereof become invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions hereof shall not be affected thereby.

14.10 (i) Once executed, this Agreement shall replace any other legal documents previously entered into by the Parties in respect of the same subject matter hereof. To clarify, despite the foregoing agreement, all parties irrevocably promise, agree and recognize to sign a simplified version of interest pledge agreement ("**Simplified Pledge Agreement**"), only for the purpose of the pledge registration of the Partnership's competent administrative department for industry and commerce. If the simplified pledge agreement is inconsistent with this agreement, the agreement is not as clear as this agreement, or the simplified pledge agreement does not cover matters, this agreement shall

prevail. (ii) Any amendments or supplements to this Agreement shall be made in writing. Except for the transfer of rights hereunder by the Pledgee according to Section 14.1 hereof, such amendments or supplements shall become effective only if they are duly signed by the Parties hereto.

14.11 This Agreement shall be binding upon the legal assignees or successors of the Parties. The successors or permitted assignees (if any) of the Pledgors and the Partnership shall continue to perform the respective obligations of the Pledgors and the Partnership hereunder. The Pledgors warrant to the Pledgee that he has made all appropriate arrangements and executed all necessary documents to ensure that, in the event of its bankruptcy, dissolution or occurrence of other circumstances that might affect exercise of its partner rights, his legal assignee, successor, heir, creditor, liquidator, bankruptcy administrator and other persons that might consequently acquire the Partnership Interest or relevant rights cannot affect or impede the performance of this Agreement. For this purpose, the Pledgors and the Partnership shall promptly sign all other documents and take all other actions (including, without limitation, notarization of this Agreement) as required by the Pledgee.

14.12 Concurrently with the execution of this Agreement, the Pledgors shall execute a power of attorney ("**Power of Attorney**") in the form of Schedule 2 hereto, entrusting any nominee of the Pledgee to execute, on its behalf in accordance with this Agreement, any and all legal documents as may be required in order for the Pledgee to exercise its rights hereunder. Such Power of Attorney shall be submitted to the Pledgee for custody and may be presented by the Pledgee to relevant governmental authorities whenever necessary.

[THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK. EXECUTION PAGE FOLLOWS]

Pledgor:

Ting Li
/s/ Ting Li

Pledgor:

Lin Song
/s/ Lin Song

Pledgor:

Di Fu
/s/ Di Fu

Pledgor:

Guangzhou Shangying Internet Technology Co., Ltd. (seal)
/seal/ Guangzhou Shangying Internet Technology Co., Ltd.
/s/ Wenxian Zhong
Name: Wenxian Zhong
Title: Legal Representative

Partnership:

Guangzhou Wanyin Internet Technology L.P. (seal)
/seal/ Guangzhou Wanyin Internet Technology L.P.
Executive Partner:

Guangzhou Shangying Internet Technology Co., Ltd.
/seal/ Guangzhou Shangying Internet Technology Co., Ltd.

Pledgee:

Guangzhou Baiguoyuan Information Technology Co., Ltd. (seal)
/seal/ Guangzhou Baiguoyuan Information Technology Co., Ltd.
/s/ Wenxian Zhong
Name: Wenxian Zhong
Title: Legal Representative

Exhibit 4.32

Exclusive Service Agreement

This Exclusive Service Agreement (this "***Agreement***") is made and entered into by and between the following parties on January 15, 2021:

(1) **Guangzhou Wanyin Internet Technology L.P.** ("***Party A***")
Registered address: 4/F, 5/F, 6/F, 13/F, 14/F, 15/F, 16/F, Jisheng Business Center, No. 278 Xingtai Road, Shiqiao Street, Panyu District, Guangzhou
Legal representative: Guangzhou Shangying Internet Technology Co., Ltd.

(2) **Guangzhou Baiguoyuan Information Technology Co., Ltd.** ("***Party B***")
Registered address: 23/F, Building B-1, North Block of Wanda Plaza, No. 79 Wanbo Er Road, Nancun Town, Panyu District, Guangzhou
Legal representative: LI Ting

Each of Party A and Party B shall be hereinafter referred to as a "Party" respectively, and as the "Parties" collectively.

PREAMBLE

1. Party A is a limited partnership registered and validly existing in Guangzhou, China, which engages in software development; enterprise management; information technology consulting services; information consulting services (except for license required business);

2. Party B is a wholly-foreign-owned enterprise registered and validly existing in Guangzhou, China, which engages in information technology consulting services; information system integration services; software development; computer software and hardware and auxiliary equipment wholesale; computer software, hardware and auxiliary equipment retail; software sales; corporate management; corporate management consulting; goods import and export; various engineering construction activities; technology import and export.

3. Party A needs Party B to provide services related to the Party A Business, and Party B agrees to provide such services to Party A.

NOW, THEREFORE, the Parties have reached the following agreements:

1. DEFINITIONS

1.1 Unless otherwise provided, in this Agreement:

Party A's Business means all business activities that Party A currently operates and operates at any time during the term of this Agreement.

Services means services exclusively provided by Party B to Party A with respect to the Party A's Business, which may include but without limitation:

(a) Approval of Party A to use the software related to the Party A's Business that Party B has legal rights;

(b) Providing economic information, computer technology, commercial and management consulting or advices for Party A;

(c) Providing business planning, design, marketing plan;

(d) Daily management, maintenance and update of hardware equipment and databases or software resources and customer resources;

(e) Providing comprehensive operation and solution plan in information technology/operation management required by Party A's business;

(f) Software development, maintenance, and update which the Party A's Business requires;

(g) Providing business training, support and assistance of relevant personnel of Party A;

(h) Other relevant services that are required to be provided by Party A from time to time.

Service Fee means all the fees Party A shall pay to Party B for the Services Party B provides subject to Section 3.

Annual Business Plan means according to this Agreement, the Party A's Business development plan and budget report for the next calendar year prepared by Party A before November 30 of each year, with the assistance of Party B.

Business Related Intellectual Property Rights means any and all intellectual property rights related to the Party A's business developed by Party A on the basis of the services provided by Party B under this agreement.

Confidential Information has the meaning assigned to it in Section 6.1.

Defaulting Party has the meaning assigned to it in Section 12.1.

Default has the meaning assigned to it in Section 12.1.

Such Party's Right has the meaning assigned to it in Section 14.5.

1.2 Any referring to any law or statutory provision under this Agreement shall be deemed to:

(a) also include referring to any revision, extension, combination and replacement related to such law or provision; and
(b) also include referring to orders, ordinances, instructions and other subordinate legislation promulgated in accordance with relevant law or provisions.

1.3 All references in this Agreement to designated "Sections" and other subdivisions are to the designated Sections and other subdivisions of the body of this Agreement unless explicitly stated otherwise

2. SERVICES

2.1 During the term of this Agreement, Party A hereby exclusively engages Party B to provide the Services, and Party B shall provide the Services to Party A diligently pursuant to the requirement of Party A's Business. Both Parties understand that, the actual Services provided by Party B shall be limited to the approved business scope of Party B; if the Services Party A requires exceed the approved business scope of Party B, Party B will apply for extension of its business scope under the maximum scope permitted by the laws, and will provide related Services after permission of such extension.

2.2 For the purpose of providing Services in accordance with this Agreement, Party B shall communicate with Party A and exchange various information related to the Party A's Business.

2.3 Notwithstanding any other provisions of this Agreement, Party B is entitled to appoint any third party to provide any or all of the Services under this Agreement, or perform any obligations under this Agreement on behalf of Party B. Party A hereby agrees that Party B has the right to transfer or assign the rights and obligations of Party B under this Agreement to any third party.

3. SERVICE FEE

3.1 The Party A shall pay Party B the Service Fee for the Services contemplated in this Agreement as following:

3.1.1 After mutual consents between both Parties, for the Services provided by Party B to Party A in each calendar year within the term of this agreement, Party A shall pay Party B the relevant Service Fee on an annual basis; and

3.1.2 With respect to the Service Fee incurred by the specific Services Party B provided as required by Party A from time to time, after mutual consents between both Parties, Party A shall pay the Service Fee separately.

3.2 Party B shall issue a payment notice and value-added tax invoice to Party A in a timely manner, and calculate on an annual basis. Party A shall pay the Service Fee to Party B within one (1) month upon the receipt of Party B's tax invoice.

3.3 Both Parties agree, without violating any mandatory requirement of any laws and regulations, the amount of the Service Fee and service scope as set forth in Section 3.1 and 3.2, may be confirmed and adjusted by both Parties in accordance with advices made by Party B from time to time.

3.4 The parties shall bear the taxes they shall pay and withhold the taxes (if any) in accordance with the applicable law.

4. PARTY A'S OBLIGATION

4.1 The Services provided by Party B is exclusive. During the term of this Agreement, without prior written consent of Party B, the Party A shall not enter into any agreement with any third party and accept any services identical or similar to the Services hereunder from any third party.

4.2 Party A shall provide the Annual Business Plan to Party B before November 30 of each year, to the extent that Party B could arrange Services plan and add necessary personnel and resources. If Party A requires personnel supplement temporarily, Party A shall negotiate with Party B with 15 days in advance to reach an agreement.

4.3 For better Services provided by Party B, Party A shall timely provide related materials that Party B requires.

4.4 Party A shall pay the Service Fee in a timely and sufficient manner in accordance with Section 3.

4.5 Party A should maintain its own good reputation, actively expand its business, and strive to maximize revenue.

4.6 During the term of this Agreement, Party A agrees to cooperate with Party B and Party B's parent company (including direct or indirect) to conduct related-party transaction audits and other audits, and provide Party B, its parent company, or its authorized auditors with information on Party A's operations, business, customers, finances, employees and other related information and materials, and agree that Party B's parent company shall disclose such information and materials in order to meet the regulatory requirements of the place where its securities are listed.

5. INTELLECTUAL PROPERTY RIGHTS

5.1 Party B shall have proprietary rights and interests in all rights, ownership, interests of the intellectual property rights it already has before entering into this Agreement, and created or arising out of providing of Services during the term of this Agreement.

5.2 Since the operation of Party A's Business depends on the Services provided by Party B under this Agreement, Party A agrees to the following arrangements regarding the Business Related Intellectual Property Rights developed by Party A on the basis of such Services:

(1) If the Business Related Intellectual Property Rights are developed by Party A entrusted by Party B, or obtained through cooperation between Party A and Party B, the ownership and the right to apply for related intellectual property rights shall belong to Party B.

(2) If the Business Related Intellectual Property Rights are independently developed and acquired by Party A, the ownership shall belong to Party A, provided that (A) Party A informs Party B of the details of the Business Related Intellectual Property Rights in a timely manner, and provides relevant information that Party B has reasonably requested; (B) If Party A wants to license or transfer such Business Related Intellectual Property Rights, Party A shall transfer to Party B or grant Party B an exclusive license prior to any third party, without violating the mandatory provisions of the laws of China, and Party B may use such Business Related Intellectual Property Rights within the scope of such transfer or license from Party A (but Party B has the right to decide whether to accept such transfer or license); Party A can only transfer or license the Business Related Intellectual Property Rights to a third party without offering more favorable conditions than which Party A offers to Party B (including but not limited to the transfer price or license fee) provided that Party B has waived the priority to purchase the ownership of the Business Related Intellectual Property Rights or the exclusive right to use the Business Related Intellectual Property Rights, and shall ensure that such third party fully complies with and performs the obligations of Party A under this Agreement; (C) Except for the circumstances mentioned in item (B) above, during the term of this Agreement, Party B has the right to purchase such Business Related Intellectual Property Rights; then Party A shall agree to Party B's such purchase request provided that there would be no violation of the mandatory provisions of the laws of China, and the purchase price shall be the lowest price allowed by the laws of China at that time.

5.3 If Party B is licensed to exclusively use the Business Related Intellectual Property Rights according to Section 5.2 (2) of this Agreement, such license shall be implemented in according with the following rules:

(1) Licensing period shall not be less than five (5) years (calculated from the effective date of relevant licensing agreement);

(2) The scope of license shall be the maximum scope as far as possible;

(3) Within the licensing period and scope of license, any other parties (include Party A) except Party B shall not use or license others to use the Business Related Intellectual Property Rights;

(4) Without prejudicing to Section 5.3 (3), Party A is entitled to, at its own discretion, license the Business Related Intellectual Property Rights to any other third parties;

(5) After expiration of licensing period, Party B is entitled to request the renewal of the license agreement and Party A shall agree to it. The terms of the license agreement shall remain unchanged, except for changes approved by Party B.

5.4 Notwithstanding Section 5.2 (2) above, if any Business Related Intellectual Property Rights described in such Section can be valid only after registration of ownership under applicable laws, then the application for registration of ownership shall be implemented in according with the following rules:

(1) Party A shall obtain prior written consent from Party B if Party A would apply for registration of ownership with regard to any Business Related Intellectual Property Rights described in such Section;

(2) Party A can only apply for registration of ownership on its own or transfer such right of applying for registration of ownership to a third party when Party B waives its right to purchase the right to apply for registration of ownership of the Business Related Intellectual Property Rights. In the case where Party A transfers the aforementioned right to apply for registration of ownership to a third party, Party A shall ensure that such third party will fully comply with and perform the obligations that Party A shall perform under this Agreement; meanwhile, the terms and conditions of the transfer (including but not limited to the transfer price) which Party A transfer the right to apply for registration of ownership to a third party shall not be more favorable than the terms and conditions proposed to Party B in accordance with Section 5.4 (3).

(3) During the term of this Agreement, Party B may request Party A to file an application for the registration of ownership of such Business Related Intellectual Property Rights at any time, and decide on its own whether to purchase the right to apply for such registration of ownership. Upon request of Party B, Party A shall transfer the right to apply for registration of ownership to Party B at that time, without violating the mandatory provisions of the laws of China, at the lowest price allowed by the laws of China; after Party B has obtained the right to apply for registration of ownership of the Business Related Intellectual Property Rights, filed the registration of ownership and completed the registration, Party B shall be the legal owner of such registration of ownership.

5.5 Both Parties respectively warrants to each other that they will compensate the other Party for any and all economic losses due to any infringement of the intellectual property rights of any third party.

6. CONFIDENTIALITY

6.1 Regardless of whether this Agreement is terminated or not, both parties shall strictly keep confidential the trade secrets, proprietary information, customer information and other confidential information of the other Party obtained during the execution and performance of this Agreement. Without the prior written consent from the disclosing Party, or mandatorily required to be disclosed to third party by relevant laws and regulations or the requirements of the listing place of a Party's related company, the receiving Party should not disclose any confidential information to any third party; unless for the purpose of performance of this Agreement, the receiving Party should not use or indirectly use any confidential information.

6.2 Confidential information shall not include information:

(a) is known to the Receiving Party prior to disclosure by the disclosing Party as demonstrated by documentary evidence;

(b) is or becomes available to the public other than as a result of the receiving Party's fault; or

(c) information obtained legally by the receiving Party from other sources after receiving confidential information.

6.3 The receiving Party may disclose confidential information to its relevant employees, agents or professionals engaged, provided the receiving Party shall ensure the abovementioned personnel be in compliance with the relevant terms and conditions of this Agreement and be liable for any responsibilities incurred by breach of the relevant terms and conditions of this Agreement by the abovementioned personnel.

6.4 Notwithstanding any other terms of this Agreement, this section shall still be valid and binding upon the termination of this Agreement.

7. REPRESENTATIONS AND WARRANTIES OF PARTY A

Party A represents and warrants to Party B as follows:

7.1 It is a limited liability company legally registered and validly existing in accordance with the PRC laws and has independent legal capacity; has complete and independent legal status and legal capacity to sign, deliver and perform this Agreement, and can independently act as a party to a litigation.

7.2 It has the full internal power and authorization to sign and deliver this Agreement and all other documents that it will sign related to the transactions described in this Agreement, and it has the full power and authorization to complete the transactions described in this Agreement. This Agreement is legally and appropriately signed and delivered by it. This Agreement constitutes the Party A's legal, valid and binding obligations, and shall be enforceable against it.

7.3 It shall promptly inform Party B of circumstances that have caused or may cause a material adverse effect on the Party A's Business and its operations, and shall use its best effort to prevent the occurrence of such circumstances and/or the expansion of losses.

7.4 Without the written consent of Party B, Party A will not, in any form, dispose of Party A's material assets, nor will it change Party A's existing equity structure.

7.5 Upon being effective of this Agreement, Party A has obtained all necessary business license, competent rights and qualification to conduct Party A's Business now engaged in the territory of China;

7.6 Once Party B submits a written request, Party A will use all accounts receivables and/or all other assets that are legally owned and can be disposed of at that time, in a manner permitted by law, as guarantee of payment obligation of the Service Fee set forth in Section 3 of this Agreement.

7.7 Without the written consent of Party B, Party A shall not enter into any other agreement or arrangement that conflicts with this Agreement or may damage Party B's rights and interests under this Agreement.

8. REPRESENTATIONS AND WARRANTIES OF PARTY B

Party B represents and warrants to Party A as follows:

8.1 It is a limited liability company legally registered and validly existing in accordance with the PRC laws and has independent legal capacity; has complete and independent legal status and legal capacity to sign, deliver and perform this Agreement, and can independently act as a party to a litigation.

8.2 It has the full internal power and authorization to sign and deliver this Agreement and all other documents that it will sign related to the transactions described in this Agreement, and it has the full power and authorization to complete the transactions described in this Agreement. This Agreement is legally and appropriately signed and delivered by it. This Agreement constitutes the Party B's legal, valid and binding obligations, and shall be enforceable against it.

9. TERM

9.1 This Agreement takes effect as of the date of execution. Unless otherwise provided in this Agreement, or this Agreement terminated by Party B in writing, the term of this Agreement shall be twenty (20) years. After the expiration of this Agreement, unless Party B informs Party A 30 days in advance that this Agreement will not be renewed, this Agreement will be automatically renewed for one year after the expiration of the term, and so on.

9.2 If Party A or Party B fails to complete the approval and registration procedures for extending the business term at the expiration of the business term, this Agreement shall be terminated on the date when the business term of Party A or B expires. Both Parties shall complete the approval and registration procedures for extending the business term within three months before the expiration of their respective business term, to the extent that the term of this Agreement could be extended.

9.3 After the termination of this Agreement, both Parties shall still abide by their obligations under Section 6 of this Agreement.

10. INDEMNIFICATION

The Party A shall indemnify and hold harmless Party B from all the losses including but not limited to any losses caused by any lawsuit, claims, arbitration, damages by any third party or governmental investigation and penalties against Party B arising from providing the Services. However, if the losses are caused by Party B's willful conduct or gross negligence, such losses shall not be included in the indemnification.

11. NOTICE

11.1 All the notices, request, requirement and other communications pursuant to this Agreement shall be delivered to the relevant Party in written form.

11.2 Abovesaid notices or other notices if given by facsimile transmission or e-mail, shall be deemed effectively given upon successful transmission; if given by person, shall be deemed effectively given upon delivery by person; if given by post, shall be deemed effectively given on the date after two (2) days from posting.

12. DEFAULT

12.1 Both Parties agree and confirm that, if any Party ("**Defaulting Party**") materially violates any of the terms under this Agreement, or fails to perform, incompletely perform or delays the performance of any of the obligations under this Agreement, it shall constitute a breach of this Agreement ("**Default**"). The other Party has the right to request Defaulting Party to make amendments or remedies within reasonable period. If the Defaulting Party fails to make amendments or remedies within reasonable period or ten (10) days after the other Party sends a written notice to Party B and requests for amendments, and if Party A is the Defaulting Party, then Party B is entitled to decide at its own discretion: (1) to terminate this Agreement, and requires Defaulting Party to compensate all the losses; or (2) requires the mandatory performance of Defaulting Party 's obligations under this Agreement, and requires the Defaulting Party to compensate all the losses; if Party B is the Defaulting Party, then Party A is entitled to require the performance of the Defaulting Party 's obligations under this Agreement, and require the Defaulting Party to compensate all the losses.

12.2 Notwithstanding the foregoing Section 12.1, both Parties agree and confirm that, except as otherwise provided by law, Party A shall not unilaterally terminate this Agreement in any circumstances.

12.3 Notwithstanding any other terms of this Agreement, the validity of this Section 12 shall not be affected by the termination of this Agreement.

13. FORCE MAJEURE

If the performance of this Agreement by any Party is affected or any Party delays or fails to perform its obligation hereunder due to earthquake, typhoon, flood, fire, war, computer virus, design vulnerabilities of instrumental software, hacker attack on internet, modification of governmental policy or laws, and other exceptional situation that cannot be overcome or avoided by the Parties and cannot be foreseen by the Party alleged to be affected by such force majeure, the Party being affected shall immediately notify

the other Party by facsimile and provide proof of the details of the force majeure and the reasons why this Agreement cannot be implemented or the performance needs to be delayed. Such proof documents must be issued by a notary institution in the jurisdiction where the force majeure occurred. Based on the extent of the force majeure event's impact on the performance of this Agreement, the two Parties shall negotiate whether the performance of this Agreement should be partially waived or postponed. Neither Party shall be liable for compensation for the economic losses caused to both Parties by the force majeure event.

14. MISCELLANEOUS PROVISIONS

14.1 This Agreement is executed in the Chinese language. This Agreement may be executed in five (5) counterparts, which Party A keeps one (1) counterpart, one (1) counterpart for governmental approval or registration, and Party B keeps other three (3) counterparts.

14.2 This Agreement, including the execution, validity, performance, interpretation and dispute resolution of this Agreement, shall be governed by and construed in accordance with the laws of China

14.3 Dispute Resolution

14.3.1 The Parties shall firstly attempt to resolve any and all disputes arising out of or relating to this Agreement through friendly consultations. If a dispute is not resolved through friendly consultations, then each Party may submit the dispute to Guangzhou Arbitration Commission for arbitration in accordance with then effective arbitration rules of such commission. The arbitration shall be conducted in Guangzhou. The award of the arbitration tribunal shall be final and binding upon the Parties. The costs of arbitration shall be borne by the losing Party, unless otherwise determined by the arbitration tribunal.

14.3.2 When any dispute is under arbitration, except for the matters in dispute, the Parties shall continue to fulfil their respective obligations under this Agreement.

14.4 Any rights, powers and remedies granted to both Parties by any terms of this Agreement shall not exclude any other rights, powers or remedies that the Party is entitled to in accordance with the laws and other terms under this Agreement, and one Party's exercise of its rights, powers and remedies does not preclude such Party from exercising other rights, powers and remedies.

14.5 A Party's failure to exercise or delay in exercising any of its rights, powers and remedies ("**Such Party's Rights**") under this Agreement or the laws will not result in the waiver of such rights, and any single or partial waiver of Such Party's Rights will not exclude such Party's exercise of such rights in other manner and the exercise of other Such Party's Rights.

14.6 The titles of the sections and subsections of this Agreement are for convenience of reference only and are not to be considered in construing this Agreement.

14.7 Each provision of this Agreement shall be severable and independent. If any single or multiple provisions hereof become invalid, illegal or unenforceable in any aspect, the validity, legality and enforceability of the remaining provisions of this Agreement shall not be affected in any aspect.

14.8 This Agreement once executed shall supersede all prior agreements both Parties executed before, with respect to the subject matter hereof and thereof. Any amendment and supplements to this Agreement shall be made in writing, and only takes effect after the execution by all Parties hereunder, except for Party B's transfer of its rights under Section 14.9 of this Agreement.

14.9 Without the prior written consent of Party B, Party A has no right to transfer or assign any of its rights and obligations hereunder to any third party. Party A hereby agrees that Party B may transfer its rights and obligations under this Agreement to a third party, and that Party B only needs to send a written notice to the Party A of such transfer, and there is no need to obtain consent from the Party A for such transfer.

14.10 This Agreement shall be binding upon the respective successors, assigns, creditors and other person who may acquire the equity or relevant rights of the Parties.

14.11 The taxes applicable to the execution and performance of this Agreement shall be borne by the respective Party.

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This page is the signature page of the Exclusive Service Agreement of Guangzhou Wanyin Internet Technology L.P.

Party A:

Guangzhou Wanyin Internet Technology L.P. (seal)
/seal/ Guangzhou Wanyin Internet Technology L.P.
Executive Partner:

Guangzhou Shangying Internet Technology Co., Ltd.
/seal/ Guangzhou Shangying Internet Technology Co., Ltd.

This page is the signature page of the Exclusive Service Agreement of Guangzhou Wanyin Internet Technology L.P.

Party B:

Guangzhou Baiguoyuan Information Technology Co., Ltd. (seal)
/seal/ Guangzhou Baiguoyuan Information Technology Co., Ltd.
/s/ Wenxian Zhong
Name: Wenxian Zhong
Title: Legal Representative

Exclusive Option Agreement

This Exclusive Option Agreement (this "***Agreement***"), dated January 15, 2021, is entered into by and between:

1. **Ting Li:**
   Identity Card Number: ***

2. **Lin Song:**
   Identity Card Number: ***

3. **Di Fu:** (together with Ting Li and Lin Song, collectively as the"***Limited Partners***"**):**
   Identity Card Number: ***

4. **Guangzhou Shangying Internet Technology Co., Ltd.** (the "**General Partner**", together with the Limited Partners, collectively as "***Existing Partners***")
   Registered address: 4/F, 5/F, 6/F, 13/F, 14/F, 15/F, 16/F, Jisheng Business Center, No. 278 Xingtai Road, Shiqiao Street, Panyu District, Guangzhou
   Legal representative: Wenxian Zhong

5. **Guangzhou Wanyin Internet Technology L.P.** (the "**Partnership**")
   Registered address: 4/F, 5/F, 6/F, 13/F, 14/F, 15/F, 16/F, Jisheng Business Center, No. 278 Xingtai Road, Shiqiao Street, Panyu District, Guangzhou
   Executive Partner: Guangzhou Shangying Internet Technology Co., Ltd.

6. **Guangzhou Baiguoyuan Information Technology Co., Ltd.** (the "***WFOE***")
   Registered address: 5/F to 13/F, West Tower, Building C, No. 274 Xingtai Road, Shiqiao Street, Panyu District, Guangzhou
   Legal representative: Wenxian Zhong

The parties above shall be hereinafter individually referred to as a "Party"; collectively, the "Parties".

PREAMBLE

1. The Existing Partners are the registered partners of the Partnership and holds all the interests of the Partnership. As of the date hereof, the capital commitment and percentage of the capital commitment to the Partnership is shown as Exhibit A.

2. The Existing Partners intend to transfer all of their interests in the Partnership to the WFOE and/or its designated entities and/or individuals without violating the PRC Laws, and the WFOE intends to accept such transfer by itself or other entities and/or individuals appointed by it.

3. The Partnership intends to transfer all of the assets held by it to the WFOE and/or its designated entities and/or individuals without violating the PRC Laws, and the WFOE intends to accept such transfer by itself or other entities and/or individuals appointed by it.

4. The Partnership and the Existing Partners intend to reduce the capital commitment of the Partnership (including withdrawal from the Partnership), and the partners intend to accept the capital commitment

by the WFOE and/or its designated entities and/or individuals without violating the PRC Laws, and the WFOE intends to subscribe such capital by itself or other entities and/or individuals appointed by it.

5. In order to fulfill the above-mentioned Partnership interests transfer or asset transfer, the Existing Partners and the Partnership agree to separately and exclusively grant irrevocable Partnership Interests Purchase Option (as defined below) and Assets Purchase Option (as defined below) to the WFOE. According to such Partnership Interests Purchase Option and Assets Purchase Option, subject to the PRC Laws, the Existing Partners or the Partnership shall, in accordance with the requirements of the WFOE, transfer the Option Partnership Interests or Partnership Assets (as defined below) to the WFOE and/or any other entity and/or individual designated by the WFOE in accordance with the provisions of this Agreement; in order to fulfill the above-mentioned capital commitment reduction of the Partnership and the capital subscription of the Partnership by the WFOE, the Existing Partners and the Partnership agree to grant an irrevocable Capital Subscription Option to the WFOE. According to such Capital Subscription Option, subject to the PRC Laws, the Partnership shall, in accordance with the requirements of the WFOE, reduce the capital commitment of the Partnership, and the Subscription Capital (as defined below) shall be subscribed by the WFOE and/or any other entity and/or individual designated by the WFOE in accordance with the provisions of this Agreement.

6. The Partnership agrees the Existing Partners to grant the WFOE the Partnership Interests Purchase Option (as defined below) pursuant to the terms and conditions of this Agreement.

7. The Existing Partners agrees the Partnership to grant the WFOE the Assets Purchase Option (as defined below) pursuant to the terms and conditions of this Agreement.

8. The Partnership and the Existing Partners agree to grant the WFOE the Capital Subscription Option (as defined below) pursuant to the terms and conditions of this Agreement.

NOW, THEREFORE, the Parties agree as follows through negotiations:

1. DEFINITIONS

1.1 Definitions. Unless otherwise provided, in this Agreement:

PRC Laws means the then effective laws, administrative regulations, local regulations, judicial interpretation and other binding regulatory documents of the People's Republic of China.

Partnership Interests Purchase Option means the option to purchase the interests of the Partnership granted by the Existing Partners to the WFOE pursuant to the terms and conditions of this Agreement.

Assets Purchase Option means the option to purchase the assets of the Partnership granted by the Partnership to the WFOE pursuant to the terms and conditions of this Agreement.

Capital Subscription Option means the option to request the partners reduce its capital commitment to the Partnership (the amount shall be part of or all of the Option Partnership Interests (as defined below)), and to subscribe Subscription Capital of the Partnership and join the Partnership by the WFOE or other entities and/or individuals appointed by it .

Option Partnership Interests means all the interests of the Partnership Capital Commitment (as defined below) held by the Existing Partners, namely the shares of 100% of the Partnership Capital Commitment.

Partnership Capital Commitment means as the date hereof, the capital commitment of the Partnership at the amount of RMB1,000,000, also include the increased capital commitment by any form of capital increase during the term of this Agreement.

Transfer Partnership Interests means when the WFOE exercises its Partnership Interests Purchase Option, it is entitled to require the Existing Partners to transfer the interests of the Partnership to it and/or its designated entity and/or individual in accordance with the provisions of Section 3 of this Agreement. The number of which may be all or part of the Option Partnership Interests, and the specific number shall be freely determined by the WFOE in accordance with the PRC laws and its own commercial considerations.

Transfer Assets means when the WFOE exercises its Assets Purchase Option, it is entitled to require the Partnership to transfer the assets of the Partnership to it and/or its designated entity and/or individual in accordance with the provisions of Section 3 of this Agreement. It may be all or part of the Partnership Assets, and shall be freely determined by the WFOE in accordance with the PRC laws and its own commercial considerations.

Subscription Capital means when the WFOE exercises its Capital Subscription Option before or after the reduction of capital commitment of the Partnership, the WFOE and/or its designated entity and/or individual is entitled to subscribe the capital of the Partnership in accordance with the provisions of Section 3 of this Agreement. The specific number of which shall be freely determined by the WFOE in accordance with the PRC laws and its own commercial considerations.

Exercise means the WFOE exercises its Partnership Interests Purchase Option, Assets Purchase Option and Capital Subscription Option .

Transfer Price means in each Exercise, all the considerations that need to be paid by the WFOE and/or its designated entity and/or individual to the Existing Partners or the Partnership in order to obtain the Transfer Partnership Interests or Transfer Assets.

Returned Interests means in each Exercise, all the considerations that the Partnership needs to pay to the Existing Partners in respect of the reduction of Partnership Capital Commitment.

Subscription Price means in each Exercise, all the considerations that need to be paid by the WFOE and/or its designated entity and/or individual to the Partnership for subscription of the Subscription Capital.

Business License means any approvals, permits, filings and registrations that the Partnership must hold in order to operate all its businesses legally and effectively, including but not limited to "Partnership Business License" and other relevant permits and licenses required by the PRC Laws then.

Partnership Assets means all the tangible and intangible assets the Partnership owned or has the right to dispose, including but not limited to any real estate, moveable properties, and intellectual properties such as trademarks, copyrights, patents, domain names, software use rights.

Material Contracts means the contracts Partnership as a party have material effects on the Partnership's business or assets, including but not limited to the Exclusive Service Agreemen signed by the Partnership and the WFOE simultaneously with this Agreement and other material contracts about the Partnership's business.

Exercise Notice has the meaning assigned to it in Section 3.9.

Confidential Information has the meaning assigned to it in Section 8.1.

Defaulting Party has the meaning assigned to it in Section 11.1.

Default has the meaning assigned to it in Section 11.1.

Non-defaulting Party has the meaning assigned to it in Section 11.1.

Such Party's Right has the meaning assigned to it in Section 12.5.

1.2 Any referring to any law or statutory provision under this Agreement shall be deemed to:

(a) also include referring to any revision, extension, combination and replacement related to such law or provision; and
(b) also include referring to orders, ordinances, instructions and other subordinate legislation promulgated in accordance with relevant law or provisions.

1.3 All references in this Agreement to designated “Sections” and other subdivisions are to the designated Sections and other subdivisions of the body of this Agreement unless explicitly stated otherwise

2. GRANT OF PARTNERSHIP INTERESTS PURCHASE OPTION, ASSETS PURCHASE OPTION AND CAPITAL SUBSCRIPTION OPTION

2.1 The Existing Partners hereby agree to exclusively grant an irrevocable Partnership Interests Purchase Option to the WFOE without any additional condition. According to such Share Purchase Option, subject to the PRC Laws, the WFOE is entitled to require the Existing Partners transfer the Option Partnership Interests to the WFOE and/or any other entity and/or individual designated by the WFOE at any time (including but not limited to when the WFOE, after its independent judgment, believes that the Existing Partners are at risk of transferring all or part of the Option Partnership Interests they hold to any third party in accordance with the requirements of the PRC Laws, other than to the WFOE and/or its designated entity and/or individual) in accordance with the provisions of this Agreement. The WFOE agrees to accept such Partnership Interests Purchase Option .

2.2 The Partnership hereby agrees the Existing Partners grant such Partnership Interests Purchase Option to the WFOE in accordance with the Section 2.1 above and other provisions of this Agreement.

2.3 The Partnership hereby agrees to exclusively grant an irrevocable Assets Purchase Option to the WFOE without any additional condition. According to such Assets Purchase Option, subject to the PRC Laws, the WFOE is entitled to require the Partnership transfer all of or part of the Partnership Assets to the WFOE and/or any other entity and/or individual designated by the WFOE at any time (including but not limited to when the WFOE, after its independent judgment, believes that the Existing Partners are at risk of transferring all or part of the Option Partnership Interests they hold to any third party in accordance with the requirements of the PRC Laws, other than to the WFOE and/or its designated entity and/or individual) in accordance with the provisions of this Agreement. The WFOE agrees to accept such Assets Purchase Option.

2.4 The Existing Partners hereby agree the Partnership grant such Assets Purchase Option to the WFOE in accordance with the Section 2.3 above and other provisions of this Agreement.

2.5 The Existing Partners and the Partnership hereby severally and jointly agree, to exclusively grant an irrevocable Capital Subscription Option to the WFOE without any additional condition. According to such Share Subscription Option, subject to the PRC Laws, the WFOE is entitled to require the partners reduce its capital commitment to the Partnership at any time (including but not limited to when the WFOE, after its independent judgment, believes that the Existing Partners are at risk of transferring all or part of the Option Partnership Interests they hold to any third party in accordance with the requirements of the PRC Laws, other than to the WFOE and/or its designated entity and/or individual) , and the WFOE and/or any other entity and/or individual designated by the WFOE is entitled to subscribe the Subscription Capital and join the Partnership in accordance with the provisions of this Agreement. The WFOE agrees to accept such Capital Subscription Option .

3. Exercise Methods

3.1 Subject to the terms and conditions of this Agreement, as permitted by the PRC Laws, the WFOE has absolute discretion to determine the specific time, method and frequency of Exercise.

3.2 Subject to the terms and conditions of this Agreement, the WFOE has the right to request the purchase of all or part of the Partnership's interests from the Existing Partners by itself and/or through

other entities and/or individuals designated by the WFOE at any time without violating the PRC laws then effective.

3.3 Subject to the terms and conditions of this Agreement, the WFOE has the right to request the purchase of all or part of the Partnership's assets from the Partnership by itself and/or through other entities and/or individuals designated by the WFOE at any time without violating the PRC laws then effective.

3.4 Subject to the terms and conditions of this Agreement, the WFOE has the right to request the partners reduce their capital commitment of the Partnership, and to subscribe the Subscription Capital and join the Partnership by itself and/or through other entities and/or individuals designated by the WFOE at any time without violating the PRC laws then effective.

3.5 As for the Partnership Interests Purchase Option , at each Exercise, the WFOE has the right to decide the number of partnership interests that the Existing Partners should transfer to the WFOE and/or through other entities and/or individuals designated by the WFOE during such Exercise, and the Existing Partners shall respectively transfer the Transfer Partnership Interests to the WFOE and/or through other entities and/or individuals designated by the WFOE according to the number required by the WFOE. The WFOE and/or through other entities and/or individuals designated by the WFOE shall pay the Transfer Price to the Existing Partners who have transferred the Transfer Partnership Interests in respect of the Transfer Partnership Interests purchased in each Exercise.

3.6 As for the Assets Purchase Option, at each Exercise, the WFOE has the right to decide the specific Partnership Assets that the Partnership should transfer to the WFOE and/or through other entities and/or individuals designated by the WFOE during such Exercise, and the Partnership shall transfer the Transfer Assets to the WFOE and/or through other entities and/or individuals designated by the WFOE according to the number required by the WFOE. The WFOE and/or through other entities and/or individuals designated by the WFOE shall pay the Transfer Price to the Partnership in respect of the Transfer Assets purchased in each Exercise.

3.7 As for the Capital Subscription Option , at each Exercise, the Partnership shall confirm the amount of capital commitment which shall be reduced in such Exercise pursuant to the request of the WFOE, the WFOE has the right to decide the Existing Partners reduce their capital commitment to the Partnership, and the Partnership and the Existing Partners shall reduce capital commitment of the Partnership pursuant to the request of the WFOE; concurrently, the WFOE has the right to decide the number of the Subscription Capital to be subscribed by the WFOE and/or through other entities and/or individuals designated by the WFOE, and the Partnership shall accept the subscription of the

Subscription Capital from the WFOE and/or through other entities and/or individuals designated by the WFOE according to the request of the WFOE. The Partnership shall pay the Returned Interests to the Partnership in respect of the capital commitment reduced in respect of the capital reduction in each Exercise. The WFOE and/or through other entities and/or individuals designated by the WFOE shall pay the Subscription Price to the Partnership in respect of the Subscription Capital subscribed in each Exercise.

3.8 At each Exercise, the WFOE could purchase the Transfer Partnership Interests, Transfer Assets or subscribe the Subscription Capital by itself, and could designate any third party to purchase all or part of the Transfer Partnership Interests, Transfer Assets or subscribe all or part of the Subscription Capital.

3.9 At each time the WFOE decide the Exercise, it shall delivery to the Existing Partners and/or the Partnership a Partnership Interests Purchase Option exercise notice, Assets Purchase Option exercise notice or Capital Subscription Option exercise notice (the "Exercise Notice", in the form respectively set forth in Exhibit B, Exhibit C and Exhibit D). Upon receipt of the Exercise Notice, the Existing Partners or the Partnership shall immediately transfer the Transfer Partnership Interests or Transfer Assets to the WFOE and/or through other entities and/or individuals designated by the WFOE in one time in accordance with the method described in Section 3.5 or 3.6 of this Agreement, or shall reduce the capital commitment of the Partnership in the manner described in Section 3.7, and the Subscription Capital shall be subscribed by the WFOE and/or through other entities and/or individuals designated by the WFOE.

4. TRANSFER PRICE, RETURNED CAPITAL AND SUBSCRIPTION PRICE

4.1 As for the Partnership Interests Purchase Option , at each Exercise, the total Transfer Price that the WFOE and/or through other entities and/or individuals designated by the WFOE should pay to the Existing Partners shall be the actual paid-in capital contribution corresponding to the relevant Transfer Partnership Interests in the Partnership's registered capital. If the minimum price allowed by the PRC Laws at that time is higher than the aforementioned actual paid-in capital, the minimum price allowed by the PRC Laws shall prevail. Under the premise of complying with the PRC Laws, the Existing Partners shall immediately return and gift it to the WFOE and/or its designated entity after receiving the Transfer Price.

4.2 As for the Assets Purchase Option, at each Exercise, the total Transfer Price that the WFOE and/or through other entities and/or individuals designated by the WFOE should pay to the Existing Partners shall be the net book value of the relevant assets. If the minimum price allowed by the PRC Laws at that time is higher than the aforementioned net book value, the minimum price allowed by the PRC Laws shall prevail. Under the premise of complying with the PRC Laws, the Existing Partners shall immediately return and gift it to the WFOE and/or its designated entity after receiving the Transfer Price.

4.3 As for the Share Subscription Option, at each Exercise, the Partnership shall pay the Returned Interests to the Existing Partners who have reduced their capital commitment to the Partnership. The amount of the Returned Interests shall be the reduced actual paid-up amount of the capital commitment by the partners. If the minimum price allowed by the PRC Laws at that time is higher than the

aforementioned Returned Interests , the minimum price allowed by the PRC Laws shall prevail; and the total Subscription Price that WFOE and/or through other entities and/or individuals designated by the WFOE should pay to the Partnership for the subscription of Subscription Capital is the Returned Interests paid to the Existing Partners when the Partnership reduces its capital commitment and the registered capital that the Existing Partners have not paid to the Partnership at the time of capital reduction (if any), unless the WFOE and the Partnership agree otherwise. Under the premise of complying with the PRC Laws, the Existing Partners shall immediately return and gift it to the WFOE and/or its designated entity after receiving the Returned Interests .

4.4 All taxes and fees arising from the Exercise of the Partnership Interests Purchase Option , Assets Purchase Option or Capital Subscription Option under this Agreement in accordance with applicable laws, shall be paid by each Party or withheld in accordance with the laws.

5. REPRESENTATIONS AND WARRANTIES

5.1 The Existing Partners represent and warrant as follows:

(a) Each Limited Partner is a PRC citizen with full capacity; the General Partner is a limited liability company legally registered and validly existing in accordance with the PRC laws. Each Existing Partners has complete and independent legal status and legal capacity to execute, deliver and perform this Agreement, and can independently act as a party to a litigation.

(b) The Partnership is a limited partnership legally registered and validly existing in accordance with the PRC Laws; it has complete and independent legal status and legal capacity to execute, deliver and perform this Agreement, and can independently act as a party to a litigation.

(c) Each Existing Partner has the full internal power and authorization to sign and deliver this Agreement and all other documents that they will sign related to the transactions described in this Agreement, and it has the full power and authorization to complete the transactions described in this Agreement.

(d) This Agreement constitutes the Existing Partners' legal, valid and binding obligations, and shall be enforceable against them.

(e) The Existing Partners are the registered legal owner of the Option Partnership Interests when this Agreement becomes effective. Except for the Partnership Interests Purchase Option , Capital Subscription Option , the pledge contemplated in the Partnership Interests Pledge Agreement by and among the Partnership, the WFOE and the Existing Partners dated January 15, 2021 and the entrustment contemplated in the Partner Voting Rights Proxy Agreement dated January 15, 2021 , there is no liens, pledges, claims and other security rights and third-party rights on the Option Partnership Interests. According to this Agreement, after the Exercise by the WFOE and/or through other entities and/or individuals designated by the

WFOE, it can obtain good ownership of the Transfer Partnership Interests without any lien, pledge, claim, other security rights and third-party rights.

(f) Except for the Assets Purchase Option, there is no liens, pledges, claims and other security rights and third-party rights on the Partnership Assets. According to this Agreement, after the Exercise by the WFOE and/or through other entities and/or individuals designated by the WFOE, it can obtain good ownership of the Partnership Assets without any lien, pledge, claim, other security rights and third-party rights.

5.2 The Partnership represents and warrants as follows:

(a) The Partnership is a limited partnership legally registered and validly existing in accordance with the PRC Laws; has complete and independent legal status and legal capacity to execute, deliver and perform this Agreement, and can independently act as a party to a litigation.

(b) The Partnership has the full internal power and authorization to sign and deliver this Agreement and all other documents that it will sign related to the transactions described in this Agreement, and it has the full power and authorization to complete the transactions described in this Agreement.

(c) This Agreement is legally and duly executed and delivered by the Partnership. This Agreement constitutes the Partnership's legal, valid and binding obligations, and shall be enforceable against it.

(d) Except for the Assets Purchase Option, there is no liens, pledges, claims and other security rights and third-party rights on the Partnership Assets. According to this Agreement, after the Exercise by the WFOE and/or through other entities and/or individuals designated by the WFOE, it can obtain good ownership of the Partnership Assets without any lien, pledge, claim, other security rights and third-party rights.

5.3 The WFOE represents and warrants as follows:

(a) The WFOE is a limited liability Partnership legally registered and validly existing in accordance with the PRC laws and has independent legal capacity; has complete and independent legal status and legal capacity to execute, deliver and perform this Agreement, and can independently act as a party to a litigation.

(b) The WFOE has the full internal power and authorization to sign and deliver this Agreement and all other documents that it will sign related to the transactions described in this Agreement, and it has the full power and authorization to complete the transactions described in this Agreement.

(c) This Agreement is legally and duly executed and delivered by the WFOE. This Agreement constitutes the WFOE's legal, valid and binding obligations, and shall be enforceable against it.

6. EXISTING PARTNERS' COVENANTS

The Existing Partners irrevocably undertake as follows:

6.1 During the term of this Agreement, without prior written consent of the WFOE:

(a) They shall not transfer or dispose of any Option Partnership Interests in any other way or set any security right or other third party rights on any Option Partnership Interests;

(b) They shall not increase or decrease the Partnership Capital Commitment, or cause the Partnership to merge with any other entity;

(c) They shall not dispose of or procure the Partnership's management to dispose of any material Partnership Assets (except those occur in the ordinary course of business);

(d) They shall not terminate or procure the Partnership's management to terminate any material agreement signed by the Partnership, or enter into any other agreement that conflicts with existing material agreements;

(e) They shall not appoint or remove any Partnership's executive partner or other Partnership's managers who should be appointed or removed by the Existing Partners;

(f) They shall not procure the Partnership to declare or actually distribute any distributable profits or dividends;

(g) They shall not take any actions (including any omissions) that will affect the effective existence of the Partnership; nor take any actions that may make the Partnership to be terminated, liquidated or dissolved;

(h) They shall not take any measure to advise, claim or request amendment, revision, termination or change the limited partnership agreement of the Partnership, and shall not procure or agree the General Partner and/or the Partnership reach any affiliated agreement or supplemental agreement with specific partner in respect of the limited partnership agreement of the Partnership; and

(i) They shall not take any actions (including any omissions) that make the Partnership lend or borrow loans, or provide guarantees or make other forms of guarantees, or undertake any substantial obligations outside of ordinary business activities.

6.2 During the term of this Agreement, they must use their best efforts to develop the Partnership's business and ensure the Partnership's operation is in compliance with the laws and regulations. They will

not conduct any action or omission that may damage the Partnership's assets, goodwill or affect the validity of the Partnership's business licenses.

6.3 During the term of this Agreement, they shall promptly inform the WFOE of any situation that may have a material adverse effect on the Partnership's existence, business operations, financial conditions, assets or goodwill, and promptly take all measures agreed by the WFOE to eliminate such unfavorable situations or take effective remedial measures.

6.4 Once the WFOE issues the Exercise Notice:

(a) They shall immediately adopt shareholder decisions and take all other necessary actions to agree the Existing Partners or the Partnership to transfer all Transfer Partnership Interests or Transfer Assets to the WFOE and/or through other entities and/or individuals designated by the WFOE at the Transfer Price, or agree the reduction of the Partnership's capital, and accept the WFOE and/or through other entities and/or individuals designated by the WFOE to subscribe for the Subscription Capital of the Partnership and join the Partnership (depending on the situation);

(b) With respect to the Partnership Interests Purchase Option , they shall immediately sign an shares transfer agreement with the WFOE and/or through other entities and/or individuals designated by the WFOE, transfer all the Transfer Partnership Interests to the WFOE and/or through other entities and/or individuals designated by the WFOE at the Transfer Price, and provide the WFOE with the necessary support in accordance with the requirements of the WFOE and the provisions of laws and regulations (including providing and signing all relevant legal documents, and fulfilling all government approvals and registration procedures and assume all relevant obligations) so that the WFOE and/or through other entities and/or individuals designated by the WFOE can obtain all the Transfer Partnership Interests, and there should be no legal flaws in such Transfer Partnership Interests and there should be no security rights, third-party restrictions or any other restrictions on shares;

(c) With respect to the Capital Subscription Option, the Existing Partners shall immediately issue a resolution in a form and substance to the satisfactory of the WFOE, sign an admission agreement or capital commitment document (depending on situation) with the Partnership in a form and substance to the satisfactory of the WFOE, amend the limited partnership agreement of the Partnership (including the register of partners), assist and cooperate with the Partnership to implement relevant admission (if applicable), withdrawal (if applicable), capital commitment (if applicable) and Partnership Capital Commitment change procedure (if applicable) (including signing all relevant legal documents, and fulfilling all government approvals and registration procedures and assume all relevant obligations) so that the Partnership could complete the capital commitment reduction successfully, and the WFOE and/or through other entities and/or individuals designated by the WFOE could complete the subscription of the Subscription Capital.

6.5 If the Transfer Price received by the Existing Partners for the Transfer Partnership Interests held by them, the Returned Interests received as a result of the Partnership's capital commitment

reduction, and/or the amounts received from distribution of the Partnership's remaining assets when the Partnership is terminated or liquidated, are higher than the capital contributions to the Partnership by them, or receives any form of profits distribution or dividends from the Partnership, then the Existing Partners agree and confirm that they will not be entitled to the income and profits distribution or dividends from the premium (after deduction of relevant taxes) without violating the PRC Laws, and such portion of the income and profits distribution or dividends should be attributed to the WFOE. The Existing Partners shall instruct the relevant transferee or the Partnership to pay such portion of the proceeds to the bank account then designated by the WFOE.

6.6 They irrevocably agree to the Partnership's execution and performance of this Agreement, and provide the Partnership with all cooperation in the execution and performance of this Agreement, including but not limited to signing all necessary documents or documents required by the WFOE, and taking all necessary or actions required by the WFOE, and no action or omission will be taken to prevent the WFOE from claiming and realizing its rights under this Agreement.

6.7 Once they know or should be aware that the Option Partnership Interests they hold may be transferred to any third party other than the WFOE and/or through other entities and/or individuals designated by the WFOE due to applicable laws, judgments or awards of courts or arbitration institution, or for any other reason, they should immediately and without hesitation notify the WFOE.

7. EXISTING PARTNER AND PARTNERSHIP'S COVENANTS

7.1 The Existing Partner hereby further, together with the Partnership, irrevocably, severally and jointly undertake as follows:

(a) If the execution and performance of this Agreement and the granting of Partnership Interests Purchase Option, Assets Purchase Option or Capital Subscription Option under this Agreement require the consent, permission, waiver, authorization of any third party, or the approval, permission, exemption or approval of any government authorities, or the registration or filing procedures with any government authorities (if required by the Laws), the Partnership will use its best effort to assist in meeting the above conditions.

(b) Without prior written consent of the WFOE, it shall not assist or allow the Existing Partners transfer or dispose of any Option Partnership Interests in any other way or set any security right or other third party rights on any Option Partnership Interests.

(c) Without prior written consent of the WFOE, it shall not transfer or dispose of any material Partnership Assets (except those occur in the ordinary course of business) in any other way or set any security right or other third party rights on any Partnership Assets.

(d) The Partnership shall not carry out or allow any behavior or action that may adversely affect the interests of the WFOE under this Agreement, including but not limited to any behavior and action restricted by Section 6.1.

(e) Once it knows or should be aware that the Option Partnership Interests hold by the Existing Partners may be transferred to any third party other than the WFOE and/or through other entities and/or individuals designated by the WFOE due to applicable laws, judgments or awards of courts or arbitration institution, or for any other reason, it should immediately and without hesitation notify the WFOE.

7.2 Once the WFOE issues the Exercise Notice:

(a) The Partnership shall immediately procure the Existing Partners to adopt necessary resolutions and take all other necessary actions to agree the Partnership to transfer all Transfer Assets to the WFOE and/or through other entities and/or individuals designated by the WFOE at the Transfer Price, or agree the reduction of the Partnership's capital, and accept the WFOE and/or through other entities and/or individuals designated by the WFOE to subscribe for all the Subscription Capital of the Partnership and join the Partnership (depending on the situation);

(b) With respect to the Assets Purchase Option, the Partnership shall immediately sign an assets transfer agreement with the WFOE and/or through other entities and/or individuals designated by the WFOE, transfer all the Transfer Assets to the WFOE and/or through other entities and/or individuals designated by the WFOE at the Transfer Price, and procure the Existing Partners to provide the WFOE with necessary support in accordance with the requirements of the WFOE and the provisions of laws and regulations (including providing and signing all relevant legal documents, and fulfilling all government approvals and registration procedures and assume all relevant obligations) so that the WFOE and/or through other entities and/or individuals designated by the WFOE can obtain all the Transfer Assets, and there should be no legal flaws in such Transfer Assets and there should be no security rights, third-party restrictions or any other restrictions on Partnership Assets;

(c) With respect to the Capital Subscription Option, the Partnership shall procure the Existing Partners immediately issue a resolution in a form and substance to the satisfactory of the WFOE, sign an admission agreement or capital commitment document (depending on situation) with the Partnership in a form and substance to the satisfactory of the WFOE, amend the limited partnership agreement of the Partnership (including the register of partners), assist and cooperate with the Partnership to implement relevant admission (if applicable), withdrawal (if applicable), capital commitment (if applicable) and Partnership Capital Commitment change procedure (including signing all relevant legal documents, and fulfilling all government approvals and registration procedures and assume all relevant obligations) so that the Partnership could complete the capital commitment reduction successfully, and the WFOE and/or through other entities and/or individuals designated by the WFOE could complete the subscription of the Subscription Capital and join the Partnership.

8. CONFIDENTIALITY

8.1 Regardless of whether this Agreement is terminated or not, both parties shall strictly keep confidential the trade secrets, proprietary information, customer information and other confidential information of the other Party obtained during the execution and performance of this Agreement. Without the prior written consent from the disclosing Party, or mandatorily required to be disclosed to third party by relevant laws and regulations or the requirements of the listing place of a Party's related Partnership, the receiving Party should not disclose any confidential information to any third party; unless for the purpose of performance of this Agreement, the receiving Party should not use or indirectly use any confidential information.

8.2 Confidential information shall not include information:

(a) is known to the Receiving Party prior to disclosure by the disclosing Party as demonstrated by documentary evidence;

(b) is or becomes available to the public other than as a result of the receiving Party's fault; or

(c) information obtained legally by the receiving Party from other sources after receiving confidential information.

8.3 The receiving Party may disclose confidential information to its relevant employees, agents or professionals engaged, provided the receiving Party shall ensure the abovementioned personnel be in compliance with the relevant terms and conditions of this Agreement and be liable for any responsibilities incurred by breach of the relevant terms and conditions of this Agreement by the abovementioned personnel.

8.4 Notwithstanding any other terms of this Agreement, this section shall still be valid and binding upon the termination of this Agreement.

9. TERM

This Agreement takes effect as of the date of execution. Unless otherwise required by the WFOE, this Agreement will terminate after all the Option Partnership Interests and Partnership Assets are legally transferred to the WFOE and/or through other entities and/or individuals designated by the WFOE in accordance with this Agreement.

10. NOTICE

10.1 All the notices, request, requirement and other communications pursuant to this Agreement shall be delivered to the relevant Party in written form.

10.2 Abovesaid notices or other notices if given by facsimile transmission or e-mail, shall be deemed effectively given upon successful transmission; if given by person, shall be deemed effectively given upon delivery by person; if given by post, shall be deemed effectively given on the date after two (2) days from posting.

11. DEFAULT

11.1 Both Parties agree and confirm that, if any Party ("**Defaulting Party**") materially violates any of the terms under this Agreement, or fails to perform, incompletely perform or delays the performance of any of the obligations under this Agreement, it shall constitute a breach of this Agreement ("**Default**"). Any Party of the other non-defaulting Party ("**Non-Defaulting Party**") has the right to request Defaulting Party to make amendments or remedies within reasonable period. If the Defaulting Party fails to make amendments or remedies within reasonable period or ten (10) days after the other Party sends a written notice to Party B and requests for amendments, then:

(a) if the Existing Partners or the Partnership is the Defaulting Party, the WFOE is entitled to terminate this Agreement, and requires the Defaulting Party to compensate all the losses;

(b) if the WFOE is the Defaulting Party, the Non-Defaulting Party is entitled to require the Defaulting Party to compensate all the losses, however, unless otherwise required by the Laws, it has no right to terminate or cancel this Agreement under any circumstances.

For the purpose of this Section 11.1, the Existing Partners further confirm and agree that their breach of Section 6 of this Agreement will constitute a material violation of this Agreement; the Partnership further confirms and agrees that its breach of Section 7 of this Agreement will constitute its material violation of this Agreement.

11.2 Notwithstanding any other terms of this Agreement, the validity of this Section shall not be affected by the termination of this Agreement.

12. MISCELLANEOUS PROVISIONS

12.1 This Agreement is executed in the Chinese language. This Agreement may be executed in five (5) counterparts, which the Partnership keeps one (1) counterpart, one (1) counterpart for governmental approval or registration, and the WFOE keeps other three (3) counterparts.

12.2 This Agreement, including the execution, validity, performance, interpretation and dispute resolution of this Agreement, shall be governed by and construed in accordance with the PRC Laws.

12.3 Dispute Resolution

(a) The Parties shall firstly attempt to resolve any and all disputes arising out of or relating to this Agreement through friendly consultations. If a dispute is not resolved through friendly consultations, then each Party may submit the dispute to Guangzhou Arbitration Commission for arbitration in accordance with then effective arbitration rules of such commission. The arbitration shall be conducted in Guangzhou. The award of the arbitration tribunal shall be final and binding upon the Parties. The costs of arbitration shall be borne by the losing Party, unless otherwise determined by the arbitration tribunal.

(b) When any dispute is under arbitration, except for the matters in dispute, the Parties shall continue to fulfil their respective obligations under this Agreement.

12.4 Any rights, powers and remedies granted to both Parties by any terms of this Agreement shall not exclude any other rights, powers or remedies that the Party is entitled to in accordance with the laws and other terms under this Agreement, and one Party's exercise of its rights, powers and remedies does not preclude such Party from exercising other rights, powers and remedies.

12.5 A Party's failure to exercise or delay in exercising any of its rights, powers and remedies ("**Such Party's Rights**") under this Agreement or the laws will not result in the waiver of such rights, and any single or partial waiver of Such Party's Rights will not exclude such Party's exercise of such rights in other manner and the exercise of other Such Party's Rights.

12.6 The titles of the sections and subsections of this Agreement are for convenience of reference only and are not to be considered in construing this Agreement.

12.7 Each provision of this Agreement shall be severable and independent. If any single or multiple provisions hereof become invalid, illegal or unenforceable in any aspect, the validity, legality and enforceability of the remaining provisions of this Agreement shall not be affected in any aspect.

12.8 This Agreement once executed shall supersede all prior agreements both Parties executed before, with respect to the subject matter hereof and thereof. Any amendment and supplements to this Agreement shall be made in writing, and only takes effect after the execution by all Parties hereunder, except for the WFOE's transfer of its rights under Section 12.9 of this Agreement.

12.9 Without the prior written consent of the WFOE, the other Parties have no right to transfer or assign any of its rights and obligations hereunder to any third party. The other Parties hereby agree that the WFOE may transfer its rights and obligations under this Agreement to a third party, and that the WFOE only needs to send a written notice to the other Parties of such transfer, and there is no need to obtain consent from the other Parties for such transfer.

12.10 This Agreement shall be binding upon the respective successors and assigns. The Existing Partners assure to WFOE that they have made all proper arrangements and signed all necessary documents to ensure that when they dies, loses capacity, bankrupts, liquidates or incurs other situations that may affect the exercise of their shareholders' rights, their legal transferees, successors, heirs, liquidators, bankruptcy administrators, creditors, and other persons who may obtain the Partnership's shares or related rights shall not affect or hinder the performance of this Agreement. For this purpose, (a) After the date hereof, upon request of the WFOE, each limited partner shall sign as soon as possible, and each Existing Partner and the Partnership will procure the spouse of the limited partner to sign as soon as possible, a marital property agreement in a form and substance to the satisfactory of the WFOE；(b) the Existing Partners and the Partnership should promptly sign all other documents required by the WFOE and take all other actions required by the WFOE (including but not limited to notarization of this Agreement).

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This page is the signature page of the Exclusive Option Agreement of Guangzhou Wanyin Internet Technology L.P.

Existing Partner:

Ting Li
/s/ Ting Li

This page is the signature page of the Exclusive Option Agreement of Guangzhou Wanyin Internet Technology L.P.

Existing Partner:

Lin Song
/s/ Lin Song

This page is the signature page of the Exclusive Option Agreement of Guangzhou Wanyin Internet Technology L.P.

Existing Partner:

Di Fu
/s/ Di Fu

This page is the signature page of the Exclusive Option Agreement of Guangzhou Wanyin Internet Technology L.P.

Existing Partner:

Guangzhou Shangying Internet Technology Co., Ltd. (seal)
/seal/ Guangzhou Shangying Internet Technology Co., Ltd.
/s/ Wenxian Zhong
Name: Wenxian Zhong
Title: Legal Representative

This page is the signature page of the Exclusive Option Agreement of Guangzhou Wanyin Internet Technology L.P.

Partnership:

Guangzhou Wanyin Internet Technology L.P. (seal)
/seal/ Guangzhou Wanyin Internet Technology L.P.
Executive Partner:

Guangzhou Shangying Internet Technology Co., Ltd.
/seal/ Guangzhou Shangying Internet Technology Co., Ltd.

This page is the signature page of the Exclusive Option Agreement of Guangzhou Wanyin Internet Technology Co., Ltd.

WFOE:

Guangzhou Baiguoyuan Information Technology Co., Ltd. (seal)
/seal/ Guangzhou Baiguoyuan Information Technology Co., Ltd.
/s/ Wenxian Zhong
Name: Wenxian Zhong
Title: Legal Representative

Exhibit 4.34

Partner Voting Rights Proxy Agreement

This Partner Voting Rights Proxy Agreement (this "**Agreement**") dated January 15, 2021, is signed by and among:

1. **Ting Li:**

   Identity Card Number: ***

2. **Lin Song:**

   Identity Card Number: ***

3. **Di Fu:** (together with Ting Li and Lin Song, collectively as the"**Limited Partners**")**:**

   Identity Card Number: ***

4. **Guangzhou Shangying Internet Technology Co., Ltd.** (the "**General Partner**", together with

   the Limited Partners, collectively as "***Existing Partners***")

   Registered address: 4/F, 5/F, 6/F, 13/F, 14/F, 15/F, 16/F, Jisheng Business Center, No. 278 Xingtai

   Road, Shiqiao Street, Panyu District, Guangzhou

   Legal representative: Wenxian Zhong

5. **Guangzhou Wanyin Internet Technology L.P.** (the "**Partnership**")

   Registered address: 4/F, 5/F, 6/F, 13/F, 14/F, 15/F, 16/F, Jisheng Business Center, No. 278 Xingtai

   Road, Shiqiao Street, Panyu District, Guangzhou

   Executive Partner: Guangzhou Shangying Internet Technology Co., Ltd.

6. **Guangzhou Baiguoyuan Information Technology Co., Ltd.** (the "***WFOE***")

   Registered address: 5/F to 13/F, West Tower, Building C, No. 274 Xingtai Road,

   Shiqiao Street, Panyu District, Guangzhou

   Legal representative: Wenxian Zhong

The parties above shall be hereinafter respectively referred to as a "Party", collectively referred to as "Parties".

WHEREAS:

1. The Existing Partners are all the present partner of the Partnership, which holds 100% interests of the Partnership;

2. The Existing Partners intend to entrust the individual designated by the WFOE with the exercise of their voting rights in the Partnership and the WFOE is willing to designate such individual to accept such entrustment.

THEREFORE, the Parties, after friendly consultations, hereby agree as follows:

Article 1 Voting Right Entrustment

1.1 Each Limited Partner hereby irrevocably undertakes to sign a power of attorney in the form and substance as set forth in Annex 1 after execution of this Agreement to entrust the individual designated by the WFOE (hereinafter, the "**Entrusted Person**") to exercise on its behalf the following rights they, as the limited partner of the Partnership, are entitled to under the then effective articles of association of the Partnership (collectively, the "**Limited Partners Entrusted Rights**"):

(a) Proposing to convene and attending partners' meetings of the Partnership as the representative of the Limited Partners according to the articles of association of the Partnership;

(b) On behalf of the Limited Partners, exercising voting rights on all the issues needing to be discussed and resolved by the partners' meetings of the Partnership, including but not limited to the appointment of the Partnership's executive partner needing to be appointed and removed by the partners;

(c) Other Limited Partner's voting rights as specified in the articles of association of the Partnership (including any other Limited Partner's voting rights as specified in the amended articles of association);

(d) When the Existing Partners transfer the interests of the Partnership held by it, agrees to the transfer of assets of the Partnership, agrees to reduce capital commitments to the Company (including withdrawal from the Partnership), or accepts the WFOE or its designated party to subscribe the capital commitment of the Partnership in accordance with the Exclusive Option Agreement signed by the parties on the same date hereof, to sign relevant partnership interest transfer agreements, asset transfer agreements (if applicable), capital commitment reduction agreements, capital subscription agreements and other relevant documents on behalf of the Limited Partners, and handle government approval, registration and filing procedure which is required; and

(e) On behalf of each Limited Partner, sign all the other documents that need to be signed by each Limited Partner as the limited partner of the Partnership (including but not limited to the business change registration documents of the Partnership, documents with respect to admission, withdrawal, delisting, increase or decrease in the amount of capital commitments of any Partner, and documents related to the dissolution and liquidation of the Partnership).

The above authorization and entrustment are granted subject to the status of the Entrusted Person as a PRC citizen and the approval by the WFOE. Upon and only upon written notice of dismissing and replacing the Entrusted Person given by the WFOE to the Limited Partners, the Limited Partners shall promptly entrust another PRC citizen then designated by the WFOE to exercise the above Limited Partners Entrusted Rights, and once new entrustment is made, the original

entrustment shall be replaced. The Limited Partners shall not cancel the authorization and entrustment for the Entrusted Person otherwise.

1.2 The General Partner hereby irrevocably undertakes to sign a power of attorney in the form and substance as set forth in Annex 1 after execution of this Agreement to entrust the individual designated by the WFOE (hereinafter, the "**Entrusted Person**") to exercise on its behalf the following rights it, as the general partner and executive partner of the Partnership, are entitled to under the then effective articles of association of the Partnership (collectively, the "**General Partner Entrusted Rights**", together with the Limited Partners Entrusted Rights, the "**Entrusted Rights**"):

(a) Proposing to convene and attending partners' meetings of the Partnership as the representative of the General Partner according to the articles of association of the Partnership;

(b) On behalf of the General Partner, exercising voting rights on all the issues needing to be discussed and resolved by the partners' meetings of the Partnership, including but not limited to the appointment of the Partnership's executive partner needing to be appointed and removed by the partners;

(c) Other General Partner's voting rights and/or decision rights as specified in the articles of association of the Partnership (including rights of representing the Partnership, managing and operating the Partnership and executing partnership affairs based on the General Partner as the executive partner of the Partnership, and any other General Partner's voting rights as specified in the amended articles of association);

(d) When the Existing Partners transfer the interests of the Partnership held by it, agrees to the transfer of assets of the Partnership, agrees to reduce capital commitments to the Company (including withdrawal from the Partnership), or accepts the WFOE or its designated party to subscribe the capital commitment of the Partnership in accordance with the Exclusive Option Agreement signed by the parties on the same date hereof, to sign relevant partnership interest transfer agreements, asset transfer agreements (if applicable), capital commitment reduction agreements, capital subscription agreements and other relevant documents on behalf of the General Partner, and handle government approval, registration and filing procedure which is required; and

(e) On behalf of the General Partner, sign all the other documents that need to be signed by the General Partner as general partner of the Partnership (including but not limited to the business change registration documents of the Partnership, documents with respect to admission, withdrawal, delisting, increase or decrease in the amount of capital commitments of any Partner, and documents related to the dissolution and liquidation of the Partnership).

The above authorization and entrustment are granted subject to the status of the Entrusted Person as a PRC citizen and the approval by the WFOE. Upon and only upon written notice of dismissing

and replacing the Entrusted Person given by the WFOE to the General Partner, the General Partner shall promptly entrust another PRC citizen then designated by the WFOE to exercise the above General Partner Entrusted Rights, and once new entrustment is made, the original entrustment shall be replaced. The General Partner shall not cancel the authorization and entrustment for the Entrusted Person otherwise.

1.3 The Entrusted Person shall perform the fiduciary obligations within the scope of authorization with due care and diligence and in compliance with laws. The Existing Partners acknowledge and assume relevant liabilities for any legal consequences of the Entrusted Person's exercise of the foregoing Entrusted Rights.

1.4 The Existing Partners hereby acknowledge that the Entrusted Person is not required to seek advice from the Existing Partners prior to the exercise of the foregoing Entrusted Rights. However, the Entrusted Person shall inform the Existing Partners in a timely manner of any resolution or any proposal on convening interim partners' meeting after such resolution or proposal is made.

Article 2 Right to Information

2.1 For the purpose of exercising the Entrusted Rights hereunder, the Entrusted Person is entitled to know the information with regard to the Partnership's operation, business, customers, finance, staff, etc., and shall have access to the relevant materials of the Partnership. The Partnership shall adequately cooperate with the Entrusted Person in this regard.

Article 3 Exercise of Entrusted Rights

3.1 The Existing Partners will provide adequate assistance to the exercise of the Entrusted Rights by the Entrusted Person, including timely execution of the resolutions of the partners' meeting of the Partnership adopted by the Entrusted Person or other related legal documents when necessary (e.g., when it is necessary for examination and approval of or registration or filing with governmental departments).

3.2 If at any time during the term of this Agreement, the grant or exercise of the Entrusted Rights hereunder is unenforceable for any reason (except for default of Existing Partners or the Partnership), the Parties shall immediately seek a most similar substitute for the unenforceable provision and, if necessary, enter into a supplementary agreement to amend or adjust the provisions herein, in order to ensure the realization of the purpose of this Agreement.

Article 4 Exemption and Compensation

4.1 The Parties acknowledge that the WFOE shall not be requested to be liable to or compensate (monetary or otherwise) other Parties or any third party due to exercise of the Entrusted Rights hereunder by the individuals designated by it in any circumstances.

4.2 The Existing Partners and the Partnership agree to indemnify and hold harmless the WFOE from and against all losses incurred or likely to be incurred by it due to exercise of the Entrusted Rights by the Entrusted Person designated by the WFOE, including without limitation, any loss resulting from any litigation, demand, arbitration or claim initiated or raised by any third party against it or from administrative investigation or penalty of governmental authorities (collectively, the "Losses"), PROVIDED THAT the above indemnity in respect of any Losses shall not be available to the WFOE to the extent that such Losses have been caused by the willful default or gross negligence on the part of the Entrusted Person.

Article 5 Representations and Warranties

5.1 The Existing Partners hereby represent and warrant that:

(b) Each Limited Partner is a PRC citizen with full capacity; the General Partner is a limited liability company legally registered and validly existing in accordance with the PRC laws. Each Existing Partners has complete and independent legal status and legal capacity to execute, deliver and perform this Agreement, and can independently act as a party to a litigation.

(b) The Partnership is a limited partnership legally registered and validly existing in accordance with the PRC Laws; it has complete and independent legal status and legal capacity to execute, deliver and perform this Agreement, and can independently act as a party to a litigation.

(c) Each Existing Partner has the full internal power and authorization to sign and deliver this Agreement and all other documents that they will sign related to the transactions described in this Agreement, and it has the full power and authorization to complete the transactions described in this Agreement. This Agreement, when duly executed and delivered, shall constitute a legal, valid and binding obligation enforceable against it in accordance with the terms of this Agreement.

(d) The Existing Partners are the recorded legal partner of the Partnership as of the effective date of this Agreement, and except for the rights under this Agreement, the Partnership Interests Pledge Agreement and the Exclusive Option Agreement entered into among the Existing Partners, the Partnership and the WFOE, the Entrusted Rights are free of any third-party right. Pursuant to this Agreement, the Entrusted Person may fully and sufficiently exercise the Entrusted Rights in accordance with the then effective articles of association of the Partnership.

(e) Without the consent of the WFOE, the Existing Partners shall not take any measures to advice, claim or request amendment, modification, termination or change the articles of association of the Partnership in any other forms.

(f) Without the consent of the WFOE, the General Partner and the Partnership shall not, and each Limited Partner shall not procure or agree the General Partner and/or the Partnership reach any ancillary agreement or supplemental agreement with specific partner in respect of the limited partnership agreement of the Partnership.

5.2 The Existing Partners hereby irrevocably represent and warrant that, once they know or should be aware that the Partnership interests held by them may be transferred to any third party other than the WFOE and/or through other entities and/or individuals designated by the WFOE due to applicable laws, judgments or awards of courts or arbitration institution, or for any other reason, they should immediately and without hesitation notify the WFOE.

5.3. Each of the WFOE and the Partnership hereby represents and warrants that:

(a) It is a limited liability company or limited partnership duly organized and validly existing under the PRC Law. It has the full and independent legal status and legal capacity to execute, deliver and perform this Agreement and may sue or be sued as an independent party.

(b) It has the full corporate power and authority to execute and deliver this Agreement and all other documents relating to the transaction contemplated hereby and to be executed by it. It also has the full power and authority to consummate the transaction contemplated hereby.

5.4 The Partnership further represents and warrants that:

(a) The Existing Partners are the recorded legal partners of the Partnership as of the effective date of this Agreement, and except for the rights under this Agreement, the Partnership Interests Pledge Agreement and the Exclusive Option Agreement entered into among the Existing Partners, the Partnership and the WFOE, the Entrusted Rights are free of any third-party right. Pursuant to this Agreement, the Entrusted Person may fully and sufficiently exercise the Entrusted Rights in accordance with the then effective articles of association of the Partnership.

5.5 The Partnership hereby irrevocably represents and warrants that, once it knows or should be aware that the Partnership interests held by the Existing Partners may be transferred to any third party other than the WFOE and/or through other entities and/or individuals designated by the WFOE due to applicable laws, judgments or awards of courts or arbitration institution, or for any other reason, it should immediately and without hesitation notify the WFOE.

Article 6 Term

6.1 Subject to the provisions of Articles 6.2 and 6.3 hereof, this Agreement shall become effective as of the date of the due execution by the Parties and the term of this Agreement shall be twenty (20) years; unless prematurely terminated by the Parties in writing or pursuant to Article 9.1 hereof. After the expiration of this Agreement, unless the WFOE informs other Parties 30 days in advance that this Agreement will not be renewed, this Agreement will be automatically renewed for one year after the expiration of the term, and so on.

6.2 If the Partnership or the WFOE, upon expiry of its duration, fails to handle the examination, approval and registration procedures concerning the extension of its duration, this Agreement shall be terminated.

6.3 In case that the Existing Partners transfer all of the equity interest held by it in the Partnership with the WFOE's prior consent, such Existing Partner shall cease to be a party to this Agreement since it has completed relevant assistant obligation, executed all the relevant and necessary documents, completed relevant internal procedure of the Partnership and governmental approval, registration, filing procedures (provided subject to Article 4, Article 5.1, Article 6, Article 7, Article 8, Article 9 and Article 10). However, the foregoing termination does not affect the binding effect on the legal transferee or heir of such Party under the circumstance that the partnership interest held by either Party has transferred in accordance with Article 10.10, and does not affect the obligations and covenants of other Parties under this Agreement.

Article 7 Notices

7.1 All the notices, request, requirement and other communications pursuant to this Agreement shall be delivered to the relevant Party in written form.

7.2 Abovesaid notices or other notices if given by facsimile transmission or e-mail, shall be deemed effectively given upon successful transmission; if given by person, shall be deemed effectively given upon delivery by person; if given by post, shall be deemed effectively given on the date after two (2) days from posting.

Article 8 Confidentiality

8.1 Regardless of whether this Agreement is terminated or not, each Party shall keep strictly confidential all the business secrets, proprietary information, customer information and other information of a confidential nature about the other Parties known by it during the execution and performance of this Agreement (collectively, the "**Confidential Information**"). The receiving Party shall not disclose any Confidential Information to any third party except with the prior written consent of the disclosing Party or in accordance with relevant laws or regulations or under requirements of the place where its affiliate is listed on a stock exchange. The receiving Party shall not use or indirectly use any Confidential Information other than for performing this Agreement.

8.2 The following information shall not be deemed part of the Confidential Information:

(a) any information already known by the receiving Party by legal means prior to disclosure, which is substantiated in writing;

(b) any information being part of public knowledge through no fault of the receiving Party; or

(c) any information rightfully received by the receiving Party from other sources after disclosure.

8.3 The receiving Party may disclose the Confidential Information to its relevant employees, agents or engaged professionals, but the receiving Party shall guarantee that they are in compliance with the relevant terms and conditions of this Agreement and assume any responsibility arising from any breach thereof by them.

8.4 Notwithstanding any other provision herein, the validity of this Article shall survive the termination of this Agreement.

Article 9 Defaulting Liability

9.1 The Parties agree and acknowledge that, if any of the Parties (the "**Defaulting Party**") materially breaches any provision herein or materially fails to perform or delays performance of any of the obligations hereunder, such breach, failure or delay shall constitute a default under this Agreement (a "**Default**"). In such event, any of the other Parties without default (the "**Non-defaulting Party**") shall have the right to require the Defaulting Party to rectify such Default or take remedial measures within a reasonable period. If the Defaulting Party fails to rectify such Default or take remedial measures within such reasonable period or within ten (10) days of the Non-defaulting Party notifying the Defaulting Party in writing and requiring the Default to be rectified, then:

(a) if the Existing Parner or the Partnership is the Defaulting Party, the WFOE shall be entitled to terminate this Agreement and require the Defaulting Party to indemnify all damages;

(b) if the WFOE is the Defaulting Party, the Non-defaulting Party shall be entitled to require the Defaulting Party to indemnify all damages, but the Non-defaulting Party shall not be entitled to any rights to terminate or cancel this Agreement in any situation unless otherwise provided by the mandatory provisions of the laws.

For the purpose of this Section 9.1, the Partnership and the Existing Partners further confirm and agree that their breach of Section 5 of this Agreement will constitute a material violation of this Agreement.

9.2 Notwithstanding any other provision herein, the validity of this Article shall survive the suspension or termination of this Agreement.

Article 10 Miscellaneous

10.1 This Agreement is written in Chinese and executed in five (5) originals, with one (1) original to be retained by the Partnership, one (1) original to be used for approval or registration with governmental authorities, remaining three (3) original to be retained by the WFOE.

10.2 The formation, validity and interpretation of, resolution of disputes in connection with, this Agreement, shall be governed by PRC Law.

10.3 Dispute Resolution

(a) Any dispute arising hereunder and in connection herewith shall be resolved through consultations among the Parties, and if the Parties fail to reach a mutual agreement, any Party may submit such dispute to Guangzhou Arbitration Commission for arbitration in accordance with its arbitration rules in effect at the time of applying for arbitration. The seat of arbitration shall be Guangzhou. The arbitral award shall be final and binding on the Parties. The costs of arbitration shall be borne by the losing Party, unless otherwise determined by the arbitration tribunal.

(b) During dispute resolution, the Parties shall continue to perform the terms of this Agreement other than those relating to disputes.

10.4 Any right, power or remedy conferred on any Party by any provision of this Agreement shall not be exclusive of any other right, power or remedy available to it at law and under the other provisions of this Agreement, and the exercise by such Party of any of its rights, powers and remedies shall not preclude the exercise of any other rights, powers and remedies it may have.

10.5 No failure or delay by a Party in exercising any of its rights, powers and remedies available to it hereunder or at law (hereinafter, the "**Party's Rights**") shall operate as a waiver thereof, nor shall the waiver of any single or partial exercise of the Party's Rights shall preclude such Party from exercising such rights in any other way and exercising the remaining part of the Party's Rights.

10.6 The headings contained herein shall be for reference only, and in no circumstances shall such headings be used in or affect the interpretation of the provisions hereof.

10.7 Each provision contained herein shall be severable and independent from each of other provisions, and if at any time any one or more provisions herein become invalid, illegal or unenforceable, the validity, legality or enforceability of the remaining provisions herein shall not be affected as a result thereof.

10.8 This Agreement, once executed, replaces any other legal documents previously signed by the parties on the same subject. Any amendment or supplement hereto shall be made in writing and shall become effective only upon due execution by the Parties hereto, except for the WFOE's transfer of its rights under Section 10.9 of this Agreement.

10.9 Without the WFOE's prior written consent, any other Party shall not transfer any of its rights and/or obligations hereunder to any third party. The Existing Partners and the Partnership hereby agree that the WFOE is entitled to transfer any of its rights and/or obligations hereunder to any third party upon written notice thereof to the other Parties, and there is no need to obtain consent from the other Parties for such transfer.

10.10 This Agreement shall be binding upon the respective successors and assigns. The Existing Partners assure to WFOE that they have made all proper arrangements and signed all necessary documents to ensure that when they bankrupts, liquidates or incurs other situations that may affect the exercise of their partners' rights, their legal transferees, successors, heirs, liquidators, bankruptcy administrators, creditors, and other persons who may obtain the Partnership's interests or related rights shall not affect or hinder the performance of this Agreement. For this purpose, (a) After the date hereof, upon request of the WFOE, each limited partner shall sign as soon as possible, and each Existing Partner and the Partnership will procure the spouse of the limited partner to sign as soon as possible, a marital property agreement in a form and substance to the satisfactory of the WFOE；(b) the Existing Partners and the Partnership should promptly sign all other documents required by the WFOE and take all other actions required by the WFOE (including but not limited to notarization of this Agreement).

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This page is the signature page of the Partner Voting Rights Proxy Agreement of Guangzhou Wanyin Internet Technology L.P.

Existing Partner:

Ting Li
/s/ Ting Li

This page is the signature page of the Partner Voting Rights Proxy Agreement of Guangzhou Wanyin Internet Technology L.P.

Existing Partner:

Lin Song
/s/ Lin Song

This page is the signature page of the Partner Voting Rights Proxy Agreement of Guangzhou Wanyin Internet Technology L.P.

Existing Partner:

Di Fu
/s/ Di Fu

This page is the signature page of the Partner Voting Rights Proxy Agreement of Guangzhou Wanyin Internet Technology L.P.

Existing Partner:

Guangzhou Shangying Internet Technology Co., Ltd. (seal)
/seal/ Guangzhou Shangying Internet Technology Co., Ltd.
/s/ Wenxian Zhong
Name: Wenxian Zhong
Title: Legal Representative

This page is the signature page of the Partner Voting Rights Proxy Agreement of Guangzhou Wanyin Internet Technology L.P.

Partnership:

Guangzhou Wanyin Internet Technology L.P. (seal)
/seal/ Guangzhou Wanyin Internet Technology L.P.
Executive Partner:

Guangzhou Shangying Internet Technology Co., Ltd.
/seal/ Guangzhou Shangying Internet Technology Co., Ltd.

This page is the signature page of the Partner Voting Rights Proxy Agreement of Guangzhou Wanyin Internet Technology L.P.

WFOE:

Guangzhou Baiguoyuan Information Technology Co., Ltd. (seal)
/seal/ Guangzhou Baiguoyuan Information Technology Co., Ltd.
/s/ Wenxian Zhong
Name: Wenxian Zhong
Title: Legal Representative

EQUITY PLEDGE AGREEMENT

THIS EQUITY PLEDGE AGREEMENT (this "**Agreement**") is entered into on December 9, 2020 ("**Execution Date**")

BY AND AMONG:

1. **Guangzhou Xuanyi Network Technology L.P.;**
   Registered address: 3202, No.79 Wanbo 2nd Road, Nancun Town, Panyu District, Guangzhou
   Executive Partner: Guangzhou Xuancheng Network Technology Co., Ltd.

2. **Guangzhou Yueyi Network Technology L.P.** (together with Guangzhou Xuanyi Network Technology L.P., the "**Pledgors**" and each a "**Pledgor**");
   Registered address: 3203, No. 79, Wanbo 2nd Road, Nancun Town, Panyu District, Guangzhou
   Executive Partner: Guangzhou Xuancheng Network Technology Co., Ltd.

3. **Guangzhou Ruicheng Internet Technology Co., Ltd.** (the "**Company**")
   Registered address: 3204, No. 79, Wanbo 2nd Road, Nancun Town, Panyu District, Guangzhou
   Legal representative: Ms. Ting Li

4. **Guangzhou Huanju Shidai Information Technology Co., Ltd.** (the "**Pledgee**").
   Registered address: Floor 23, Building B-1, North District, Wanda Commercial Plaza, Wanbo Business District, No. 79, Wanbo 2nd Road, Nancun Town, Panyu District, Guangzhou (for office use only)
   Legal representative: Ms. Ting Li

In this Agreement, the aforementioned parties are referred to individually as a "**Party**" and collectively as the "**Parties**".

WHEREAS:

1. The Pledgors are the registered shareholders of the Company and lawfully hold all equity interest in the Company ("**Company Equity**"). As of the Execution Date, the amount of its contribution to the registered capital of the Company is Renminbi Two Million, and their shareholding percentage in total is 100%. The registered capital has not been paid in. The basic information of the Company sets forth in Schedule 1 hereto.

2. The Parties hereto entered into a Shareholder Voting Rights Proxy Agreement ("**Proxy Agreement**") on December 9, 2020, pursuant to which the each of the Pledgors has irrevocably granted a general power of attorney to such persons as may then be appointed by the Pledgee to exercise its entire shareholder voting rights in the Company on behalf of the Pledgors.

3. The Company and the Pledgee entered into an Exclusive Service Agreement ("**Service Agreement**") on December 9, 2020, pursuant to which the Company has,

on an exclusive basis, engaged the Pledgee to provide it with relevant services and agrees to pay relevant service fees to the Pledgee for such services.

4. The Parties hereto entered into an Exclusive Option Agreement ("**Option Agreement**") on December 9, 2020, pursuant to which the Pledgors and the Company shall, to the extent permitted by the PRC Laws, transfer, at the request of the Pledgee, all or part of their equity interests in the Company or all or part of the assets of the Company respectively to the Pledgee and/or any entity and/or individual designated by it, or the Company shall decrease its capital and the Pledgee and/or any entity and/or individual designated by it shall subscribe for the newly increased registered capital of the Company.

5. As security for the performance by the Pledgors of their Contractual Obligations (as defined below) and their repayment of the Secured Indebtedness (as defined below), each Pledgor is willing to pledge all of its Company Equity to the Pledgee and create first priority pledge in favor of the Pledgee; and the Company has agreed to such equity pledge arrangement.

NOW, THEREFORE, upon consensus through consultation, the Parties agree as follows:

ARTICLE I DEFINITIONS

1.1 Unless otherwise required by the context, the following terms shall have the following meanings in this Agreement:

"**Contractual Obligations**"	means all of the each Pledgor's contractual obligations under the Proxy Agreement and the Option Agreement; all of the Company's contractual obligations under the Proxy Agreement, the Service Agreement and the Option Agreement; and all of the contractual obligations of the each Pledgor and the Company under this Agreement.
"Secured Indebtedness"	means all direct, indirect or consequential losses and loss of projectable benefits suffered by the Pledgee as a result of any Event of Default (as defined below) of the Pledgors and/or the Company, and the basis for determining the amounts of such losses shall include, without limitation, reasonable commercial plans and profit forecasts of the Pledgee and all costs incurred by the Pledgee in connection with its enforcement of the Contractual Obligations of each Pledgor and/or the Company.
"Transaction Agreements"	means the Proxy Agreement, the Service Agreement and the Option Agreement.

"Event of Default"	means a breach by any Pledgor of any of its Contractual Obligations under the Proxy Agreement, the Option Agreement and/or this Agreement, and a breach by the Company of any of its Contractual Obligations under the Proxy Agreement, the Service Agreement, the Option Agreement and/or this Agreement.
"Pledged Equity"	means all of the Company Equity lawfully owned by the Pledgors as of the effectiveness of this Agreement and to be pledged hereunder to the Pledgee as security for the performance by the Pledgors and the Company of their respective Contractual Obligations and increased capital contribution amounts and dividends under Sections 2.6 and 2.7 hereof.
"PRC Laws"	means the then effective laws, administrative regulations, administrative rules, local regulations, judicial interpretations and other binding regulatory documents of the People's Republic of China.

1.2 In this Agreement, any reference to any PRC Law shall be deemed to include (i) a reference to such PRC Law as modified, amended, supplemented or reenacted, effective either before or after the date hereof; and (ii) a reference to any other decision, circular or rule made thereunder or effective as a result thereof.

1.3 Unless otherwise required by the context, a reference to an article, section, clause or paragraph herein shall be a reference to an article, section, clause or paragraph of this Agreement.

ARTICLE II EQUITY PLEDGE

2.1 Each Pledgor hereby agrees to pledge, in accordance with the terms hereof, its lawfully owned and rightfully disposable Pledged Equity to the Pledgee as security for the performance by such Pledgor of its Contractual Obligations and its repayment of the Secured Indebtedness. The Company hereby agrees for the Pledgors to so pledge the Pledged Equity to the Pledgee in accordance with the terms hereof.

2.2 Each Pledgor covenants that it will assume the responsibility of recording the equity pledge arrangement ("**Equity Pledge**") hereunder in the shareholder's register of the Company on the Execution Date. Each Pledgor further covenants that it will use its best efforts and take all necessary measures to register the Equity Pledge as soon as possible with the competent administrative authority for market regulation of the Company after the Execution Date.

2.3 During the validity term hereof, the Pledgee shall not be liable in whatsoever manner for any diminution in value of the Pledged Equity and the Pledgors shall have no right to seek any form of recourse or bring any claims against the Pledgee in connection therewith, except where such diminution arises out of any willful conduct of the Pledgee or its gross negligence having immediate

causal link with such result.

2.4 Subject to Section 2.3 above, if the Pledged Equity is likely to suffer such a manifest value diminution as to impair the rights of the Pledgee, the Pledgee may at any time auction or sell the Pledged Equity on behalf of the Pledgor and may, as agreed with the Pledgors, apply the proceeds from such auction or sale towards early repayment of the Secured Indebtedness, or deposit (entirely at the cost of the Pledgee) such proceeds with a notary organ of the place of the Pledgee. In addition, upon request by the Pledgee, the Pledgors shall provide other property as security for the Secured Indebtedness.

2.5 Upon occurrence of any Event of Default, the Pledgee shall be entitled to dispose of the Pledged Equity in such manner as prescribed by Article IV hereof.

2.6 The Pledgors shall not increase the capital of the Company except with prior consent of the Pledgee. Any increase in the capital contribution made by the Pledgors to the registered capital of the Company as a result of any capital increase shall equally become part of the Pledged Equity, and the Pledgors shall register the pledge of the Company Equity corresponding to such capital contribution with the competent administrative authority for market regulation of the Company.

2.7 The Pledgors shall not receive any dividend or profit in respect of the Pledged Equity except with prior consent of the Pledgee. Any dividend or profit received by the Pledgors in respect of the Pledged Equity shall be deposited into an account designated by the Pledgee, monitored by the Pledgee and first applied towards repayment of the Secured Indebtedness.

2.8 Upon occurrence of an Event of Default, the Pledgee shall be entitled to dispose of any Pledged Equity of the Pledgors in accordance with the terms hereof.

ARTICLE III RELEASE OF PLEDGE

3.1 Upon full and complete performance by the Pledgors and the Company of all of their Contractual Obligations and full repayment of the Secured Indebtedness, the Pledgee shall, at the request of the Pledgors, release the Equity Pledge hereunder and cooperate with the Pledgors in relation to both the deregistration of the Equity Pledge in the shareholder's register of the Company and the deregistration of the Equity Pledge with the relevant administrative authority for market regulation; reasonable costs arising out of such release of the Equity Pledge shall be borne by the Pledgee.

ARTICLE IV DISPOSAL OF PLEDGED EQUITY

4.1 The Parties hereby agree that upon occurrence of any Event of Default, the Pledgee shall be entitled to exercise, upon written notice to the Pledgors, all of the remedies, rights and powers available to it under the PRC Laws, the Transaction Agreements and this Agreement, including, without limitation, the

right to auction or sell the Pledged Equity for prior satisfaction of claims. The Pledgee shall not be held liable for any losses resulting from its reasonable exercise of such rights and powers.

The Pledgors further acknowledge and agree that its breach of Article IX hereof shall constitute its material breach of this Agreement; the Company further acknowledges and agrees that its breach of Article X hereof shall constitute its material breach of this Agreement.

4.2 The Pledgee shall be entitled to appoint, in writing, its counsels or other agents to exercise any and all of its foregoing rights and powers, and neither anyPledgor nor the Company shall object thereto.

4.3 The Pledgee shall have the right to fully deduct all reasonable costs incurred by it in connection with its exercise of any or all of its foregoing rights and powers from the proceeds obtained as a result of such exercise of rights and powers.

4.4 The proceeds obtained as a result of the exercise by the Pledgee of its rights and powers shall be applied in the following order of precedence:

(a) towards payment of all costs arising out of the disposal of the Pledged Equity and the exercise by the Pledgee of its rights and powers (including fees paid to its counsels and agents);

(b) towards payment of the taxes payable in connection with the disposal of the Pledged Equity; and

(c) towards repayment of the Secured Indebtedness to the Pledgee.

Any balance after the deduction of the foregoing payments shall either be returned by the Pledgee to the Pledgors or any other person who may be entitled to such balance under relevant laws and regulations or be deposited by the Pledgee with a notary organ of the place of the Pledgee (any costs arising out of such deposit shall be borne by the Pledgee).

4.5 The Pledgee shall have the right to exercise, at its option, concurrently or successively, any of its breach of contract remedies; the Pledgee shall not be required to first exercise other breach of contract remedies prior to the exercise of its right to auction or sell the Pledged Equity hereunder.

ARTICLE V COSTS AND EXPENSES

5.1 All actual costs and expenses arising in connection with the creation of the Equity Pledge hereunder, including, without limitation, the stamp duty, any other taxes and all legal costs, shall be borne by the Parties severally.

ARTICLE VI CONTINUING GUARANTEE AND NON-WAIVER

6.1 The Equity Pledge created hereunder shall constitute a continuing guarantee

and shall remain valid until full performance of the Contractual Obligations or full repayment of the Secured Indebtedness, whichever occurs later. Neither any waiver or grace granted by the Pledgee with respect to any breach by any Pledgor nor any delay of the Pledgee in its exercise of any of its rights under the Transaction Agreements and this Agreement shall affect the right of the Pledgee under this Agreement, relevant PRC Laws and the Transaction Agreements to require at any time thereafter the Pledgors to strictly perform the Transaction Agreements and this Agreement or any right that may be available to the Pledgee as a result of any subsequent breach by the Pledgors of the Transaction Agreements and/or this Agreement.

ARTICLE VII REPRESENTATIONS AND WARRANTIES BY THE PLEDGOR

Each Pledgor represents and warrants to the Pledgee that:

7.1 It is a limited partnership duly registered and lawfully existing under the PRC Laws with independent legal personality; and has full and independent legal status and capacity to execute, deliver and perform this Agreement and may sue or be sued as an independent party.

7.2 All reports, documents and information provided by it to the Pledgee prior to the effectiveness of this Agreement with respect to all matters pertaining to such Pledgor or required by this Agreement are true, correct, complete and not misleading in all material respects as of the effectiveness of this Agreement.

7.3 All reports, documents and information provided by it to the Pledgee subsequent to the effectiveness of this Agreement with respect to all matters pertaining to such Pledgor or required by this Agreement are true and valid in all material respects as of the time of provision of the same.

7.4 As of the effectiveness of this Agreement, such Pledgor is the sole lawful owner of the Pledged Equity free from any ongoing or potential dispute or any third party claim as to the ownership thereof; and such Pledgor has the right to dispose of the Pledged Equity or any part thereof.

7.5 Other than the security interest created on the Pledged Equity hereunder and the rights created under the Transaction Agreements, the Pledged Equity is free from any other security interests, third party rights or interests or any other restrictions.

7.6 The Pledged Equity may be lawfully pledged and assigned, and such Pledgor has full rights and powers to pledge the Pledged Equity to the Pledgee in accordance with the terms hereof.

7.7 Once duly executed by such Pledgor, this Agreement will constitute lawful, valid and binding obligations of such Pledgor.

7.8 Other than the registration of the Equity Pledge with the relevant administrative authority for market regulation, any consents, permissions,

waivers or authorizations by any third party or any approval, license or exemption from or any registration or filing formalities with any governmental body (if required by law), requisite in each case for the execution and performance of this Agreement and the creation of the Equity Pledge hereunder, have been obtained or completed and will remain fully valid during the validity term hereof.

7.9 The execution and performance by such Pledgor of this Agreement do not violate or conflict with any law applicable to such Pledgor, any agreement to which such Pledgor is a party or by which he is bound, any court judgment, any arbitral award, or any decision of any administrative authority.

7.10 The pledge hereunder constitutes a first priority security interest on the Pledged Equity.

7.11 All taxes and costs payable in connection with the acquisition of the Pledged Equity have been paid in full by such Pledgor.

7.12 There are no pending, or to the knowledge of such Pledgor, threatened, suits, legal proceedings or claims before any court or arbitral tribunal or by any governmental body or administrative authority against such Pledgor or its property or the Pledged Equity having a material or adverse effect on the financial condition of such Pledgor or its ability to perform its obligations and the guarantee liability hereunder.

7.13 Each Pledgor hereby warrants to the Pledgee that the foregoing representations and warranties will remain true and correct and be fully complied with under all circumstances at any time prior to the full performance of the Contractual Obligations or full repayment of the Secured Indebtedness.

ARTICLE VIII REPRESENTATIONS AND WARRANTIES BY THE COMPANY

The Company represents and warrants to the Pledgee that:

8.1 It is a limited liability company duly registered and lawfully existing under the PRC Laws with independent legal personality; and has full and independent legal status and capacity to execute, deliver and perform this Agreement and may sue or be sued as an independent party.

8.2 All reports, documents and information provided by it to the Pledgee prior to the effectiveness of this Agreement with respect to all matters pertaining to the Pledged Equity or required by this Agreement are true, correct, complete and not misleading in all material respects as of the effectiveness of this Agreement.

8.3 All reports, documents and information provided by it to the Pledgee subsequent to the effectiveness of this Agreement with respect to all matters pertaining to the Pledged Equity or required by this Agreement are true and valid in all material respects as of the time of provision of the same.

8.4 Once duly executed by it, this Agreement will constitute lawful, valid and binding obligations of the Company.

8.5 It has full internal corporate power and authority to execute and deliver this Agreement and all other documents to be executed by it in connection with the transactions contemplated hereunder as well as full power and authority to consummate the transactions contemplated hereunder.

8.6 There are no pending, or to the knowledge of the Company, threatened, suits, legal proceedings or claims before any court or arbitral tribunal or by any governmental body or administrative authority against the Pledged Equity, the Company or its assets having a material or adverse effect on the financial condition of the Company or the ability of the Pledgors to perform its obligations and the guarantee liability hereunder.

8.7 The Company hereby agrees to be severally and jointly liable to the Pledgee for the representations and warranties made by the Pledgors under Sections 7.4, 7.5, 7.6, 7.8 and 7.10 hereof.

8.8 The Company hereby warrants to the Pledgee that the foregoing representations and warranties will remain true and correct and be fully complied with under all circumstances at any time prior to the full performance of the Contractual Obligations or full repayment of the Secured Indebtedness.

ARTICLE IX UNDERTAKINGS BY THE PLEDGORS

The Pledgors hereby agree and irrevocably undertake to the Pledgee that:

9.1 Without prior written consent of the Pledgee, the Pledgors will not create or permit to be created any new pledge or any other security interest on the Pledged Equity, and any pledge or any other security interest created on all or part of the Pledged Equity without prior written consent of the Pledgee shall be null and void.

9.2 Without prior written notice to and prior written consent of the Pledgee, (i) the Pledgors will not assign or otherwise dispose of the Pledged Equity or request the Company to decrease its capital, and any of such actions taken by the Pledgors without prior consent of the Pledgee shall be null and void; (ii) the Pledgors will not assist or permit other existing shareholders (as applicable) to take any of the foregoing actions without prior written consent of the Pledgee. The proceeds received by the Pledgors from the assignment or other disposal of the Pledged Equity shall be first applied towards early full repayment of the Secured Indebtedness to the Pledgee or deposited with a third party to be agreed with the Pledgee.

9.3 Should there arise any suit, arbitration or other claims which are likely to have an adverse effect on the interests of the Pledgors or the Pledgee under the Transaction Agreements and this Agreement or on the Pledged Equity, the Pledgors warrant that it will notify the Pledgee in writing of the same as soon as possible and without delay and will, in accordance with the reasonable

request of the Pledgee, take all necessary actions to ensure the Pledgee's pledge rights and interests in and to the Pledged Equity.

9.4 The Pledgors warrant that it shall complete the business term extension registration formalities of the Company within three (3) months prior to the expiry of the business term of the Company such that the validity of this Agreement shall be maintained.

9.5 The Pledgors shall not do or permit to be done any act or action likely to have an adverse effect on the interests of the Pledgee under the Transaction Agreements and this Agreement or on the Pledged Equity.

9.6 The Pledgors will use its best efforts and take all necessary measures to register the Equity Pledge hereunder as soon as possible with the relevant administrative authority for market regulation after the execution of this Agreement, and the Pledgors warrant, in accordance with the reasonable request of the Pledgee, to take all necessary actions and execute all necessary documents (including, without limitation, any supplement hereto) to ensure the Pledgee's pledge rights and interests in and to the Pledged Equity as well as the exercise and realization by the Pledgee of such rights and interests.

9.7 Should the exercise of the pledge rights hereunder result in an assignment of any Pledged Equity, the Pledgors warrant that it will take all actions to realize such assignment.

9.8 The Pledgors ensure that the shareholder's resolutions adopted, convening procedures of, the methods of voting at and the contents of the shareholders' meeting (as applicable) and board meetings of the Company held in connection with the execution of this Agreement and the creation and exercise of the pledge rights hereunder shall not violate laws, administrative regulations or the articles of association of the Company.

9.9 Once the Pledgors know or should have known any possible transfer of the Pledged Equity held by him to any third parties other than the Pledgee or any individual or entity designated by the Pledgee as a result of applicable PRC Laws or any judgment or award rendered by a court or arbitral body or for any other reasons, it shall notify the Pledgee immediately and without delay.

ARTICLE X UNDERTAKINGS BY THE COMPANY

The Company hereby agrees and irrevocably undertakes to the Pledgee that:

10.1 The Company will use every effort to assist with the obtainment of any consents, permissions, waivers or authorizations by any third party or any approval, license or exemption from any governmental body or the completion of any registration or filing formalities with any governmental body (if required by law), requisite in each case for the execution and performance of this Agreement and the creation of the Equity Pledge hereunder, and the maintenance of the same in full force and effect during the validity term hereof.

10.2 Without prior written consent of the Pledgee, the Company will not assist or permit the Pledgors to create any new pledge or any other security interest on the Pledged Equity.

10.3 Without prior written consent of the Pledgee, the Company will not assist or permit the Pledgors to assign or otherwise dispose of the Pledged Equity.

10.4 Should there arise any suit, arbitration or other claims which are likely to have an adverse effect on the Company, the Pledged Equity or the interests of the Pledgee under the Transaction Agreements and this Agreement, the Company warrants that it will notify the Pledgee in writing of the same as soon as possible and without delay and will, in accordance with the reasonable request of the Pledgee, take all necessary actions to ensure the Pledgee's pledge rights and interests in and to the Pledged Equity.

10.5 The Company warrants that it shall complete its business term extension registration formalities within three (3) months prior to the expiry of its business term such that the validity of this Agreement shall be maintained.

10.6 The Company shall not do or permit to be done any act, action or omission likely to have an adverse effect on the interests of the Pledgee under the Transaction Agreements and this Agreement or on the Pledged Equity.

10.7 The Company will, during the first month of each calendar quarter, submit to the Pledgee the financial statements of the Company for the preceding calendar quarter, including, without limitation, the balance sheet, the income statement and the cash flow statement.

10.8 The Company warrants, in accordance with the reasonable request of the Pledgee, to take all necessary actions and execute all necessary documents (including, without limitation, any supplement hereto) to ensure the Pledgee's pledge rights and interests in and to the Pledged Equity as well as the exercise and realization by the Pledgee of such rights and interests.

10.9 Should the exercise of the pledge rights hereunder result in an assignment of any Pledged Equity, the Company warrants that it will take all actions to realize such assignment.

10.10 The Company covenants that it will assist the Pledgors to register the Equity Pledge hereunder with the competent administrative authority for market regulation of the Company as soon as possible after the execution of this Agreement and provide all necessary cooperation to complete such registration in a timely manner.

10.11 Once the Company knows or should have known any possible transfer of the Pledged Equity held by the Pledgors to any third parties other than the Pledgee or any individual or entity designated by the Pledgee as a result of applicable PRC Laws or any judgment or award rendered by a court or arbitral body or for any other reasons, it shall notify the Pledgee immediately and without delay.

ARTICLE XI FUNDAMENTAL CHANGES OF CIRCUMSTANCES

11.1 As a supplementary agreement and without contravening other provisions of the Transaction Agreements and this Agreement, if, at any time, in the opinion of the Pledgee, as a result of any promulgation of or amendment to any PRC Laws, regulations or rules, or any change in the interpretation or application of such laws, regulations or rules, or any change in relevant registration procedures, the maintenance of the validity of this Agreement and/or the disposal of the Pledged Equity in the manner prescribed hereby becomes illegal or contravenes such laws, regulations or rules, the Pledgors and the Company shall, based on the Pledgee's written instructions and in accordance with its reasonable request, immediately take any actions and/or execute any agreements or other documents so as to:

(a) maintain the validity of this Agreement;

(b) facilitate the disposal of the Pledged Equity in the manner prescribed hereby; and/or

(c) maintain or realize the security created or purported to be created hereunder.

ARTICLE XII EFFECTIVENESS AND TERM OF AGREEMENT

12.1 This Agreement shall become effective when all of the following conditions are met：

(a) this Agreement has been duly executed by the parties; and

(b) the pledge of equity under this Agreement has been recorded in the register of shareholders of the Company in accordance with law.

12.2 The term of this Agreement shall end when the Contractual Obligations have been fully performed or the Secured Indebtedness have been fully repaid, whichever is later.

ARTICLE XIII NOTICES

13.1 Any notice, request, demand and other correspondences required by or made pursuant to this Agreement shall be made in writing and delivered to the relevant Parties.

13.2 Such notice or other correspondences shall be deemed delivered when it is transmitted if transmitted by fax or email; or upon delivery if delivered in person; or two (2) days after posting if delivered by mail.

ARTICLE XIV MISCELLANEOUS

14.1 The Pledgors and the Company agree that the Pledgee may, immediately upon notice to the Pledgors and the Company, assign its rights and/or obligations

hereunder to any third party; provided that without prior written consent of the Pledgee, neither the Pledgors nor the Company may assign their respective rights, obligations or liabilities hereunder to any third party.

14.2 The sum of the Secured Indebtedness determined by the Pledgee in its discretion in connection with its exercise of its pledge rights to the Pledged Equity in accordance with the terms hereof shall constitute the conclusive evidence for the Secured Indebtedness hereunder.

14.3 This Agreement is made in Chinese in five (5) originals, of which one (1) copy shall be held by the Company, one (1) copy shall be used for governmental approval/registration purposes and the three (3) copies shall be kept by the Pledgee.

14.4 The entry into, effectiveness and interpretation of, and resolution of disputes under, this Agreement shall be governed by the PRC Laws.

14.5 Dispute Resolution

(a) All disputes arising out of or in connection with this Agreement shall be first settled by the relevant Parties through amiable consultations; if such Parties fail to resolve the dispute through consultations, the dispute shall be submitted to China Guangzhou Arbitration Commission ("**CGAC**") for arbitration according to CGAC arbitration rules in effect at the time of applying for arbitration. The seat of arbitration shall be in Guangzhou. The arbitration award shall be final and binding on the relevant Parties. Except as otherwise required by the arbitration award, the arbitration fees shall be borne by the losing party. The losing party shall also indemnify for the attorneys' fee and other expenses incurred by the winning party.

(b) Pending the resolution of such dispute, the Parties shall continue to perform the remaining provisions of this Agreement other than the disputed matters.

14.6 No right, power or remedy empowered to any Party by any provision of this Agreement shall preclude any other right, power or remedy enjoyed by such Party in accordance with law or any other provisions hereof and no exercise by a Party of any of its rights, powers and remedies shall preclude its exercise of its other rights, powers and remedies.

14.7 No failure or delay by a Party in exercising any right, power or remedy under this Agreement or laws ("**Party's Rights**") shall result in a waiver of such rights; and no single or partial waiver by a Party of the Party's Rights shall preclude such Party from exercising such rights in any other way or exercising the remaining part of the Party's Rights.

14.8 The section headings herein are inserted for convenience of reference only and shall in no event be used in or affect the interpretation of the provisions hereof.

14.9 Each provision contained herein shall be severable and independent of any other provisions hereof, and if at any time any one or more provisions hereof become invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions hereof shall not be affected thereby.

14.10 (i) Once executed, this Agreement shall replace any other legal documents previously entered into by the Parties in respect of the same subject matter hereof. To clarify, despite the foregoing agreement, all parties irrevocably promise, agree and recognize to sign a simplified version of equity pledge agreement ("**Simplified Pledge Agreement**"), only for the purpose of the pledge registration of the company's competent administrative department for industry and commerce. If the simplified pledge agreement is inconsistent with this agreement, the agreement is not as clear as this agreement, or the simplified pledge agreement does not cover matters, this agreement shall prevail. (ii) Any amendments or supplements to this Agreement shall be made in writing. Except for the transfer of rights hereunder by the Pledgee according to Section 14.1 hereof, such amendments or supplements shall become effective only if they are duly signed by the Parties hereto.

14.11 This Agreement shall be binding upon the legal assignees or successors of the Parties. The successors or permitted assignees (if any) of the Pledgors and the Company shall continue to perform the respective obligations of the Pledgors and the Company hereunder. The Pledgors warrant to the Pledgee that he has made all appropriate arrangements and executed all necessary documents to ensure that, in the event of its bankruptcy, dissolution or occurrence of other circumstances that might affect exercise of its shareholder rights, his legal assignee, successor, heir, creditor, liquidator, bankruptcy administrator and other persons that might consequently acquire the Company Equity or relevant rights cannot affect or impede the performance of this Agreement. For this purpose, the Pledgors and the Company shall promptly sign all other documents and take all other actions (including, without limitation, notarization of this Agreement) as required by the Pledgee.

14.12 Concurrently with the execution of this Agreement, the Pledgors shall execute a power of attorney ("**Power of Attorney**") in the form of Schedule 2 hereto, entrusting any nominee of the Pledgee to execute, on its behalf in accordance with this Agreement, any and all legal documents as may be required in order for the Pledgee to exercise its rights hereunder. Such Power of Attorney shall be submitted to the Pledgee for custody and may be presented by the Pledgee to relevant governmental authorities whenever necessary.

[THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK. EXECUTION PAGE FOLLOWS]

Pledgor:

Guangzhou Xuanyi Internet Technology L.P. (seal)
/seal/ Guangzhou Xuanyi Internet Technology L.P.

Executive Partner:
Guangzhou Xuancheng Internet Technology Co., Ltd.
/seal/ Guangzhou Xuancheng Internet Technology Co., Ltd.
/s/ Ting Li

Pledgor:

Guangzhou Yueyi Internet Technology L.P. (seal)
/seal/ Guangzhou Yueyi Internet Technology L.P.

Executive Partner:
Guangzhou Xuancheng Internet Technology Co., Ltd.
/seal/ Guangzhou Xuancheng Internet Technology Co., Ltd.
/s/ Ting Li

Company:

Guangzhou Ruicheng Internet Technology Co., Ltd. (seal)
/seal/ Guangzhou Ruicheng Internet Technology Co., Ltd.
/s/ Ting Li
Name: Ting Li
Title: Legal Representative

Pledgee:

Guangzhou Huanju Shidai Information Technology Co., Ltd. (seal)
/seal/ Guangzhou Huanju Shidai Information Technology Co., Ltd.
/s/ Ting Li
Name: Ting Li
Title: Legal Representative

Exclusive Service Agreement

This Exclusive Service Agreement (this "***Agreement***") is made and entered into by and between the following parties on December 9, 2020:

(1) **Guangzhou Ruicheng Internet Technology Co., Ltd.** ("***Party A***")
Registered address: Room 3204, No. 79 Wanbo Er Road, Nancun Town, Panyu District, Guangzhou
Legal representative: LI Ting

(2) **Guangzhou Huanju Shidai Information Technology Co., Ltd.** ("***Party B***")
Registered address: 23/F, Building B-1, North Block of Wanda Plaza, No. 79 Wanbo Er Road, Nancun Town, Panyu District, Guangzhou
Legal representative: LI Ting

Each of Party A and Party B shall be hereinafter referred to as a "Party" respectively, and as the "Parties" collectively.

PREAMBLE

1. Party A is a limited liability company registered and validly existing in Guangzhou, China, which engages in advertisement publishing (non-radio stations, TV stations, newspaper publishing units); computer system services; marketing planning; technical services, technology development, technology consulting, technology exchanges, technology transfer, technology promotion; information system integration services; information technology consulting services; advertising production; advertising design and agency; information consulting services (excluding license-required information consulting services); enterprise image planning; enterprise management; software development; second-class value-added telecommunications services.

2. Party B is a wholly-foreign-owned enterprise registered and validly existing in Guangzhou, China, which engages in software product development and production; computer technology development and technical services; information system integration services; information technology consulting services; software wholesale; software retail; computer retail; house leasing; computer wholesale; computer parts wholesale; technology import and export; business management consulting services; electronic, communication and automatic control technology research and development; retail of small accessories and small gifts; design services of animation and derivative products; retail of department stores (except retail of food and tobacco products); commodity wholesale trade (except for commodities involved in special management regulations and permits for foreign investment access); commodity retail trade (except for commodities involved in special management regulations and permits for foreign investment access); retail of textiles and knitwear; retail of electronic products; retail of stationery; retail of toys; retail of clothing; retail of luggage and bags; craftsmanship art retail (except cultural relics).

3. Party A needs Party B to provide services related to the Party A Business, and Party B agrees to provide such services to Party A.

NOW, THEREFORE, the Parties have reached the following agreements:

1. DEFINITIONS

1.1 Unless otherwise provided, in this Agreement:

Party A's Business means all business activities that Party A currently operates and operates at any time during the term of this Agreement.

Services means services exclusively provided by Party B to Party A with respect to the Party A's Business, which may include but without limitation:

(a) Approval of Party A to use the software related to the Party A's Business that Party B has legal rights;

(b) Providing economic information, computer technology, commercial and management consulting or advices for Party A;

(c) Providing business planning, design, marketing plan;

(d) Daily management, maintenance and update of hardware equipment and databases or software resources and customer resources;

(e) Providing comprehensive operation and solution plan in information technology/operation management required by Party A's business;

(f) Software development, maintenance, and update which the Party A's Business requires;

(g) Providing business training, support and assistance of relevant personnel of Party A;

(h) Other relevant services that are required to be provided by Party A from time to time.

Service Fee means all the fees Party A shall pay to Party B for the Services Party B provides subject to Section 3.

Annual Business Plan means according to this Agreement, the Party A's Business development plan and budget report for the next calendar year prepared by Party A before November 30 of each year, with the assistance of Party B.

Business Related Intellectual Property Rights means any and all intellectual property rights related to the Party A's business developed by Party A on the basis of the services provided by Party B under this agreement.

Confidential Information has the meaning assigned to it in Section 6.1.

Defaulting Party has the meaning assigned to it in Section 12.1.

Default has the meaning assigned to it in Section 12.1.

Such Party's Right has the meaning assigned to it in Section 14.5.

1.2 Any referring to any law or statutory provision under this Agreement shall be deemed to:

(a) also include referring to any revision, extension, combination and replacement related to such law or provision; and

(b) also include referring to orders, ordinances, instructions and other subordinate legislation promulgated in accordance with relevant law or provisions.

1.3 All references in this Agreement to designated "Sections" and other subdivisions are to the designated Sections and other subdivisions of the body of this Agreement unless explicitly stated otherwise

2. SERVICES

2.1 During the term of this Agreement, Party A hereby exclusively engages Party B to provide the Services, and Party B shall provide the Services to Party A diligently pursuant to the requirement of Party A's Business. Both Parties understand that, the actual Services provided by Party B shall be limited to the approved business scope of Party B; if the Services Party A requires exceed the approved business scope of Party B, Party B will apply for extension of its business scope under the maximum scope permitted by the laws, and will provide related Services after permission of such extension.

2.2 For the purpose of providing Services in accordance with this Agreement, Party B shall communicate with Party A and exchange various information related to the Party A's Business.

2.3 Notwithstanding any other provisions of this Agreement, Party B is entitled to appoint any third party to provide any or all of the Services under this Agreement, or perform any obligations under this Agreement on behalf of Party B. Party A hereby agrees that Party B has the right to transfer or assign the rights and obligations of Party B under this Agreement to any third party.

3. SERVICE FEE

3.1 The Party A shall pay Party B the Service Fee for the Services contemplated in this Agreement as following:
3.1.1 After mutual consents between both Parties, for the Services provided by Party B to Party A in each calendar year within the term of this agreement, Party A shall pay Party B the relevant Service Fee on an annual basis; and

3.1.2 With respect to the Service Fee incurred by the specific Services Party B provided as required by Party A from time to time, after mutual consents between both Parties, Party A shall pay the Service Fee separately.

3.2 Party B shall issue a payment notice and value-added tax invoice to Party A in a timely manner, and calculate on an annual basis. Party A shall pay the Service Fee to Party B within one (1) month upon the receipt of Party B's tax invoice.

3.3 Both Parties agree, without violating any mandatory requirement of any laws and regulations, the amount of the Service Fee and service scope as set forth in Section 3.1 and 3.2, may be confirmed and adjusted by both Parties in accordance with advices made by Party B from time to time.

3.4 The parties shall bear the taxes they shall pay and withhold the taxes (if any) in accordance with the applicable law.

4. PARTY A'S OBLIGATION

4.1 The Services provided by Party B is exclusive. During the term of this Agreement, without prior written consent of Party B, the Party A shall not enter into any agreement with any third party and accept any services identical or similar to the Services hereunder from any third party.

4.2 Party A shall provide the Annual Business Plan to Party B before November 30 of each year, to the extent that Party B could arrange Services plan and add necessary personnel and resources. If Party A requires personnel supplement temporarily, Party A shall negotiate with Party B with 15 days in advance to reach an agreement.

4.3 For better Services provided by Party B, Party A shall timely provide related materials that Party B requires.

4.4 Party A shall pay the Service Fee in a timely and sufficient manner in accordance with Section 3.

4.5 Party A should maintain its own good reputation, actively expand its business, and strive to maximize revenue.

4.6 During the term of this Agreement, Party A agrees to cooperate with Party B and Party B's parent company (including direct or indirect) to conduct related-party transaction audits and other audits, and provide Party B, its parent company, or its authorized auditors with information on Party A's operations, business, customers, finances, employees and other related information and materials, and agree that Party B's parent company shall disclose such information and materials in order to meet the regulatory requirements of the place where its securities are listed.

5. INTELLECTUAL PROPERTY RIGHTS

5.1 Party B shall have proprietary rights and interests in all rights, ownership, interests of the intellectual property rights it already has before entering into this Agreement, and created or arising out of providing of Services during the term of this Agreement.

5.2 Since the operation of Party A's Business depends on the Services provided by Party B under this Agreement, Party A agrees to the following arrangements regarding the Business Related Intellectual Property Rights developed by Party A on the basis of such Services:

(1) If the Business Related Intellectual Property Rights are developed by Party A entrusted by Party B, or obtained through cooperation between Party A and Party B, the ownership and the right to apply for related intellectual property rights shall belong to Party B.

(2) If the Business Related Intellectual Property Rights are independently developed and acquired by Party A, the ownership shall belong to Party A, provided that (A) Party A informs Party B of the details of the Business Related Intellectual Property Rights in a timely manner, and provides relevant information that Party B has reasonably requested; (B) If Party A wants to license or transfer such Business Related Intellectual Property Rights, Party A shall transfer to Party B or grant Party B an exclusive license prior to any third party, without violating the mandatory provisions of the laws of China, and Party B may use such Business Related Intellectual Property Rights within the scope of such transfer or license from Party A (but Party B has the right to decide whether to accept such transfer or license); Party A can only transfer or license the Business Related Intellectual Property Rights to a third party without offering more favorable conditions than which Party A offers to Party B (including but not limited to the transfer price or license fee) provided that Party B has waived the priority to purchase the ownership of the Business Related Intellectual Property Rights or the exclusive right to use the Business Related Intellectual Property Rights, and shall ensure that such third party fully complies with and performs the obligations of Party A under this Agreement; (C) Except for the circumstances mentioned in item (B) above, during the term of this Agreement, Party B has the right to purchase such Business Related Intellectual Property Rights; then Party A shall agree to Party B's such purchase request provided that there would be no violation of the mandatory provisions of the laws of China, and the purchase price shall be the lowest price allowed by the laws of China at that time.

5.3 If Party B is licensed to exclusively use the Business Related Intellectual Property Rights according to Section 5.2 (2) of this Agreement, such license shall be implemented in according with the following rules:

(1) Licensing period shall not be less than five (5) years (calculated from the effective date of relevant licensing agreement);

(2) The scope of license shall be the maximum scope as far as possible;

(3) Within the licensing period and scope of license, any other parties (include Party A) except Party B shall not use or license others to use the Business Related Intellectual Property Rights;

(4) Without prejudicing to Section 5.3 (3), Party A is entitled to, at its own discretion, license the Business Related Intellectual Property Rights to any other third parties;

(5) After expiration of licensing period, Party B is entitled to request the renewal of the license agreement and Party A shall agree to it. The terms of the license agreement shall remain unchanged, except for changes approved by Party B.

5.4 Notwithstanding Section 5.2 (2) above, if any Business Related Intellectual Property Rights described in such Section can be valid only after registration of ownership under applicable laws, then the application for registration of ownership shall be implemented in according with the following rules:

(1) Party A shall obtain prior written consent from Party B if Party A would apply for registration of ownership with regard to any Business Related Intellectual Property Rights described in such Section;

(2) Party A can only apply for registration of ownership on its own or transfer such right of applying for registration of ownership to a third party when Party B waives its right to purchase the right to apply for registration of ownership of the Business Related Intellectual Property Rights. In the case where Party A transfers the aforementioned right to apply for registration of ownership to a third party, Party A shall ensure that such third party will fully comply with and perform the obligations that Party A shall perform under this Agreement; meanwhile, the terms and conditions of the transfer (including but not limited to the transfer price) which Party A transfer the right to apply for registration of ownership to a third party shall not be more favorable than the terms and conditions proposed to Party B in accordance with Section 5.4 (3).

(3) During the term of this Agreement, Party B may request Party A to file an application for the registration of ownership of such Business Related Intellectual Property Rights at any time, and decide on its own whether to purchase the right to apply for such registration of ownership. Upon request of Party B, Party A shall transfer the right to apply for registration of ownership to Party B at that time, without violating the mandatory provisions of the laws of China, at the lowest price allowed by the laws of China; after Party B has obtained the right to apply for registration of ownership of the Business Related Intellectual Property Rights, filed the registration of ownership and completed the registration, Party B shall be the legal owner of such registration of ownership.

5.5 Both Parties respectively warrants to each other that they will compensate the other Party for any and all economic losses due to any infringement of the intellectual property rights of any third party.

6. CONFIDENTIALITY

6.1 Regardless of whether this Agreement is terminated or not, both parties shall strictly keep confidential the trade secrets, proprietary information, customer information and other confidential information of the other Party obtained during the execution and performance of this Agreement. Without the prior written consent from the disclosing Party, or mandatorily required to be disclosed to third party

by relevant laws and regulations or the requirements of the listing place of a Party's related company, the receiving Party should not disclose any confidential information to any third party; unless for the purpose of performance of this Agreement, the receiving Party should not use or indirectly use any confidential information.

6.2 Confidential information shall not include information:

(a) is known to the Receiving Party prior to disclosure by the disclosing Party as demonstrated by documentary evidence;

(b) is or becomes available to the public other than as a result of the receiving Party's fault; or

(c) information obtained legally by the receiving Party from other sources after receiving confidential information.

6.3 The receiving Party may disclose confidential information to its relevant employees, agents or professionals engaged, provided the receiving Party shall ensure the abovementioned personnel be in compliance with the relevant terms and conditions of this Agreement and be liable for any responsibilities incurred by breach of the relevant terms and conditions of this Agreement by the abovementioned personnel.

6.4 Notwithstanding any other terms of this Agreement, this section shall still be valid and binding upon the termination of this Agreement.

7. REPRESENTATIONS AND WARRANTIES OF PARTY A

Party A represents and warrants to Party B as follows:

7.1 It is a limited liability company legally registered and validly existing in accordance with the PRC laws and has independent legal capacity; has complete and independent legal status and legal capacity to sign, deliver and perform this Agreement, and can independently act as a party to a litigation.

7.2 It has the full internal power and authorization to sign and deliver this Agreement and all other documents that it will sign related to the transactions described in this Agreement, and it has the full power and authorization to complete the transactions described in this Agreement. This Agreement is legally and appropriately signed and delivered by it. This Agreement constitutes the Party A's legal, valid and binding obligations, and shall be enforceable against it.

7.3 It shall promptly inform Party B of circumstances that have caused or may cause a material adverse effect on the Party A's Business and its operations, and shall use its best effort to prevent the occurrence of such circumstances and/or the expansion of losses.

7.4 Without the written consent of Party B, Party A will not, in any form, dispose of Party A's material assets, nor will it change Party A's existing equity structure.

7.5 Upon being effective of this Agreement, Party A has obtained all necessary business license, competent rights and qualification to conduct Party A's Business now engaged in the territory of China;

7.6 Once Party B submits a written request, Party A will use all accounts receivables and/or all other assets that are legally owned and can be disposed of at that time, in a manner permitted by law, as guarantee of payment obligation of the Service Fee set forth in Section 3 of this Agreement.

7.7 Without the written consent of Party B, Party A shall not enter into any other agreement or arrangement that conflicts with this Agreement or may damage Party B's rights and interests under this Agreement.

8. REPRESENTATIONS AND WARRANTIES OF PARTY B

Party B represents and warrants to Party A as follows:

8.1 It is a limited liability company legally registered and validly existing in accordance with the PRC laws and has independent legal capacity; has complete and independent legal status and legal capacity to sign, deliver and perform this Agreement, and can independently act as a party to a litigation.

8.2 It has the full internal power and authorization to sign and deliver this Agreement and all other documents that it will sign related to the transactions described in this Agreement, and it has the full power and authorization to complete the transactions described in this Agreement. This Agreement is legally and appropriately signed and delivered by it. This Agreement constitutes the Party B's legal, valid and binding obligations, and shall be enforceable against it.

9. TERM

9.1 This Agreement takes effect as of the date of execution. Unless otherwise provided in this Agreement, or this Agreement terminated by Party B in writing, the term of this Agreement shall be twenty (20) years. After the expiration of this Agreement, unless Party B informs Party A 30 days in advance that this Agreement will not be renewed, this Agreement will be automatically renewed for one year after the expiration of the term, and so on.

9.2 If Party A or Party B fails to complete the approval and registration procedures for extending the business term at the expiration of the business term, this Agreement shall be terminated on the date when the business term of Party A or B expires. Both Parties shall complete the approval and registration procedures for extending the business term within three months before the expiration of their respective business term, to the extent that the term of this Agreement could be extended.

9.3 After the termination of this Agreement, both Parties shall still abide by their obligations under Section 6 of this Agreement.

10. INDEMNIFICATION

The Party A shall indemnify and hold harmless Party B from all the losses including but not limited to any losses caused by any lawsuit, claims, arbitration, damages by any third party or governmental investigation and penalties against Party B arising from providing the Services. However, if the losses are caused by Party B's willful conduct or gross negligence, such losses shall not be included in the indemnification.

11. NOTICE

11.1 All the notices, request, requirement and other communications pursuant to this Agreement shall be delivered to the relevant Party in written form.

11.2 Abovesaid notices or other notices if given by facsimile transmission or e-mail, shall be deemed effectively given upon successful transmission; if given by person, shall be deemed effectively given upon delivery by person; if given by post, shall be deemed effectively given on the date after two (2) days from posting.

12. DEFAULT

12.1 Both Parties agree and confirm that, if any Party ("**Defaulting Party**") materially violates any of the terms under this Agreement, or fails to perform, incompletely perform or delays the performance of any of the obligations under this Agreement, it shall constitute a breach of this Agreement ("**Default**"). The other Party has the right to request Defaulting Party to make amendments or remedies within reasonable period. If the Defaulting Party fails to make amendments or remedies within reasonable period or ten (10) days after the other Party sends a written notice to Party B and requests for amendments, and if Party A is the Defaulting Party, then Party B is entitled to decide at its own discretion: (1) to terminate this Agreement, and requires Defaulting Party to compensate all the losses; or (2) requires the mandatory performance of Defaulting Party 's obligations under this Agreement, and requires the Defaulting Party to compensate all the losses; if Party B is the Defaulting Party, then Party A is entitled to require the performance of the Defaulting Party 's obligations under this Agreement, and require the Defaulting Party to compensate all the losses.

12.2 Notwithstanding the foregoing Section 12.1, both Parties agree and confirm that, except as otherwise provided by law, Party A shall not unilaterally terminate this Agreement in any circumstances.

12.3 Notwithstanding any other terms of this Agreement, the validity of this Section 12 shall not be affected by the termination of this Agreement.

13. FORCE MAJEURE

If the performance of this Agreement by any Party is affected or any Party delays or fails to perform its obligation hereunder due to earthquake, typhoon, flood, fire, war, computer virus, design vulnerabilities of instrumental software, hacker attack on internet, modification of governmental policy or laws, and other exceptional situation that cannot be overcome or avoided by the Parties and cannot be foreseen by the Party alleged to be affected by such force majeure, the Party being affected shall immediately notify the other Party by facsimile and provide proof of the details of the force majeure and the reasons why this Agreement cannot be implemented or the performance needs to be delayed. Such proof documents must be issued by a notary institution in the jurisdiction where the force majeure occurred. Based on the extent of the force majeure event's impact on the performance of this Agreement, the two Parties shall negotiate whether the performance of this Agreement should be partially waived or postponed. Neither Party shall be liable for compensation for the economic losses caused to both Parties by the force majeure event.

14. MISCELLANEOUS PROVISIONS

14.1 This Agreement is executed in the Chinese language. This Agreement may be executed in five (5) counterparts, which Party A keeps one (1) counterpart, one (1) counterpart for governmental approval or registration, and Party B keeps other three (3) counterparts.

14.2 This Agreement, including the execution, validity, performance, interpretation and dispute resolution of this Agreement, shall be governed by and construed in accordance with the laws of China

14.3 Dispute Resolution

14.3.1 The Parties shall firstly attempt to resolve any and all disputes arising out of or relating to this Agreement through friendly consultations. If a dispute is not resolved through friendly consultations, then each Party may submit the dispute to Guangzhou Arbitration Commission for arbitration in accordance with then effective arbitration rules of such commission. The arbitration shall be conducted in Guangzhou. The award of the arbitration tribunal shall be final and binding upon the Parties. The costs of arbitration shall be borne by the losing Party, unless otherwise determined by the arbitration tribunal.

14.3.2 When any dispute is under arbitration, except for the matters in dispute, the Parties shall continue to fulfil their respective obligations under this Agreement.

14.4 Any rights, powers and remedies granted to both Parties by any terms of this Agreement shall not exclude any other rights, powers or remedies that the Party is entitled to in accordance with the laws and other terms under this Agreement, and one Party's exercise of its rights, powers and remedies does not preclude such Party from exercising other rights, powers and remedies.

14.5 A Party's failure to exercise or delay in exercising any of its rights, powers and remedies ("**Such Party's Rights**") under this Agreement or the laws will not result in the waiver of such rights, and any

single or partial waiver of Such Party’s Rights will not exclude such Party's exercise of such rights in other manner and the exercise of other Such Party’s Rights.

14.6 The titles of the sections and subsections of this Agreement are for convenience of reference only and are not to be considered in construing this Agreement.

14.7 Each provision of this Agreement shall be severable and independent. If any single or multiple provisions hereof become invalid, illegal or unenforceable in any aspect, the validity, legality and enforceability of the remaining provisions of this Agreement shall not be affected in any aspect.

14.8 This Agreement once executed shall supersede all prior agreements both Parties executed before, with respect to the subject matter hereof and thereof. Any amendment and supplements to this Agreement shall be made in writing, and only takes effect after the execution by all Parties hereunder, except for Party B’s transfer of its rights under Section 14.9 of this Agreement.

14.9 Without the prior written consent of Party B, Party A has no right to transfer or assign any of its rights and obligations hereunder to any third party. Party A hereby agrees that Party B may transfer its rights and obligations under this Agreement to a third party, and that Party B only needs to send a written notice to the Party A of such transfer, and there is no need to obtain consent from the Party A for such transfer.

14.10 This Agreement shall be binding upon the respective successors, assigns, creditors and other person who may acquire the equity or relevant rights of the Parties.

14.11 The taxes applicable to the execution and performance of this Agreement shall be borne by the respective Party.

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This page is the signature page of the Exclusive Service Agreement of Guangzhou Ruicheng Internet Technology Co., Ltd.

Party A:

Guangzhou Ruicheng Internet Technology Co., Ltd. (seal)
/seal/ Guangzhou Ruicheng Internet Technology Co., Ltd.
/s/ Ting Li
Name: Ting Li
Title: Legal Representative

This page is the signature page of the Exclusive Service Agreement of Guangzhou Ruicheng Internet Technology Co., Ltd.

Party B:

Guangzhou Huanju Shidai Information Technology Co., Ltd. (seal)
/seal/ Guangzhou Huanju Shidai Information Technology Co., Ltd.
/s/ Ting Li
Name: Ting Li
Title: Legal Representative

Exclusive Option Agreement

This Exclusive Option Agreement (this "***Agreement***"), dated December 9, 2020, is entered into by and between:

1. **Guangzhou Xuanyi Internet Technology L.P.:**
   Registered address: Room 3202, No. 79 Wanbo Er Road, Nancun Town, Panyu District, Guangzhou
   Executive Partner: Guangzhoushi Ruicheng Internet Technology Co., Ltd.

2. **Guangzhou Ruiyi Internet Technology L.P.** (together with Guangzhoushi Xuanyi Internet Technology L.P., collectively as the"**Existing Shareholders**"**):**
   Registered address: Room 3203, No. 79 Wanbo Er Road, Nancun Town, Panyu District, Guangzhou
   Executive Partner: Guangzhoushi Ruicheng Internet Technology Co., Ltd.

3. **Guangzhou Ruicheng Internet Technology Co., Ltd.** ("***Company***")
   Registered address: Room 3204, No. 79 Wanbo Er Road, Nancun Town, Panyu District, Guangzhou
   Legal representative: LI Ting

4. **Guangzhou Huanju Shidai Information Technology Co., Ltd.** ("***WFOE***")
   Registered address: 23/F, Building B-1, North Block of Wanda Plaza, No. 79 Wanbo Er Road, Nancun Town, Panyu District, Guangzhou
   Legal representative: LI Ting

The parties above shall be hereinafter individually referred to as a "Party"; collectively, the "Parties".

PREAMBLE

1. The Existing Shareholders are the registered shareholders of the Company and holds all the equity shares of the Company. As of the date hereof, the capital amount of the registered capital of the Company by the Existing Shareholders is RMB2,000,000, and the shares percentage by the Existing Shareholders is 100%, which all of the registered capital are unpaid. The basic information of the Company is shown as Exhibit A.

2. The Existing shareholders intend to transfer all of their equity in the Company to the WFOE and/or its designated entities and/or individuals without violating the PRC Laws, and the WFOE intends to accept such transfer by itself or other entities and/or individuals appointed by it.

3. The Company intends to transfer all of the assets held by it to the WFOE and/or its designated entities and/or individuals without violating the PRC Laws, and the WFOE intends to accept such transfer by itself or other entities and/or individuals appointed by it.

4. The Company and the Existing shareholders intend to reduce the capital of the Company and increase the capital of the Company by the WFOE and/or its designated entities and/or individuals

without violating the PRC Laws, and the WFOE intends to subscribe such increased capital by itself or other entities and/or individuals appointed by it.

5. In order to fulfill the above-mentioned share or asset transfer, the Existing Shareholders and the Company agree to separately and exclusively grant irrevocable share purchase option and asset purchase option to the WFOE. According to such share purchase option and asset purchase option, subject to the PRC Laws, the Existing Shareholders or the Company shall, in accordance with the requirements of the WFOE, transfer the Option Shares or Company Assets (as defined below) to the WFOE and/or any other entity and/or individual designated by the WFOE in accordance with the provisions of this Agreement; in order to fulfill the above-mentioned capital reduction and capital increase of the Company, the Existing Shareholders and the Company agree to grant an irrevocable share subscription option to the WFOE. According to such share subscription option, subject to the PRC Laws, the Company shall, in accordance with the requirements of the WFOE, reduce the capital of the Company, and the Capital Increase Shares (as defined below) shall be subscribed by the WFOE and/or any other entity and/or individual designated by the WFOE in accordance with the provisions of this Agreement

6. The Company agrees the Existing Shareholders to grant the WFOE the Shares Purchase Option (as defined below) pursuant to the terms and conditions of this Agreement.

7. The Existing Shareholders agrees the Company to grant the WFOE the Assets Purchase Option (as defined below) pursuant to the terms and conditions of this Agreement.

8. The Company and the Existing Shareholders agree to grant the WFOE the Shares Subscription Option (as defined below) pursuant to the terms and conditions of this Agreement.

NOW, THEREFORE, the Parties agree as follows through negotiations:

1. DEFINITIONS

1.1 Definitions. Unless otherwise provided, in this Agreement:

PRC Laws means the then effective laws, administrative regulations, local regulations, judicial interpretation and other binding regulatory documents of the People's Republic of China.

Shares Purchase Option means the option to purchase the shares of the Company granted by the Existing Shareholders to the WFOE pursuant to the terms and conditions of this Agreement.

Assets Purchase Option means the option to purchase the assets of the Company granted by the Company to the WFOE pursuant to the terms and conditions of this Agreement.

Shares Subscription Option means the option to request the Company reduce its capital (the amount shall be part of or all of the Option Shares (as defined below)), and to subscribe increased capital of the Company by the WFOE or other entities and/or individuals appointed by it .

Option Shares means all the shares of the Company Register Capital (as defined below) held by the Existing Shareholders, namely the shares of 100% of the Company Register Capital.

Company Registered Capital means as the date hereof, the registered capital of the Company at the amount of RMB2,000,000, also include the increased registered capital by any form of capital increase during the term of this Agreement.

Transfer Shares means when the WFOE exercises its Shares Purchase Option, it is entitled to require the Existing Shareholders to transfer the shares of the Company to it and/or its designated entity and/or individual in accordance with the provisions of Section 3 of this Agreement. The number of which may be all or part of the Option Shares, and the specific number shall be freely determined by the WFOE in accordance with the PRC laws and its own commercial considerations.

Transfer Assets means when the WFOE exercises its Assets Purchase Option, it is entitled to require the Company to transfer the assets of the Company to it and/or its designated entity and/or individual in accordance with the provisions of Section 3 of this Agreement. It may be all or part of the Company Assets, and shall be freely determined by the WFOE in accordance with the PRC laws and its own commercial considerations.

Increased Capital Shares means when the WFOE exercises its Shares Subscription Option before or after the reduction of capital of the Company, the WFOE and/or its designated entity and/or individual is entitled to subscribe the newly increased capital of the Company in accordance with the provisions of Section 3 of this Agreement. The specific number of which shall be freely determined by the WFOE in accordance with the PRC laws and its own commercial considerations.

Exercise means the WFOE exercises its Shares Purchase Option, Assets Purchase Option and Shares Subscription Option.

Transfer Price means in each Exercise, all the considerations that need to be paid by the WFOE and/or its designated entity and/or individual to the Existing Shareholders or the Company in order to obtain the Transfer Shares or Transfer Assets.

Capital Reduction Price means in each Exercise, all the considerations that the Company needs to pay to the Existing Shareholders in respect of the reduction of Company Register Capital.

Capital Increase Price means in each Exercise, all the considerations that need to be paid by the WFOE and/or its designated entity and/or individual to the Company for subscription of the Increased Capital Shares.

Business License means any approvals, permits, filings and registrations that the company must hold in order to operate all its businesses legally and effectively, including but not limited to “Enterprise Entity Business License” and other relevant permits and licenses required by the PRC Laws then.

Company Assets means all the tangible and intangible assets the Company owned or has the right to dispose, including but not limited to any real estate, moveable properties, and intellectual properties such as trademarks, copyrights, patents, domain names, software use rights.

Material Contracts means the contracts Company as a party have material effects on the Company's business or assets, including but not limited to the Exclusive Service Agreemen signed by the Company and the WFOE simultaneously with this Agreement and other material contracts about the Company's business.

Exercise Notice has the meaning assigned to it in Section 3.9.

Confidential Information has the meaning assigned to it in Section 8.1.

Defaulting Party has the meaning assigned to it in Section 11.1.

Default has the meaning assigned to it in Section 11.1.

Non-defaulting Party has the meaning assigned to it in Section 11.1.

Such Party's Right has the meaning assigned to it in Section 12.5.

1.2 Any referring to any law or statutory provision under this Agreement shall be deemed to:

(a) also include referring to any revision, extension, combination and replacement related to such law or provision; and

(b) also include referring to orders, ordinances, instructions and other subordinate legislation promulgated in accordance with relevant law or provisions.

1.3 All references in this Agreement to designated "Sections" and other subdivisions are to the designated Sections and other subdivisions of the body of this Agreement unless explicitly stated otherwise

2. GRANT OF SHARES PURCHASE OPTION, ASSETS PURCHASE OPTION AND SHARE SUBSCRIPTION OPTION

2.1 The Existing Shareholders hereby agree to exclusively grant an irrevocable Shares Purchase Option to the WFOE without any additional condition. According to such Share Purchase Option, subject to the PRC Laws, the WFOE is entitled to require the Existing Shareholders transfer the Option Shares to the WFOE and/or any other entity and/or individual designated by the WFOE at any time (including but not limited to when the WFOE, after its independent judgment, believes that the Existing Shareholders are at risk of transferring all or part of the Option Shares they hold to any third party in accordance with the requirements of the PRC Laws, other than to the WFOE and/or its designated entity and/or individual) in accordance with the provisions of this Agreement. The WFOE agrees to accept such Shares Purchase Option.

2.2 The Company hereby agrees the Existing Shareholders grant such Shares Purchase Option to the WFOE in accordance with the Section 2.1 above and other provisions of this Agreement.

2.3 The Company hereby agrees to exclusively grant an irrevocable Assets Purchase Option to the WFOE without any additional condition. According to such Assets Purchase Option, subject to the PRC Laws, the WFOE is entitled to require the Company transfer all of or part of the Company Assets to the WFOE and/or any other entity and/or individual designated by the WFOE at any time (including but not limited to when the WFOE, after its independent judgment, believes that the Existing Shareholders are at risk of transferring all or part of the Option Shares they hold to any third party in accordance with the requirements of the PRC Laws, other than to the WFOE and/or its designated entity and/or individual) in accordance with the provisions of this Agreement. The WFOE agrees to accept such Assets Purchase Option.

2.4 The Existing Shareholders hereby agree the Company grant such Assets Purchase Option to the WFOE in accordance with the Section 2.3 above and other provisions of this Agreement.

2.5 The Existing Shareholders and the Company hereby severally and jointly agree, to exclusively grant an irrevocable Shares Subscription Option to the WFOE without any additional condition. According to such Share Subscription Option, subject to the PRC Laws, the WFOE is entitled to require the Company reduce its capital at any time (including but not limited to when the WFOE, after its independent judgment, believes that the Existing Shareholders are at risk of transferring all or part of the Option Shares they hold to any third party in accordance with the requirements of the PRC Laws, other than to the WFOE and/or its designated entity and/or individual) , and the WFOE and/or any other entity and/or individual designated by the WFOE is entitled to subscribe the Increased Capital Shares in accordance with the provisions of this Agreement. The WFOE agrees to accept such Shares Subscription Option.

3. Exercise Methods

3.1 Subject to the terms and conditions of this Agreement, as permitted by the PRC Laws, the WFOE has absolute discretion to determine the specific time, method and frequency of Exercise.

3.2 Subject to the terms and conditions of this Agreement, the WFOE has the right to request the purchase of all or part of the Company's shares from the Existing Shareholders by itself and/or through other entities and/or individuals designated by the WFOE at any time without violating the PRC laws then effective.

3.3 Subject to the terms and conditions of this Agreement, the WFOE has the right to request the purchase of all or part of the Company's assets from the Company by itself and/or through other entities and/or individuals designated by the WFOE at any time without violating the PRC laws then effective.

3.4 Subject to the terms and conditions of this Agreement, the WFOE has the right to request the reduction of capital of the Company, and to subscribe the Increased Capital Shares by itself and/or

through other entities and/or individuals designated by the WFOE at any time without violating the PRC laws then effective.

3.5 As for the Shares Purchase Option, at each Exercise, the WFOE has the right to decide the number of shares that the Existing Shareholders should transfer to the WFOE and/or through other entities and/or individuals designated by the WFOE during such Exercise, and the Existing Shareholders shall respectively transfer the Transfer Shares to the WFOE and/or through other entities and/or individuals designated by the WFOE according to the number required by the WFOE. The WFOE and/or through other entities and/or individuals designated by the WFOE shall pay the Transfer Price to the Existing Shareholders who have transferred the Transfer Shares in respect of the Transfer Shares purchased in each Exercise.

3.6 As for the Assets Purchase Option, at each Exercise, the WFOE has the right to decide the specific Company Assets that the Company should transfer to the WFOE and/or through other entities and/or individuals designated by the WFOE during such Exercise, and the Company shall transfer the Transfer Assets to the WFOE and/or through other entities and/or individuals designated by the WFOE according to the number required by the WFOE. The WFOE and/or through other entities and/or individuals designated by the WFOE shall pay the Transfer Price to the Company in respect of the Transfer Assets purchased in each Exercise.

3.7 As for the Shares Subscription Option, at each Exercise, the Company shall confirm the amount of capital which shall be reduced in such Exercise pursuant to the request of the WFOE, the WFOE has the right to decide the Existing Shareholders reduce their capital contribution to the Company, and the Company and the Existing Shareholders shall reduce capital of the Company pursuant to the request of the WFOE; concurrently, the WFOE has the right to decide the number of the Increase Capital Shares to be subscribed by the WFOE and/or through other entities and/or individuals designated by the WFOE, and the Company shall accept the subscription of the Increase Capital Shares from the WFOE and/or through other entities and/or individuals designated by the WFOE according to the request of the WFOE. The Company shall pay the Capital Reduction Price to the Company in respect of the capital reduced in respect of the capital reduction in each Exercise. The WFOE and/or through other entities and/or individuals designated by the WFOE shall pay the Capital Increase Price to the Company in respect of the Increase Capital Shares subscribed in each Exercise.

3.8 At each Exercise, the WFOE could purchase the Transfer Shares, Transfer Assets or subscribe the Increase Capital Shares by itself, and could designate any third party to purchase all or part of the Transfer Shares, Transfer Assets or subscribe all or part of the Increase Capital Shares.

3.9 At each time the WFOE decide the Exercise, it shall delivery to the Existing Shareholders and/or the Company a Shares Purchase Option exercise notice, Assets Purchase Option exercise notice or Shares Subscription Option exercise notice (the “Exercise Notice”, in the form respectively set forth in Exhibit B, Exhibit C and Exhibit D). Upon receipt of the Exercise Notice, the Existing Shareholders or the Company shall immediately transfer the Transfer Shares or Transfer Assets to the WFOE and/or through other entities and/or individuals designated by the WFOE in one time in accordance with the method described in Section 3.5 or 3.6 of this Agreement, or shall reduce the capital of the Company in the

manner described in Section 3.7, and the Increased Capital Shares shall be subscribed by the WFOE and/or through other entities and/or individuals designated by the WFOE.

4. TRANSFER PRICE, CAPITAL REDUCTION PRICE AND CAPITAL INCREASE PRICE

4.1 As for the Shares Purchase Option, at each Exercise, the total Transfer Price that the WFOE and/or through other entities and/or individuals designated by the WFOE should pay to the Existing Shareholders shall be the actual paid-in capital contribution corresponding to the relevant Transfer Shares in the Company's registered capital. If the minimum price allowed by the PRC Laws at that time is higher than the aforementioned actual paid-in capital, the minimum price allowed by the PRC Laws shall prevail. Under the premise of complying with the PRC Laws, the Existing Shareholders shall immediately return and gift it to the WFOE and/or its designated entity after receiving the Transfer Price.

4.2 As for the Assets Purchase Option, at each Exercise, the total Transfer Price that the WFOE and/or through other entities and/or individuals designated by the WFOE should pay to the Existing Shareholders shall be the net book value of the relevant assets. If the minimum price allowed by the PRC Laws at that time is higher than the aforementioned net book value, the minimum price allowed by the PRC Laws shall prevail. Under the premise of complying with the PRC Laws, the Existing Shareholders shall immediately return and gift it to the WFOE and/or its designated entity after receiving the Transfer Price.

4.3 As for the Share Subscription Option, at each Exercise, the Company shall pay the Capital Reduction Price to the Existing Shareholders who have reduced their capital contribution to the company. The Capital Reduction Price shall be the reduced actual paid-up amount of the Company Registered Capital. If the minimum price allowed by the PRC Laws at that time is higher than the aforementioned Capital Reduction Price, the minimum price allowed by the PRC Laws shall prevail; and the total subscription price that WFOE and/or through other entities and/or individuals designated by the WFOE should pay to the Company for the subscription of Increased Capital Shares is the Capital Reduction Price paid to the Existing Shareholders when the Company reduces its capital and the registered capital that the Existing Shareholders have not paid to the company at the time of capital reduction (if any), unless the WFOE and the Company agree otherwise. Under the premise of complying with the PRC Laws, the Existing Shareholders shall immediately return and gift it to the WFOE and/or its designated entity after receiving the Capital Reduction Price.

4.4 All taxes and fees arising from the Exercise of the Shares Purchase Option, Assets Purchase Option or Shares Subscription Option under this Agreement in accordance with applicable laws, shall be paid by each Party or withheld in accordance with the laws.

5. REPRESENTATIONS AND WARRANTIES

5.1 The Existing Shareholders represent and warrant as follows:

(a) The Existing Shareholders are limited partnerships legally registered and validly existing in accordance with the PRC laws and has complete and independent legal status and legal capacity to execute, deliver and perform this Agreement, and can independently act as a party to a litigation.

(b) The Company is a limited liability company legally registered and validly existing in accordance with the PRC laws and has independent legal capacity; has complete and independent legal status and legal capacity to execute, deliver and perform this Agreement, and can independently act as a party to a litigation.

(c) The Existing Shareholders have the full internal power and authorization to sign and deliver this Agreement and all other documents that they will sign related to the transactions described in this Agreement, and they have the full power and authorization to complete the transactions described in this Agreement.

(d) This Agreement constitutes the Existing Shareholders' legal, valid and binding obligations, and shall be enforceable against them.

(e) The Existing Shareholders are the registered legal owner of the Option Shares when this Agreement becomes effective. Except for the Shares Purchase Option, Shares Subscription Option, the pledge contemplated in the Share Pledge Agreement by and among the Company, the WFOE and the Existing Shareholders dated [ ], 2020 and the entrustment contemplated in the Shareholder Voting Rights Proxy Agreement dated [ ], 2020 , there is no liens, pledges, claims and other security rights and third-party rights on the Option Shares. According to this Agreement, after the Exercise by the WFOE and/or through other entities and/or individuals designated by the WFOE, it can obtain good ownership of the Transfer Shares without any lien, pledge, claim, other security rights and third-party rights.

(f) Except for the Assets Purchase Option, there is no liens, pledges, claims and other security rights and third-party rights on the Company Assets. According to this Agreement, after the Exercise by the WFOE and/or through other entities and/or individuals designated by the WFOE, it can obtain good ownership of the Company Assets without any lien, pledge, claim, other security rights and third-party rights.

5.2 The Company represents and warrants as follows:

(a) The Company is a limited liability company legally registered and validly existing in accordance with the PRC laws and has independent legal capacity; has complete and independent legal status and legal capacity to execute, deliver and perform this Agreement, and can independently act as a party to a litigation.

(b) The Company has the full internal power and authorization to sign and deliver this Agreement and all other documents that it will sign related to the transactions described in this Agreement,

and it has the full power and authorization to complete the transactions described in this Agreement.

(c) This Agreement is legally and duly executed and delivered by the Company. This Agreement constitutes the Company's legal, valid and binding obligations, and shall be enforceable against it.

(d) Except for the Assets Purchase Option, there is no liens, pledges, claims and other security rights and third-party rights on the Company Assets. According to this Agreement, after the Exercise by the WFOE and/or through other entities and/or individuals designated by the WFOE, it can obtain good ownership of the Company Assets without any lien, pledge, claim, other security rights and third-party rights.

5.3 The WFOE represents and warrants as follows:

(a) The WFOE is a limited liability company legally registered and validly existing in accordance with the PRC laws and has independent legal capacity; has complete and independent legal status and legal capacity to execute, deliver and perform this Agreement, and can independently act as a party to a litigation.

(b) The WFOE has the full internal power and authorization to sign and deliver this Agreement and all other documents that it will sign related to the transactions described in this Agreement, and it has the full power and authorization to complete the transactions described in this Agreement.

(c) This Agreement is legally and duly executed and delivered by the WFOE. This Agreement constitutes the WFOE's legal, valid and binding obligations, and shall be enforceable against it.

6. EXISTING SHAREHOLDERS' COVENANTS

The Existing Shareholders irrevocably undertake as follows:

6.1 During the term of this Agreement, without prior written consent of the WFOE:

(a) They shall not transfer or dispose of any Option Shares in any other way or set any security right or other third party rights on any Option Shares;

(b) They shall not increase or decrease the Company Registered Capital, or cause the Company to merge with any other entity;

(c) They shall not dispose of or procure the Company's management to dispose of any material Company Assets (except those occur in the ordinary course of business);

(d) They shall not terminate or procure the Company's management to terminate any material agreement signed by the Company, or enter into any other agreement that conflicts with existing material agreements;

(e) They shall not appoint or remove any Company's directors, supervisors or other company's managers who should be appointed or removed by the Existing Shareholders;

(f) They shall not procure the company to declare or actually distribute any distributable profits or dividends;

(g) They shall not take any actions (including any omissions) that will affect the effective existence of the Company; nor take any actions that may make the Company to be terminated, liquidated or dissolved;

(h) They shall not amend the articles and associations of the Company; and

(i) They shall not take any actions (including any omissions) that make the company lend or borrow loans, or provide guarantees or make other forms of guarantees, or undertake any substantial obligations outside of ordinary business activities.

6.2 During the term of this Agreement, they must use their best efforts to develop the Company's business and ensure the Company's operation is in compliance with the laws and regulations. They will not conduct any action or omission that may damage the Company's assets, goodwill or affect the validity of the Company's business licenses.

6.3 During the term of this Agreement, they shall promptly inform the WFOE of any situation that may have a material adverse effect on the Company's existence, business operations, financial conditions, assets or goodwill, and promptly take all measures agreed by the WFOE to eliminate such unfavorable situations or take effective remedial measures.

6.4 Once the WFOE issues the Exercise Notice:

(a) They shall immediately adopt shareholder decisions and take all other necessary actions to agree the Existing Shareholders or the Company to transfer all Transfer Shares or Transfer Assets to the WFOE and/or through other entities and/or individuals designated by the WFOE at the Transfer Price, or agree the reduction of the Company's capital, and accept the WFOE and/or through other entities and/or individuals designated by the WFOE to subscribe for the Increased Capital Shares of the Company (depending on the situation);

(b) With respect to the Shares Purchase Option, they shall immediately sign an shares transfer agreement with the WFOE and/or through other entities and/or individuals designated by the WFOE, transfer all the Transfer Shares to the WFOE and/or through other entities and/or individuals designated by the WFOE at the Transfer Price, and provide the WFOE with the necessary support in accordance with the requirements of the WFOE and the provisions of laws

and regulations (including providing and signing all relevant legal documents, and fulfilling all government approvals and registration procedures and assume all relevant obligations) so that the WFOE and/or through other entities and/or individuals designated by the WFOE can obtain all the Transfer Shares, and there should be no legal flaws in such Transfer Shares and there should be no security rights, third-party restrictions or any other restrictions on shares;

(c) With respect to the Shares Subscription Option, the Existing Shareholders shall immediately sign an capital reduction agreement with the Company in a form and substance to the satisfactory of the WFOE, the Existing Shareholders shall assist and cooperate with the Company to implement capital reduction procedure (including notifying creditors, making public announcement of capital reduction, signing all relevant legal documents, and fulfilling all government approvals and registration procedures and assume all relevant obligations) so that the Company could complete the capital reduction successfully, and the WFOE and/or through other entities and/or individuals designated by the WFOE could complete the subscription of the Increased Capital Shares.

6.5 If the Transfer Price received by the Existing Shareholders for the Transfer Shares held by them, the Capital Reduction Price received as a result of the Company's capital reduction, and/or the amounts received from distribution of the Company's remaining assets when the company is terminated or liquidated, are higher than the capital contributions to the Company by them, or receives any form of profits distribution or dividends from the Company, then the Existing Shareholders agree and confirm that they will not be entitled to the income and profits distribution or dividends from the premium (after deduction of relevant taxes) without violating the PRC Laws, and such portion of the income and profits distribution or dividends should be attributed to the WFOE. The Existing shareholders shall instruct the relevant transferee or the Company to pay such portion of the proceeds to the bank account then designated by the WFOE.

6.6 They irrevocably agree to the Company's execution and performance of this Agreement, and provide the Company with all cooperation in the execution and performance of this Agreement, including but not limited to signing all necessary documents or documents required by the WFOE, and taking all necessary or actions required by the WFOE, and no action or omission will be taken to prevent the WFOE from claiming and realizing its rights under this Agreement.

6.7 Once they know or should be aware that the Option Shares they hold may be transferred to any third party other than the WFOE and/or through other entities and/or individuals designated by the WFOE

due to applicable laws, judgments or awards of courts or arbitration institution, or for any other reason, they should immediately and without hesitation notify the WFOE.

7. COMPANY'S COVENANTS

7.1 The Company irrevocably undertakes as follows:

(a) If the execution and performance of this Agreement and the granting of Shares Purchase Option, Assets Purchase Option or Shares Subscription Option under this Agreement require the consent, permission, waiver, authorization of any third party, or the approval, permission, exemption or approval of any government authorities, or the registration or filing procedures with any government authorities (if required by the Laws), the company will use its best effort to assist in meeting the above conditions.

(b) Without prior written consent of the WFOE, it shall not assist or allow the Existing Shareholders transfer or dispose of any Option Shares in any other way or set any security right or other third party rights on any Option Shares.

(c) Without prior written consent of the WFOE, it shall not transfer or dispose of any material Company Assets (except those occur in the ordinary course of business) in any other way or set any security right or other third party rights on any Company Assets.

(d) The Company shall not carry out or allow any behavior or action that may adversely affect the interests of the WFOE under this Agreement, including but not limited to any behavior and action restricted by Section 6.1.

(e) Once it knows or should be aware that the Option Shares hold by the Existing Shareholders may be transferred to any third party other than the WFOE and/or through other entities and/or individuals designated by the WFOE due to applicable laws, judgments or awards of courts or arbitration institution, or for any other reason, it should immediately and without hesitation notify the WFOE.

7.2 Once the WFOE issues the Exercise Notice:

(a) The Company shall immediately procure the Existing Shareholders to adopt shareholders decisions and take all other necessary actions to agree the Company to transfer all Transfer Assets to the WFOE and/or through other entities and/or individuals designated by the WFOE at the Transfer Price, or agree the reduction of the Company's capital, and accept the WFOE and/or through other entities and/or individuals designated by the WFOE to subscribe for all the Increased Capital Shares of the Company (depending on the situation);

(b) With respect to the Assets Purchase Option, the Company shall immediately sign an assets transfer agreement with the WFOE and/or through other entities and/or individuals designated by the WFOE, transfer all the Transfer Assets to the WFOE and/or through other entities and/or individuals designated by the WFOE at the Transfer Price, and procure the Existing Shareholders to provide the WFOE with necessary support in accordance with the requirements of the WFOE and the provisions of laws and regulations (including providing and signing all relevant legal documents, and fulfilling all government approvals and registration procedures and assume all relevant obligations) so that the WFOE and/or through other entities and/or individuals designated by the WFOE can obtain all the Transfer Assets, and there should be no

legal flaws in such Transfer Assets and there should be no security rights, third-party restrictions or any other restrictions on Company Assets;

(c) With respect to the Shares Subscription Option, the Company shall immediately sign an capital reduction agreement with the Existing Shareholders in a form and substance to the satisfactory of the WFOE, the Company shall, and the Existing Shareholders shall procure the Company to implement capital reduction procedure (including notifying creditors, making public announcement of capital reduction, signing all relevant legal documents, and fulfilling all government approvals and registration procedures and assume all relevant obligations) so that the Company could complete the capital reduction successfully, and the WFOE and/or through other entities and/or individuals designated by the WFOE could complete the subscription of the Increased Capital Shares.

8. CONFIDENTIALITY

8.1 Regardless of whether this Agreement is terminated or not, both parties shall strictly keep confidential the trade secrets, proprietary information, customer information and other confidential information of the other Party obtained during the execution and performance of this Agreement. Without the prior written consent from the disclosing Party, or mandatorily required to be disclosed to third party by relevant laws and regulations or the requirements of the listing place of a Party's related company, the receiving Party should not disclose any confidential information to any third party; unless for the purpose of performance of this Agreement, the receiving Party should not use or indirectly use any confidential information.

8.2 Confidential information shall not include information:

(a) is known to the Receiving Party prior to disclosure by the disclosing Party as demonstrated by documentary evidence;

(b) is or becomes available to the public other than as a result of the receiving Party’s fault; or

(c) information obtained legally by the receiving Party from other sources after receiving confidential information.

8.3 The receiving Party may disclose confidential information to its relevant employees, agents or professionals engaged, provided the receiving Party shall ensure the abovementioned personnel be in compliance with the relevant terms and conditions of this Agreement and be liable for any responsibilities

incurred by breach of the relevant terms and conditions of this Agreement by the abovementioned personnel.

8.4 Notwithstanding any other terms of this Agreement, this section shall still be valid and binding upon the termination of this Agreement.

9. TERM

This Agreement takes effect as of the date of execution. Unless otherwise required by the WFOE, this Agreement will terminate after all the Option Shares and Company Assets are legally transferred to the WFOE and/or through other entities and/or individuals designated by the WFOE in accordance with this Agreement.

10. NOTICE

10.1 All the notices, request, requirement and other communications pursuant to this Agreement shall be delivered to the relevant Party in written form.

10.2 Abovesaid notices or other notices if given by facsimile transmission or e-mail, shall be deemed effectively given upon successful transmission; if given by person, shall be deemed effectively given upon delivery by person; if given by post, shall be deemed effectively given on the date after two (2) days from posting.

11. DEFAULT

11.1 Both Parties agree and confirm that, if any Party ("**Defaulting Party**") materially violates any of the terms under this Agreement, or fails to perform, incompletely perform or delays the performance of any of the obligations under this Agreement, it shall constitute a breach of this Agreement ("**Default**"). Any Party of the other non-defaulting Party ("**Non-Defaulting Party**") has the right to request Defaulting Party to make amendments or remedies within reasonable period. If the Defaulting Party fails to make amendments or remedies within reasonable period or ten (10) days after the other Party sends a written notice to Party B and requests for amendments, then:

(a) if the Existing Shareholders or the Company is the Defaulting Party, the WFOE is entitled to terminate this Agreement, and requires the Defaulting Party to compensate all the losses;

(b) if the WFOE is the Defaulting Party, the Non-Defaulting Party is entitled to require the Defaulting Party to compensate all the losses, however, unless otherwise required by the Laws, it has no right to terminate or cancel this Agreement under any circumstances.

For the purpose of this Section 11.1, the Existing Shareholders further confirm and agree that their breach of Section 6 of this Agreement will constitute a material violation of this Agreement; the Company further confirms and agrees that its breach of Section 7 of this Agreement will constitute its material violation of this Agreement.

11.2 Notwithstanding any other terms of this Agreement, the validity of this Section shall not be affected by the termination of this Agreement.

12. MISCELLANEOUS PROVISIONS

12.1 This Agreement is executed in the Chinese language. This Agreement may be executed in five (5) counterparts, which the Company keeps one (1) counterpart, one (1) counterpart for governmental approval or registration, and the WFOE keeps other three (3) counterparts.

12.2 This Agreement, including the execution, validity, performance, interpretation and dispute resolution of this Agreement, shall be governed by and construed in accordance with the PRC Laws.

12.3 Dispute Resolution

(a) The Parties shall firstly attempt to resolve any and all disputes arising out of or relating to this Agreement through friendly consultations. If a dispute is not resolved through friendly consultations, then each Party may submit the dispute to Guangzhou Arbitration Commission for arbitration in accordance with then effective arbitration rules of such commission. The arbitration shall be conducted in Guangzhou. The award of the arbitration tribunal shall be final and binding upon the Parties. The costs of arbitration shall be borne by the losing Party, unless otherwise determined by the arbitration tribunal.

(b) When any dispute is under arbitration, except for the matters in dispute, the Parties shall continue to fulfil their respective obligations under this Agreement.

12.4 Any rights, powers and remedies granted to both Parties by any terms of this Agreement shall not exclude any other rights, powers or remedies that the Party is entitled to in accordance with the laws and other terms under this Agreement, and one Party's exercise of its rights, powers and remedies does not preclude such Party from exercising other rights, powers and remedies.

12.5 A Party's failure to exercise or delay in exercising any of its rights, powers and remedies ("**Such Party's Rights**") under this Agreement or the laws will not result in the waiver of such rights, and any single or partial waiver of Such Party's Rights will not exclude such Party's exercise of such rights in other manner and the exercise of other Such Party's Rights.

12.6 The titles of the sections and subsections of this Agreement are for convenience of reference only and are not to be considered in construing this Agreement.

12.7 Each provision of this Agreement shall be severable and independent. If any single or multiple provisions hereof become invalid, illegal or unenforceable in any aspect, the validity, legality and enforceability of the remaining provisions of this Agreement shall not be affected in any aspect.

12.8 This Agreement once executed shall supersede all prior agreements both Parties executed before, with respect to the subject matter hereof and thereof. Any amendment and supplements to this Agreement shall be made in writing, and only takes effect after the execution by all Parties hereunder, except for the WFOE's transfer of its rights under Section 12.9 of this Agreement.

12.9 Without the prior written consent of the WFOE, the other Parties have no right to transfer or assign any of its rights and obligations hereunder to any third party. The other Parties hereby agree that the WFOE may transfer its rights and obligations under this Agreement to a third party, and that the

WFOE only needs to send a written notice to the other Parties of such transfer, and there is no need to obtain consent from the other Parties for such transfer.

12.10 This Agreement shall be binding upon the respective successors and assigns. The Existing Shareholders assure to WFOE that they have made all proper arrangements and signed all necessary documents to ensure that when they bankrupts, liquidates or incurs other situations that may affect the exercise of their shareholders' rights, their legal transferees, successors, heirs, liquidators, bankruptcy administrators, creditors, and other persons who may obtain the Company's shares or related rights shall not affect or hinder the performance of this Agreement. For this purpose, the Existing Shareholders and the Company should promptly sign all other documents required by the WFOE and take all other actions required by the WFOE (including but not limited to notarization of this Agreement).

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This page is the signature page of the Exclusive Option Agreement of Guangzhou Ruicheng Internet Technology Co., Ltd.

Existing Shareholder:

Guangzhou Xuanyi Internet Technology L.P. (seal)
/seal/ Guangzhou Xuanyi Internet Technology L.P.

Executive Partner:
Guangzhou Xuancheng Internet Technology Co., Ltd.
/seal/ Guangzhou Xuancheng Internet Technology Co., Ltd.
/s/ Ting Li

This page is the signature page of the Exclusive Option Agreement of Guangzhou Ruicheng Internet Technology Co., Ltd.

Existing Shareholder:

Guangzhou Yueyi Internet Technology L.P. (seal)
/seal/ Guangzhou Yueyi Internet Technology L.P.

Executive Partner:
Guangzhou Xuancheng Internet Technology Co., Ltd.
/seal/ Guangzhou Xuancheng Internet Technology Co., Ltd.
/s/ Ting Li

This page is the signature page of the Exclusive Option Agreement of Guangzhou Ruicheng Internet Technology Co., Ltd.

Company:

Guangzhou Ruicheng Internet Technology Co., Ltd. (seal)
/seal/ Guangzhou Ruicheng Internet Technology Co., Ltd.
/s/ Ting Li
Name: Ting Li
Title: Legal Representative

This page is the signature page of the Exclusive Option Agreement of Guangzhou Ruicheng Internet Technology Co., Ltd.

WFOE:
Guangzhou Huanju Shidai Information Technology Co., Ltd. (seal)
/seal/ Guangzhou Huanju Shidai Information Technology Co., Ltd.
/s/ Ting Li
Name: Ting Li
Title: Legal Representative

Exhibit 4.38

Shareholder Voting Rights Proxy Agreement

This Shareholder Voting Rights Proxy Agreement (this "**Agreement**") dated December 9, 2020, is signed by and among:

1. **Guangzhou Xuanyi Internet Technology L.P.:**
   Registered address: Room 3202, No. 79 Wanbo Er Road, Nancun Town, Panyu District, Guangzhou
   Executive Partner: Guangzhoushi Ruicheng Internet Technology Co., Ltd.

2. **Guangzhou Ruiyi Internet Technology L.P.** (together with Guangzhoushi Xuanyi Internet Technology L.P., collectively as the"**Existing Shareholders**"**):**
   Registered address: Room 3203, No. 79 Wanbo Er Road, Nancun Town, Panyu District, Guangzhou
   Executive Partner: Guangzhoushi Ruicheng Internet Technology Co., Ltd.

3. **Guangzhou Ruicheng Internet Technology Co., Ltd.** ("***Company***")
   Registered address: Room 3204, No. 79 Wanbo Er Road, Nancun Town, Panyu District, Guangzhou
   Legal representative: LI Ting

4. **Guangzhou Huanju Shidai Information Technology Co., Ltd.** ("***WFOE***")
   Registered address: 23/F, Building B-1, North Block of Wanda Plaza, No. 79 Wanbo Er Road, Nancun Town, Panyu District, Guangzhou
   Legal representative: LI Ting
   The parties above shall be hereinafter respectively referred to as a "Party", collectively referred to as "Parties".

WHEREAS:

1. The Existing Shareholders are all the present shareholder of the Company, which holds 100% shares of the Company;

2. The Existing Shareholders intend to entrust the individual designated by the WFOE with the exercise of their voting rights in the Company and the WFOE is willing to designate such individual to accept such entrustment.

THEREFORE, the Parties, after friendly consultations, hereby agree as follows:

Article 1 Voting Right Entrustment

1.1 The Existing Shareholders hereby irrevocably undertake to sign a power of attorney in the form and substance as set forth in Annex 1 after execution of this Agreement to entrust the individual designated by the WFOE (hereinafter, the "**Entrusted Person**") to exercise on its behalf the following rights they, as the shareholder of the Company, are entitled to under the then effective articles of association of the Company (collectively, the "**Entrusted Rights**"):

(a) Proposing to convene and attending shareholders' meetings of the Company as the representative of the Existing Shareholders according to the articles of association of the Company;

(b) On behalf of the Existing Shareholders, exercising voting rights on all the issues needing to be discussed and resolved by the shareholders' meetings of the Company, including but not limited to the appointment of the Company's directors and other officers needing to be appointed and removed by shareholders;

(c) Other shareholder voting rights as specified in the articles of association of the Company (including any other shareholder voting rights as specified in the amended articles of association); and

(d) When the Existing Shareholders transfer the shares of the Company held by it, agrees to the transfer of assets of the Company, agrees to reduce capital contributions to the company, or accepts the WFOE or its designated party to subscribe the increased capital of the Company in accordance with the Exclusive Option Agreement signed by the parties on the same date hereof, to sign relevant share transfer agreements, asset transfer agreements (if applicable), capital reduction agreements, capital increase agreements, shareholder decisions and other relevant documents on behalf of the Existing Shareholders, and handle government approval, registration and filing procedure required for such transfer, capital reduction and capital increase.

The above authorization and entrustment are granted subject to the status of the Entrusted Person as a PRC citizen and the approval by the WFOE. Upon and only upon written notice of dismissing and replacing the Entrusted Person given by the WFOE to the Existing Shareholders, the Existing Shareholders shall promptly entrust another PRC citizen then designated by the WFOE to exercise the above Entrusted Rights, and once new entrustment is made, the original entrustment shall be replaced. The Existing Shareholders shall not cancel the authorization and entrustment for the Entrusted Person otherwise.

1.2 The Entrusted Person shall perform the fiduciary obligations within the scope of authorization with due care and diligence and in compliance with laws. The Existing Shareholders acknowledge and assume relevant liabilities for any legal consequences of the Entrusted Person's exercise of the foregoing Entrusted Rights.

1.3 The Existing Shareholders hereby acknowledge that the Entrusted Person is not required to seek advice from the Existing Shareholders prior to the exercise of the foregoing Entrusted Rights. However, the Entrusted Person shall inform the Existing Shareholders in a timely manner of any resolution or any proposal on convening interim shareholders' meeting after such resolution or proposal is made.

Article 2 Right to Information

2.1 For the purpose of exercising the Entrusted Rights hereunder, the Entrusted Person is entitled to know the information with regard to the Company's operation, business, customers, finance, staff, etc., and shall have access to the relevant materials of the Company. The Company shall adequately cooperate with the Entrusted Person in this regard.

Article 3 Exercise of Entrusted Rights

3.1 The Existing Shareholders will provide adequate assistance to the exercise of the Entrusted Rights by the Entrusted Person, including timely execution of the resolutions of the shareholders' meeting of the Company adopted by the Entrusted Person or other related legal documents when necessary (e.g., when it is necessary for examination and approval of or registration or filing with governmental departments).

3.2 If at any time during the term of this Agreement, the grant or exercise of the Entrusted Rights hereunder is unenforceable for any reason (except for default of Existing Shareholders or the Company), the Parties shall immediately seek a most similar substitute for the unenforceable provision and, if necessary, enter into a supplementary agreement to amend or adjust the provisions herein, in order to ensure the realization of the purpose of this Agreement.

Article 4 Exemption and Compensation

4.1 The Parties acknowledge that the WFOE shall not be requested to be liable to or compensate (monetary or otherwise) other Parties or any third party due to exercise of the Entrusted Rights hereunder by the individuals designated by it in any circumstances.

4.2 The Existing Shareholders and the Company agree to indemnify and hold harmless the WFOE from and against all losses incurred or likely to be incurred by it due to exercise of the Entrusted Rights by the Entrusted Person designated by the WFOE, including without limitation, any loss resulting from any litigation, demand, arbitration or claim initiated or raised by any third party against it or from administrative investigation or penalty of governmental authorities (collectively, the "Losses"), PROVIDED THAT the above indemnity in respect of any Losses shall not be available to the WFOE to the extent that such Losses have been caused by the willful default or gross negligence on the part of the Entrusted Person.

Article 5 Representations and Warranties

5.1 The Existing Shareholders hereby represent and warrant that:

(b) The Existing Shareholders are limited partnerships legally registered and validly existing in accordance with the PRC Laws; they have complete and independent legal status and legal

capacity to execute, deliver and perform this Agreement, and can independently act as a party to a litigation.

(b) The Company is a limited liability company legally registered and validly existing in accordance with the PRC laws and has independent legal capacity; has complete and independent legal status and legal capacity to execute, deliver and perform this Agreement, and can independently act as a party to a litigation.

(c) They have the full power and authority to execute and deliver this Agreement and all other documents relating to the transaction contemplated hereby and to be executed by it. It also has the full power and authority to consummate the transaction contemplated hereby. This Agreement, when duly executed and delivered, shall constitute a legal, valid and binding obligation enforceable against it in accordance with the terms of this Agreement.

(d) They are the recorded legal shareholder of the Company as of the effective date of this Agreement, and except for the rights under this Agreement, the Equity Pledge Agreement and the Exclusive Option Agreement entered into among the Existing Shareholders, the Company and the WFOE, the Entrusted Rights are free of any third-party right. Pursuant to this Agreement, the Entrusted Person may fully and sufficiently exercise the Entrusted Rights in accordance with the then effective articles of association of the Company.

(e) Without the consent of the WFOE, the Existing Shareholders shall not take any measures to advice, claim or request amendment, modification, termination or change the articles of association of the Company in any other forms.

5.2 The Existing Shareholders hereby irrevocably represent and warrant that, once they know or should be aware that the shares held by them may be transferred to any third party other than the WFOE and/or through other entities and/or individuals designated by the WFOE due to applicable laws, judgments or awards of courts or arbitration institution, or for any other reason, they should immediately and without hesitation notify the WFOE.

5.3. Each of the WFOE and the Company hereby represents and warrants that:

(a) It is a limited liability company duly organized and validly existing under the PRC Law with an independent legal personality. It has the full and independent legal status and legal capacity to execute, deliver and perform this Agreement and may sue or be sued as an independent party.

(b) It has the full corporate power and authority to execute and deliver this Agreement and all other documents relating to the transaction contemplated hereby and to be executed by it. It also has the full power and authority to consummate the transaction contemplated hereby.

5.4 The Company further represents and warrants that:

(a) The Existing Shareholders are the recorded legal shareholders of the Company as of the effective date of this Agreement, and except for the rights under this Agreement, the Equity Pledge Agreement and the Exclusive Option Agreement entered into among the Existing Shareholders, the Company and the WFOE, the Entrusted Rights are free of any third-party right. Pursuant to this Agreement, the Entrusted Person may fully and sufficiently exercise the Entrusted Rights in accordance with the then effective articles of association of the Company.

5.5 The Company hereby irrevocably represents and warrants that, once it knows or should be aware that the shares held by the Existing Shareholders may be transferred to any third party other than the WFOE and/or through other entities and/or individuals designated by the WFOE due to applicable laws, judgments or awards of courts or arbitration institution, or for any other reason, it should immediately and without hesitation notify the WFOE.

Article 6 Term

6.1 Subject to the provisions of Articles 6.2 and 6.3 hereof, this Agreement shall become effective as of the date of the due execution by the Parties and the term of this Agreement shall be twenty (20) years; unless prematurely terminated by the Parties in writing or pursuant to Article 9.1 hereof. After the expiration of this Agreement, unless the WFOE informs other Parties 30 days in advance that this Agreement will not be renewed, this Agreement will be automatically renewed for one year after the expiration of the term, and so on.

6.2 If the Company or the WFOE, upon expiry of its duration, fails to handle the examination, approval and registration procedures concerning the extension of its duration, this Agreement shall be terminated.

6.3 In case that the Existing Shareholders transfer all of the equity interest held by it in the Company with the WFOE's prior consent, such Existing Shareholder shall cease to be a party to this Agreement since it has completed relevant assistant obligation, executed all the relevant and necessary documents, completed relevant internal procedure of the Company and governmental approval, registration, filing procedures (provided subject to Article 4, Article 5.1, Article 6, Article 7, Article 8, Article 9 and Article 10).

Article 7 Notices

7.1 All the notices, request, requirement and other communications pursuant to this Agreement shall be delivered to the relevant Party in written form.

7.2 Abovesaid notices or other notices if given by facsimile transmission or e-mail, shall be deemed effectively given upon successful transmission; if given by person, shall be deemed effectively given upon delivery by person; if given by post, shall be deemed effectively given on the date after two (2) days from posting.

Article 8 Confidentiality

8.1 Regardless of whether this Agreement is terminated or not, each Party shall keep strictly confidential all the business secrets, proprietary information, customer information and other information of a confidential nature about the other Parties known by it during the execution and performance of this Agreement (collectively, the "**Confidential Information**"). The receiving Party shall not disclose any Confidential Information to any third party except with the prior written consent of the disclosing Party or in accordance with relevant laws or regulations or under requirements of the place where its affiliate is listed on a stock exchange. The receiving Party shall not use or indirectly use any Confidential Information other than for performing this Agreement.

8.2 The following information shall not be deemed part of the Confidential Information:

(a) any information already known by the receiving Party by legal means prior to disclosure, which is substantiated in writing;

(b) any information being part of public knowledge through no fault of the receiving Party; or

(c) any information rightfully received by the receiving Party from other sources after disclosure.

8.3 The receiving Party may disclose the Confidential Information to its relevant employees, agents or engaged professionals, but the receiving Party shall guarantee that they are in compliance with the relevant terms and conditions of this Agreement and assume any responsibility arising from any breach thereof by them.

8.4 Notwithstanding any other provision herein, the validity of this Article shall survive the termination of this Agreement.

Article 9 Defaulting Liability

9.1 The Parties agree and acknowledge that, if any of the Parties (the "**Defaulting Party**") materially breaches any provision herein or materially fails to perform or delays performance of any of the obligations hereunder, such breach, failure or delay shall constitute a default under this Agreement (a "**Default**"). In such event, any of the other Parties without default (the "**Non-defaulting Party**") shall have the right to require the Defaulting Party to rectify such Default or take remedial measures within a reasonable period. If the Defaulting Party fails to rectify such Default or take remedial measures within such reasonable period or within ten (10) days of the Non-defaulting Party notifying the Defaulting Party in writing and requiring the Default to be rectified, then:

(a) if the Existing Shareholder or the Company is the Defaulting Party, the WFOE shall be entitled to terminate this Agreement and require the Defaulting Party to indemnify all damages;

(b) if the WFOE is the Defaulting Party, the Non-defaulting Party shall be entitled to require the Defaulting Party to indemnify all damages, but the Non-defaulting Party shall not be entitled to any rights to terminate or cancel this Agreement in any situation unless otherwise provided by the mandatory provisions of the laws.

(b)

9.2 Notwithstanding any other provision herein, the validity of this Article shall survive the suspension or termination of this Agreement.

Article 10 Miscellaneous

10.1 This Agreement is written in Chinese and executed in three (3) originals, with one (1) original to be retained by each Party hereto.

10.2 The formation, validity and interpretation of, resolution of disputes in connection with, this Agreement, shall be governed by PRC Law.

10.3 Dispute Resolution

(a) Any dispute arising hereunder and in connection herewith shall be resolved through consultations among the Parties, and if the Parties fail to reach a mutual agreement, any Party may submit such dispute to Guangzhou Arbitration Commission for arbitration in accordance with its arbitration rules in effect at the time of applying for arbitration. The seat of arbitration shall be Guangzhou. The arbitral award shall be final and binding on the Parties. The costs of arbitration shall be borne by the losing Party, unless otherwise determined by the arbitration tribunal.

(b) During dispute resolution, the Parties shall continue to perform the terms of this Agreement other than those relating to disputes.

10.4 Any right, power or remedy conferred on any Party by any provision of this Agreement shall not be exclusive of any other right, power or remedy available to it at law and under the other provisions of this Agreement, and the exercise by such Party of any of its rights, powers and remedies shall not preclude the exercise of any other rights, powers and remedies it may have.

10.5 No failure or delay by a Party in exercising any of its rights, powers and remedies available to it hereunder or at law (hereinafter, the "**Party's Rights**") shall operate as a waiver thereof, nor shall the waiver of any single or partial exercise of the Party's Rights shall preclude such Party from exercising such rights in any other way and exercising the remaining part of the Party's Rights.

10.6 The headings contained herein shall be for reference only, and in no circumstances shall such headings be used in or affect the interpretation of the provisions hereof.

10.7 Each provision contained herein shall be severable and independent from each of other provisions, and if at any time any one or more provisions herein become invalid, illegal or unenforceable, the validity, legality or enforceability of the remaining provisions herein shall not be affected as a result thereof.

10.8 This Agreement, once executed, replaces any other legal documents previously signed by the parties on the same subject. Any amendment or supplement hereto shall be made in writing and shall become effective only upon due execution by the Parties hereto, except for the WFOE's transfer of its rights under Section 10.9 of this Agreement.

10.9 Without the WFOE's prior written consent, any other Party shall not transfer any of its rights and/or obligations hereunder to any third party. The Existing Shareholders and the Company hereby agree that the WFOE is entitled to transfer any of its rights and/or obligations hereunder to any third party upon written notice thereof to the other Parties, and there is no need to obtain consent from the other Parties for such transfer.

10.10 This Agreement shall be binding upon the respective successors and assigns. The Existing Shareholders assure to WFOE that they have made all proper arrangements and signed all necessary documents to ensure that when they bankrupts, liquidates or incurs other situations that may affect the exercise of their shareholders' rights, their legal transferees, successors, heirs, liquidators, bankruptcy administrators, creditors, and other persons who may obtain the Company's shares or related rights shall not affect or hinder the performance of this Agreement. For this purpose, the Existing Shareholders and the Company should promptly sign all other documents required by the WFOE and take all other actions required by the WFOE (including but not limited to notarization of this Agreement).

[Remainder of this page intentionally left blank]

This page is the signature page of the Shareholder Voting Rights Proxy Agreement of Guangzhou Ruicheng Internet Technology Co., Ltd.

Existing Shareholder:

Guangzhou Xuanyi Internet Technology L.P. (seal)
/seal/ Guangzhou Xuanyi Internet Technology L.P.

Executive Partner:
Guangzhou Xuancheng Internet Technology Co., Ltd.
/seal/ Guangzhou Xuancheng Internet Technology Co., Ltd.
/s/ Ting Li

This page is the signature page of the Shareholder Voting Rights Proxy Agreement of Guangzhou Ruicheng Internet Technology Co., Ltd.

Existing Shareholder:

Guangzhou Yueyi Internet Technology L.P. (seal)
/seal/ Guangzhou Yueyi Internet Technology L.P.

Executive Partner:
Guangzhou Xuancheng Internet Technology Co., Ltd.
/seal/ Guangzhou Xuancheng Internet Technology Co., Ltd.
/s/ Ting Li

This page is the signature page of the Shareholder Voting Rights Proxy Agreement of Guangzhou Ruicheng Internet Technology Co., Ltd.

Company:

Guangzhou Ruicheng Internet Technology Co., Ltd. (seal)
/seal/ Guangzhou Ruicheng Internet Technology Co., Ltd.
/s/ Ting Li
Name: Ting Li
Title: Legal Representative

This page is the signature page of the Shareholder Voting Rights Proxy Agreement of Guangzhou Ruicheng Internet Technology Co., Ltd.

WFOE:

Guangzhou Huanju Shidai Information Technology Co., Ltd. (seal)
/seal/ Guangzhou Huanju Shidai Information Technology Co., Ltd.
/s/ Ting Li
Name: Ting Li
Title: Legal Representative

EQUITY PLEDGE AGREEMENT

THIS EQUITY PLEDGE AGREEMENT (this "**Agreement**") is entered into on December 9, 2020 ("**Execution Date**")

BY AND AMONG:

1. **Ting Li:** Identity Card Number: ***

2. **Lin Song:** Identity Card Number: ***

3. **Di Fu:** (together with Ting Li and Lin Song, collectively as the "**Pledgors**" and each a "**Pledgor**")**:** Identity Card Number: ***

4. **Guangzhou Xuancheng Internet Technology Co., Ltd.** (the "**Company**")
   Registered address: Room 3201, No. 79 Wanbo Er Road, Nancun Town, Panyu District, Guangzhou
   Legal representative: Ting Li

5. **Guangzhou Huanju Shidai Information Technology Co., Ltd.** (the "**Pledgee**").
   Registered address: Floor 23, Building B-1, North District, Wanda Commercial Plaza, Wanbo Business District, No. 79, Wanbo 2nd Road, Nancun Town, Panyu District, Guangzhou (for office use only)
   Legal representative: Ms. Ting Li

In this Agreement, the aforementioned parties are referred to individually as a "**Party**" and collectively as the "**Parties**".

WHEREAS:

1. The Pledgors are the registered shareholders of the Company and lawfully hold all equity interest in the Company ("**Company Equity**"). As of the Execution Date, the amount of its contribution to the registered capital of the Company is Renminbi Ten Thousand, and their shareholding percentage in total is 100%. The registered capital has not been paid in. The basic information of the Company sets forth in Schedule 1 hereto.

2. The Parties hereto entered into a Shareholder Voting Rights Proxy Agreement ("**Proxy Agreement**") on December 9, 2020, pursuant to which the each of the Pledgors has irrevocably granted a general power of attorney to such persons as may then be appointed by the Pledgee to exercise its entire shareholder voting rights in the Company on behalf of the Pledgors.

3. The Company and the Pledgee entered into an Exclusive Service Agreement ("**Service Agreement**") on December 9, 2020, pursuant to which the Company has, on an exclusive basis, engaged the Pledgee to provide it with relevant services and

agrees to pay relevant service fees to the Pledgee for such services.

4. The Parties hereto entered into an Exclusive Option Agreement ("**Option Agreement**") on December 9, 2020, pursuant to which the Pledgors and the Company shall, to the extent permitted by the PRC Laws, transfer, at the request of the Pledgee, all or part of their equity interests in the Company or all or part of the assets of the Company respectively to the Pledgee and/or any entity and/or individual designated by it, or the Company shall decrease its capital and the Pledgee and/or any entity and/or individual designated by it shall subscribe for the newly increased registered capital of the Company.

5. As security for the performance by the Pledgors of their Contractual Obligations (as defined below) and their repayment of the Secured Indebtedness (as defined below), each Pledgor is willing to pledge all of its Company Equity to the Pledgee and create first priority pledge in favor of the Pledgee; and the Company has agreed to such equity pledge arrangement.

NOW, THEREFORE, upon consensus through consultation, the Parties agree as follows:

ARTICLE I DEFINITIONS

1.1 Unless otherwise required by the context, the following terms shall have the following meanings in this Agreement:

"**Contractual Obligations**"	means all of the each Pledgor's contractual obligations under the Proxy Agreement and the Option Agreement; all of the Company's contractual obligations under the Proxy Agreement, the Service Agreement and the Option Agreement; and all of the contractual obligations of the each Pledgor and the Company under this Agreement.
"Secured Indebtedness"	means all direct, indirect or consequential losses and loss of projectable benefits suffered by the Pledgee as a result of any Event of Default (as defined below) of the Pledgors and/or the Company, and the basis for determining the amounts of such losses shall include, without limitation, reasonable commercial plans and profit forecasts of the Pledgee and all costs incurred by the Pledgee in connection with its enforcement of the Contractual Obligations of each Pledgor and/or the Company.
"Transaction Agreements"	means the Proxy Agreement, the Service Agreement and the Option Agreement.
"Event of Default"	means a breach by any Pledgor of any of its Contractual Obligations under the Proxy Agreement, the Option Agreement and/or this Agreement, and a breach by the

Company of any of its Contractual Obligations under the Proxy Agreement, the Service Agreement, the Option Agreement and/or this Agreement.

"Pledged Equity" means all of the Company Equity lawfully owned by the Pledgors as of the effectiveness of this Agreement and to be pledged hereunder to the Pledgee as security for the performance by the Pledgors and the Company of their respective Contractual Obligations and increased capital contribution amounts and dividends under Sections 2.6 and 2.7 hereof.

"PRC Laws" means the then effective laws, administrative regulations, administrative rules, local regulations, judicial interpretations and other binding regulatory documents of the People's Republic of China.

1.2 In this Agreement, any reference to any PRC Law shall be deemed to include (i) a reference to such PRC Law as modified, amended, supplemented or reenacted, effective either before or after the date hereof; and (ii) a reference to any other decision, circular or rule made thereunder or effective as a result thereof.

1.3 Unless otherwise required by the context, a reference to an article, section, clause or paragraph herein shall be a reference to an article, section, clause or paragraph of this Agreement.

ARTICLE II EQUITY PLEDGE

2.1 Each Pledgor hereby agrees to pledge, in accordance with the terms hereof, its lawfully owned and rightfully disposable Pledged Equity to the Pledgee as security for the performance by such Pledgor of its Contractual Obligations and its repayment of the Secured Indebtedness. The Company hereby agrees for the Pledgors to so pledge the Pledged Equity to the Pledgee in accordance with the terms hereof.

2.2 Each Pledgor covenants that it will assume the responsibility of recording the equity pledge arrangement ("**Equity Pledge**") hereunder in the shareholder's register of the Company on the Execution Date. Each Pledgor further covenants that it will use its best efforts and take all necessary measures to register the Equity Pledge as soon as possible with the competent administrative authority for market regulation of the Company after the Execution Date.

2.3 During the validity term hereof, the Pledgee shall not be liable in whatsoever manner for any diminution in value of the Pledged Equity and the Pledgors shall have no right to seek any form of recourse or bring any claims against the Pledgee in connection therewith, except where such diminution arises out of any willful conduct of the Pledgee or its gross negligence having immediate causal link with such result.

2.4 Subject to Section 2.3 above, if the Pledged Equity is likely to suffer such a manifest value diminution as to impair the rights of the Pledgee, the Pledgee may at any time auction or sell the Pledged Equity on behalf of the Pledgor and may, as agreed with the Pledgors, apply the proceeds from such auction or sale towards early repayment of the Secured Indebtedness, or deposit (entirely at the cost of the Pledgee) such proceeds with a notary organ of the place of the Pledgee. In addition, upon request by the Pledgee, the Pledgors shall provide other property as security for the Secured Indebtedness.

2.5 Upon occurrence of any Event of Default, the Pledgee shall be entitled to dispose of the Pledged Equity in such manner as prescribed by Article IV hereof.

2.6 The Pledgors shall not increase the capital of the Company except with prior consent of the Pledgee. Any increase in the capital contribution made by the Pledgors to the registered capital of the Company as a result of any capital increase shall equally become part of the Pledged Equity, and the Pledgors shall register the pledge of the Company Equity corresponding to such capital contribution with the competent administrative authority for market regulation of the Company.

2.7 The Pledgors shall not receive any dividend or profit in respect of the Pledged Equity except with prior consent of the Pledgee. Any dividend or profit received by the Pledgors in respect of the Pledged Equity shall be deposited into an account designated by the Pledgee, monitored by the Pledgee and first applied towards repayment of the Secured Indebtedness.

2.8 Upon occurrence of an Event of Default, the Pledgee shall be entitled to dispose of any Pledged Equity of the Pledgors in accordance with the terms hereof.

ARTICLE III RELEASE OF PLEDGE

3.1 Upon full and complete performance by the Pledgors and the Company of all of their Contractual Obligations and full repayment of the Secured Indebtedness, the Pledgee shall, at the request of the Pledgors, release the Equity Pledge hereunder and cooperate with the Pledgors in relation to both the deregistration of the Equity Pledge in the shareholder's register of the Company and the deregistration of the Equity Pledge with the relevant administrative authority for market regulation; reasonable costs arising out of such release of the Equity Pledge shall be borne by the Pledgee.

ARTICLE IV DISPOSAL OF PLEDGED EQUITY

4.1 The Parties hereby agree that upon occurrence of any Event of Default, the Pledgee shall be entitled to exercise, upon written notice to the Pledgors, all of the remedies, rights and powers available to it under the PRC Laws, the Transaction Agreements and this Agreement, including, without limitation, the right to auction or sell the Pledged Equity for prior satisfaction of claims. The

Pledgee shall not be held liable for any losses resulting from its reasonable exercise of such rights and powers.

The Pledgors further acknowledge and agree that its breach of Article IX hereof shall constitute its material breach of this Agreement; the Company further acknowledges and agrees that its breach of Article X hereof shall constitute its material breach of this Agreement.

4.2 The Pledgee shall be entitled to appoint, in writing, its counsels or other agents to exercise any and all of its foregoing rights and powers, and neither anyPledgor nor the Company shall object thereto.

4.3 The Pledgee shall have the right to fully deduct all reasonable costs incurred by it in connection with its exercise of any or all of its foregoing rights and powers from the proceeds obtained as a result of such exercise of rights and powers.

4.4 The proceeds obtained as a result of the exercise by the Pledgee of its rights and powers shall be applied in the following order of precedence:

(a) towards payment of all costs arising out of the disposal of the Pledged Equity and the exercise by the Pledgee of its rights and powers (including fees paid to its counsels and agents);

(b) towards payment of the taxes payable in connection with the disposal of the Pledged Equity; and

(c) towards repayment of the Secured Indebtedness to the Pledgee.

Any balance after the deduction of the foregoing payments shall either be returned by the Pledgee to the Pledgors or any other person who may be entitled to such balance under relevant laws and regulations or be deposited by the Pledgee with a notary organ of the place of the Pledgee (any costs arising out of such deposit shall be borne by the Pledgee).

4.5 The Pledgee shall have the right to exercise, at its option, concurrently or successively, any of its breach of contract remedies; the Pledgee shall not be required to first exercise other breach of contract remedies prior to the exercise of its right to auction or sell the Pledged Equity hereunder.

ARTICLE V COSTS AND EXPENSES

5.1 All actual costs and expenses arising in connection with the creation of the Equity Pledge hereunder, including, without limitation, the stamp duty, any other taxes and all legal costs, shall be borne by the Parties severally.

ARTICLE VI CONTINUING GUARANTEE AND NON-WAIVER

6.1 The Equity Pledge created hereunder shall constitute a continuing guarantee and shall remain valid until full performance of the Contractual Obligations or

full repayment of the Secured Indebtedness, whichever occurs later. Neither any waiver or grace granted by the Pledgee with respect to any breach by any Pledgor nor any delay of the Pledgee in its exercise of any of its rights under the Transaction Agreements and this Agreement shall affect the right of the Pledgee under this Agreement, relevant PRC Laws and the Transaction Agreements to require at any time thereafter the Pledgors to strictly perform the Transaction Agreements and this Agreement or any right that may be available to the Pledgee as a result of any subsequent breach by the Pledgors of the Transaction Agreements and/or this Agreement.

ARTICLE VII REPRESENTATIONS AND WARRANTIES BY THE PLEDGOR

Each Pledgor represents and warrants to the Pledgee that:

7.1 It is a is a PRC citizen with full capacity; and has full and independent legal status and capacity to execute, deliver and perform this Agreement and may sue or be sued as an independent party.

7.2 All reports, documents and information provided by it to the Pledgee prior to the effectiveness of this Agreement with respect to all matters pertaining to such Pledgor or required by this Agreement are true, correct, complete and not misleading in all material respects as of the effectiveness of this Agreement.

7.3 All reports, documents and information provided by it to the Pledgee subsequent to the effectiveness of this Agreement with respect to all matters pertaining to such Pledgor or required by this Agreement are true and valid in all material respects as of the time of provision of the same.

7.4 As of the effectiveness of this Agreement, such Pledgor is the sole lawful owner of the Pledged Equity free from any ongoing or potential dispute or any third party claim as to the ownership thereof; and such Pledgor has the right to dispose of the Pledged Equity or any part thereof.

7.5 Other than the security interest created on the Pledged Equity hereunder and the rights created under the Transaction Agreements, the Pledged Equity is free from any other security interests, third party rights or interests or any other restrictions.

7.6 The Pledged Equity may be lawfully pledged and assigned, and such Pledgor has full rights and powers to pledge the Pledged Equity to the Pledgee in accordance with the terms hereof.

7.7 Once duly executed by such Pledgor, this Agreement will constitute lawful, valid and binding obligations of such Pledgor.

7.8 Other than the registration of the Equity Pledge with the relevant administrative authority for market regulation, any consents, permissions, waivers or authorizations by any third party or any approval, license or exemption from or any registration or filing formalities with any governmental

body (if required by law), requisite in each case for the execution and performance of this Agreement and the creation of the Equity Pledge hereunder, have been obtained or completed and will remain fully valid during the validity term hereof.

7.9 The execution and performance by such Pledgor of this Agreement do not violate or conflict with any law applicable to such Pledgor, any agreement to which such Pledgor is a party or by which he is bound, any court judgment, any arbitral award, or any decision of any administrative authority.

7.10 The pledge hereunder constitutes a first priority security interest on the Pledged Equity.

7.11 All taxes and costs payable in connection with the acquisition of the Pledged Equity have been paid in full by such Pledgor.

7.12 There are no pending, or to the knowledge of such Pledgor, threatened, suits, legal proceedings or claims before any court or arbitral tribunal or by any governmental body or administrative authority against such Pledgor or its property or the Pledged Equity having a material or adverse effect on the financial condition of such Pledgor or its ability to perform its obligations and the guarantee liability hereunder.

7.13 Each Pledgor hereby warrants to the Pledgee that the foregoing representations and warranties will remain true and correct and be fully complied with under all circumstances at any time prior to the full performance of the Contractual Obligations or full repayment of the Secured Indebtedness.

ARTICLE VIII REPRESENTATIONS AND WARRANTIES BY THE COMPANY

The Company represents and warrants to the Pledgee that:

8.1 It is a limited liability company duly registered and lawfully existing under the PRC Laws with independent legal personality; and has full and independent legal status and capacity to execute, deliver and perform this Agreement and may sue or be sued as an independent party.

8.2 All reports, documents and information provided by it to the Pledgee prior to the effectiveness of this Agreement with respect to all matters pertaining to the Pledged Equity or required by this Agreement are true, correct, complete and not misleading in all material respects as of the effectiveness of this Agreement.

8.3 All reports, documents and information provided by it to the Pledgee subsequent to the effectiveness of this Agreement with respect to all matters pertaining to the Pledged Equity or required by this Agreement are true and valid in all material respects as of the time of provision of the same.

8.4 Once duly executed by it, this Agreement will constitute lawful, valid and binding obligations of the Company.

8.5 It has full internal corporate power and authority to execute and deliver this Agreement and all other documents to be executed by it in connection with the transactions contemplated hereunder as well as full power and authority to consummate the transactions contemplated hereunder.

8.6 There are no pending, or to the knowledge of the Company, threatened, suits, legal proceedings or claims before any court or arbitral tribunal or by any governmental body or administrative authority against the Pledged Equity, the Company or its assets having a material or adverse effect on the financial condition of the Company or the ability of the Pledgors to perform its obligations and the guarantee liability hereunder.

8.7 The Company hereby agrees to be severally and jointly liable to the Pledgee for the representations and warranties made by the Pledgors under Sections 7.4, 7.5, 7.6, 7.8 and 7.10 hereof.

8.8 The Company hereby warrants to the Pledgee that the foregoing representations and warranties will remain true and correct and be fully complied with under all circumstances at any time prior to the full performance of the Contractual Obligations or full repayment of the Secured Indebtedness.

ARTICLE IX UNDERTAKINGS BY THE PLEDGORS

The Pledgors hereby agree and irrevocably undertake to the Pledgee that:

9.1 Without prior written consent of the Pledgee, the Pledgors will not create or permit to be created any new pledge or any other security interest on the Pledged Equity, and any pledge or any other security interest created on all or part of the Pledged Equity without prior written consent of the Pledgee shall be null and void.

9.2 Without prior written notice to and prior written consent of the Pledgee, (i) the Pledgors will not assign or otherwise dispose of the Pledged Equity or request the Company to decrease its capital, and any of such actions taken by the Pledgors without prior consent of the Pledgee shall be null and void; (ii) the Pledgors will not assist or permit other existing shareholders (as applicable) to take any of the foregoing actions without prior written consent of the Pledgee. The proceeds received by the Pledgors from the assignment or other disposal of the Pledged Equity shall be first applied towards early full repayment of the Secured Indebtedness to the Pledgee or deposited with a third party to be agreed with the Pledgee.

9.3 Should there arise any suit, arbitration or other claims which are likely to have an adverse effect on the interests of the Pledgors or the Pledgee under the Transaction Agreements and this Agreement or on the Pledged Equity, the Pledgors warrant that it will notify the Pledgee in writing of the same as soon as possible and without delay and will, in accordance with the reasonable request of the Pledgee, take all necessary actions to ensure the Pledgee’s pledge rights and interests in and to the Pledged Equity.

9.4 The Pledgors warrant that it shall complete the business term extension registration formalities of the Company within three (3) months prior to the expiry of the business term of the Company such that the validity of this Agreement shall be maintained.

9.5 The Pledgors shall not do or permit to be done any act or action likely to have an adverse effect on the interests of the Pledgee under the Transaction Agreements and this Agreement or on the Pledged Equity.

9.6 The Pledgors will use its best efforts and take all necessary measures to register the Equity Pledge hereunder as soon as possible with the relevant administrative authority for market regulation after the execution of this Agreement, and the Pledgors warrant, in accordance with the reasonable request of the Pledgee, to take all necessary actions and execute all necessary documents (including, without limitation, any supplement hereto) to ensure the Pledgee's pledge rights and interests in and to the Pledged Equity as well as the exercise and realization by the Pledgee of such rights and interests.

9.7 Should the exercise of the pledge rights hereunder result in an assignment of any Pledged Equity, the Pledgors warrant that it will take all actions to realize such assignment.

9.8 The Pledgors ensure that the shareholder's resolutions adopted, convening procedures of, the methods of voting at and the contents of the shareholders' meeting (as applicable) and board meetings of the Company held in connection with the execution of this Agreement and the creation and exercise of the pledge rights hereunder shall not violate laws, administrative regulations or the articles of association of the Company.

9.9 Once the Pledgors know or should have known any possible transfer of the Pledged Equity held by him to any third parties other than the Pledgee or any individual or entity designated by the Pledgee as a result of applicable PRC Laws or any judgment or award rendered by a court or arbitral body or for any other reasons, it shall notify the Pledgee immediately and without delay.

ARTICLE X UNDERTAKINGS BY THE COMPANY

The Company hereby agrees and irrevocably undertakes to the Pledgee that:

10.1 The Company will use every effort to assist with the obtainment of any consents, permissions, waivers or authorizations by any third party or any approval, license or exemption from any governmental body or the completion of any registration or filing formalities with any governmental body (if required by law), requisite in each case for the execution and performance of this Agreement and the creation of the Equity Pledge hereunder, and the maintenance of the same in full force and effect during the validity term hereof.

10.2 Without prior written consent of the Pledgee, the Company will not assist or permit the Pledgors to create any new pledge or any other security interest on

the Pledged Equity.

10.3 Without prior written consent of the Pledgee, the Company will not assist or permit the Pledgors to assign or otherwise dispose of the Pledged Equity.

10.4 Should there arise any suit, arbitration or other claims which are likely to have an adverse effect on the Company, the Pledged Equity or the interests of the Pledgee under the Transaction Agreements and this Agreement, the Company warrants that it will notify the Pledgee in writing of the same as soon as possible and without delay and will, in accordance with the reasonable request of the Pledgee, take all necessary actions to ensure the Pledgee's pledge rights and interests in and to the Pledged Equity.

10.5 The Company warrants that it shall complete its business term extension registration formalities within three (3) months prior to the expiry of its business term such that the validity of this Agreement shall be maintained.

10.6 The Company shall not do or permit to be done any act, action or omission likely to have an adverse effect on the interests of the Pledgee under the Transaction Agreements and this Agreement or on the Pledged Equity.

10.7 The Company will, during the first month of each calendar quarter, submit to the Pledgee the financial statements of the Company for the preceding calendar quarter, including, without limitation, the balance sheet, the income statement and the cash flow statement.

10.8 The Company warrants, in accordance with the reasonable request of the Pledgee, to take all necessary actions and execute all necessary documents (including, without limitation, any supplement hereto) to ensure the Pledgee's pledge rights and interests in and to the Pledged Equity as well as the exercise and realization by the Pledgee of such rights and interests.

10.9 Should the exercise of the pledge rights hereunder result in an assignment of any Pledged Equity, the Company warrants that it will take all actions to realize such assignment.

10.10 The Company covenants that it will assist the Pledgors to register the Equity Pledge hereunder with the competent administrative authority for market regulation of the Company as soon as possible after the execution of this Agreement and provide all necessary cooperation to complete such registration in a timely manner.

10.11 Once the Company knows or should have known any possible transfer of the Pledged Equity held by the Pledgors to any third parties other than the Pledgee or any individual or entity designated by the Pledgee as a result of applicable PRC Laws or any judgment or award rendered by a court or arbitral body or for any other reasons, it shall notify the Pledgee immediately and without delay.

ARTICLE XI FUNDAMENTAL CHANGES OF CIRCUMSTANCES

11.1 As a supplementary agreement and without contravening other provisions of the Transaction Agreements and this Agreement, if, at any time, in the opinion of the Pledgee, as a result of any promulgation of or amendment to any PRC Laws, regulations or rules, or any change in the interpretation or application of such laws, regulations or rules, or any change in relevant registration procedures, the maintenance of the validity of this Agreement and/or the disposal of the Pledged Equity in the manner prescribed hereby becomes illegal or contravenes such laws, regulations or rules, the Pledgors and the Company shall, based on the Pledgee's written instructions and in accordance with its reasonable request, immediately take any actions and/or execute any agreements or other documents so as to:

(a) maintain the validity of this Agreement;

(b) facilitate the disposal of the Pledged Equity in the manner prescribed hereby; and/or

(c) maintain or realize the security created or purported to be created hereunder.

ARTICLE XII EFFECTIVENESS AND TERM OF AGREEMENT

12.1 This Agreement shall become effective when all of the following conditions are met：

(a) this Agreement has been duly executed by the parties; and

(b) the pledge of equity under this Agreement has been recorded in the register of shareholders of the Company in accordance with law.

12.2 The term of this Agreement shall end when the Contractual Obligations have been fully performed or the Secured Indebtedness have been fully repaid, whichever is later.

ARTICLE XIII NOTICES

13.1 Any notice, request, demand and other correspondences required by or made pursuant to this Agreement shall be made in writing and delivered to the relevant Parties.

13.2 Such notice or other correspondences shall be deemed delivered when it is transmitted if transmitted by fax or email; or upon delivery if delivered in person; or two (2) days after posting if delivered by mail.

ARTICLE XIV MISCELLANEOUS

14.1 The Pledgors and the Company agree that the Pledgee may, immediately upon notice to the Pledgors and the Company, assign its rights and/or obligations hereunder to any third party; provided that without prior written consent of the Pledgee, neither the Pledgors nor the Company may assign their respective

rights, obligations or liabilities hereunder to any third party.

14.2 The sum of the Secured Indebtedness determined by the Pledgee in its discretion in connection with its exercise of its pledge rights to the Pledged Equity in accordance with the terms hereof shall constitute the conclusive evidence for the Secured Indebtedness hereunder.

14.3 This Agreement is made in Chinese in five (5) originals, of which one (1) copy shall be held by the Company, one (1) copy shall be used for governmental approval/registration purposes and the three (3) copies shall be kept by the Pledgee.

14.4 The entry into, effectiveness and interpretation of, and resolution of disputes under, this Agreement shall be governed by the PRC Laws.

14.5 Dispute Resolution

(a) All disputes arising out of or in connection with this Agreement shall be first settled by the relevant Parties through amiable consultations; if such Parties fail to resolve the dispute through consultations, the dispute shall be submitted to China Guangzhou Arbitration Commission ("**CGAC**") for arbitration according to CGAC arbitration rules in effect at the time of applying for arbitration. The seat of arbitration shall be in Guangzhou. The arbitration award shall be final and binding on the relevant Parties. Except as otherwise required by the arbitration award, the arbitration fees shall be borne by the losing party. The losing party shall also indemnify for the attorneys' fee and other expenses incurred by the winning party.

(b) Pending the resolution of such dispute, the Parties shall continue to perform the remaining provisions of this Agreement other than the disputed matters.

14.6 No right, power or remedy empowered to any Party by any provision of this Agreement shall preclude any other right, power or remedy enjoyed by such Party in accordance with law or any other provisions hereof and no exercise by a Party of any of its rights, powers and remedies shall preclude its exercise of its other rights, powers and remedies.

14.7 No failure or delay by a Party in exercising any right, power or remedy under this Agreement or laws ("**Party's Rights**") shall result in a waiver of such rights; and no single or partial waiver by a Party of the Party's Rights shall preclude such Party from exercising such rights in any other way or exercising the remaining part of the Party's Rights.

14.8 The section headings herein are inserted for convenience of reference only and shall in no event be used in or affect the interpretation of the provisions hereof.

14.9 Each provision contained herein shall be severable and independent of any

other provisions hereof, and if at any time any one or more provisions hereof become invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions hereof shall not be affected thereby.

14.10 (i) Once executed, this Agreement shall replace any other legal documents previously entered into by the Parties in respect of the same subject matter hereof. To clarify, despite the foregoing agreement, all parties irrevocably promise, agree and recognize to sign a simplified version of equity pledge agreement ("**Simplified Pledge Agreement**"), only for the purpose of the pledge registration of the company's competent administrative department for industry and commerce. If the simplified pledge agreement is inconsistent with this agreement, the agreement is not as clear as this agreement, or the simplified pledge agreement does not cover matters, this agreement shall prevail. (ii) Any amendments or supplements to this Agreement shall be made in writing. Except for the transfer of rights hereunder by the Pledgee according to Section 14.1 hereof, such amendments or supplements shall become effective only if they are duly signed by the Parties hereto.

14.11 This Agreement shall be binding upon the legal assignees or successors of the Parties. The successors or permitted assignees (if any) of the Pledgors and the Company shall continue to perform the respective obligations of the Pledgors and the Company hereunder. The Pledgors warrant to the Pledgee that he has made all appropriate arrangements and executed all necessary documents to ensure that, in the event of its bankruptcy, dissolution or occurrence of other circumstances that might affect exercise of its shareholder rights, his legal assignee, successor, heir, creditor, liquidator, bankruptcy administrator and other persons that might consequently acquire the Company Equity or relevant rights cannot affect or impede the performance of this Agreement. For this purpose, the Pledgors and the Company shall promptly sign all other documents and take all other actions (including, without limitation, notarization of this Agreement) as required by the Pledgee.

14.12 Concurrently with the execution of this Agreement, the Pledgors shall execute a power of attorney ("**Power of Attorney**") in the form of Schedule 2 hereto, entrusting any nominee of the Pledgee to execute, on its behalf in accordance with this Agreement, any and all legal documents as may be required in order for the Pledgee to exercise its rights hereunder. Such Power of Attorney shall be submitted to the Pledgee for custody and may be presented by the Pledgee to relevant governmental authorities whenever necessary.

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Pledgor:

Ting Li
/s/ Ting Li

Pledgor:

Lin Song
/s/ Lin Song

Pledgor:

Di Fu
/s/ Di Fu

Company:

Guangzhou Xuancheng Internet Technology Co., Ltd. (seal)
/seal/ Guangzhou Xuancheng Internet Technology Co., Ltd.
/s/ Ting Li
Name: Ting Li
Title: Legal Representative

Pledgee:

Guangzhou Huanju Shidai Information Technology Co., Ltd. (seal)
/seal/ Guangzhou Huanju Shidai Information Technology Co., Ltd.
/s/ Ting Li
Name: Ting Li
Title: Legal Representative

Exhibit 4.40

Exclusive Service Agreement

This Exclusive Service Agreement (this "***Agreement***") is made and entered into by and between the following parties on December 9, 2020:

(1) **Guangzhou Xuancheng Internet Technology Co., Ltd.** ("***Party A***")
Registered address: Room 3201, No. 79 Wanbo Er Road, Nancun Town, Panyu District, Guangzhou
Legal representative: LI Ting

(2) **Guangzhou Huanju Shidai Information Technology Co., Ltd.** ("***Party B***")
Registered address: 23/F, Building B-1, North Block of Wanda Plaza, No. 79 Wanbo Er Road, Nancun Town, Panyu District, Guangzhou
Legal representative: LI Ting

Each of Party A and Party B shall be hereinafter referred to as a "Party" respectively, and as the "Parties" collectively.

PREAMBLE

1. Party A is a limited liability company registered and validly existing in Guangzhou, China, which engages in game software design and production; digital animation production; information technology consulting services; information system integration services; software development; computer technology transfer services; network technology research and development; computer technology development and technical services; advertising; intellectual property agency services; business Information consulting; corporate image planning services; marketing planning services; corporate management consulting services; collecting, sorting, storing and publishing talent and occupational supply and demand information.

2. Party B is a wholly-foreign-owned enterprise registered and validly existing in Guangzhou, China, which engages in software product development and production; computer technology development and technical services; information system integration services; information technology consulting services; software wholesale; software retail; computer retail; house leasing; computer wholesale; computer parts wholesale; technology import and export; business management consulting services; electronic, communication and automatic control technology research and development; retail of small accessories and small gifts; design services of animation and derivative products; retail of department stores (except retail of food and tobacco products); commodity wholesale trade (except for commodities involved in special management regulations and permits for foreign investment access); commodity retail trade (except for commodities involved in special management regulations and permits for foreign investment access); retail of textiles and knitwear; retail of electronic products; retail of stationery; retail of toys; retail of clothing; retail of luggage and bags; craftsmanship art retail (except cultural relics).

3. Party A needs Party B to provide services related to the Party A Business, and Party B agrees to provide such services to Party A.

NOW, THEREFORE, the Parties have reached the following agreements:

1. DEFINITIONS

1.1 Unless otherwise provided, in this Agreement:

Party A's Business means all business activities that Party A currently operates and operates at any time during the term of this Agreement.

Services means services exclusively provided by Party B to Party A with respect to the Party A's Business, which may include but without limitation:

(a) Approval of Party A to use the software related to the Party A's Business that Party B has legal rights;

(b) Providing economic information, computer technology, commercial and management consulting or advices for Party A;

(c) Providing business planning, design, marketing plan;

(d) Daily management, maintenance and update of hardware equipment and databases or software resources and customer resources;

(e) Providing comprehensive operation and solution plan in information technology/operation management required by Party A's business;

(f) Software development, maintenance, and update which the Party A's Business requires;

(g) Providing business training, support and assistance of relevant personnel of Party A;

(h) Other relevant services that are required to be provided by Party A from time to time.

Service Fee means all the fees Party A shall pay to Party B for the Services Party B provides subject to Section 3.

Annual Business Plan means according to this Agreement, the Party A's Business development plan and budget report for the next calendar year prepared by Party A before November 30 of each year, with the assistance of Party B.

Business Related Intellectual Property Rights means any and all intellectual property rights related to the Party A's business developed by Party A on the basis of the services provided by Party B under this agreement.

Confidential Information has the meaning assigned to it in Section 6.1.

Defaulting Party has the meaning assigned to it in Section 12.1.

Default has the meaning assigned to it in Section 12.1.

Such Party's Right has the meaning assigned to it in Section 14.5.

1.2 Any referring to any law or statutory provision under this Agreement shall be deemed to:
(a) also include referring to any revision, extension, combination and replacement related to such law or provision; and
(b) also include referring to orders, ordinances, instructions and other subordinate legislation promulgated in accordance with relevant law or provisions.

1.3 All references in this Agreement to designated "Sections" and other subdivisions are to the designated Sections and other subdivisions of the body of this Agreement unless explicitly stated otherwise

2. SERVICES

2.1 During the term of this Agreement, Party A hereby exclusively engages Party B to provide the Services, and Party B shall provide the Services to Party A diligently pursuant to the requirement of Party A's Business. Both Parties understand that, the actual Services provided by Party B shall be limited to the approved business scope of Party B; if the Services Party A requires exceed the approved business scope of Party B, Party B will apply for extension of its business scope under the maximum scope permitted by the laws, and will provide related Services after permission of such extension.

2.2 For the purpose of providing Services in accordance with this Agreement, Party B shall communicate with Party A and exchange various information related to the Party A's Business.

2.3 Notwithstanding any other provisions of this Agreement, Party B is entitled to appoint any third party to provide any or all of the Services under this Agreement, or perform any obligations under this Agreement on behalf of Party B. Party A hereby agrees that Party B has the right to transfer or assign the rights and obligations of Party B under this Agreement to any third party.

3. SERVICE FEE

3.1 The Party A shall pay Party B the Service Fee for the Services contemplated in this Agreement as following:
3.1.1 After mutual consents between both Parties, for the Services provided by Party B to Party A in each calendar year within the term of this agreement, Party A shall pay Party B the relevant Service Fee on an annual basis; and

3.1.2 With respect to the Service Fee incurred by the specific Services Party B provided as required by Party A from time to time, after mutual consents between both Parties, Party A shall pay the Service Fee separately.

3.2 Party B shall issue a payment notice and value-added tax invoice to Party A in a timely manner, and calculate on an annual basis. Party A shall pay the Service Fee to Party B within one (1) month upon the receipt of Party B's tax invoice.

3.3 Both Parties agree, without violating any mandatory requirement of any laws and regulations, the amount of the Service Fee and service scope as set forth in Section 3.1 and 3.2, may be confirmed and adjusted by both Parties in accordance with advices made by Party B from time to time.

3.4 The parties shall bear the taxes they shall pay and withhold the taxes (if any) in accordance with the applicable law.

4. PARTY A'S OBLIGATION

4.1 The Services provided by Party B is exclusive. During the term of this Agreement, without prior written consent of Party B, the Party A shall not enter into any agreement with any third party and accept any services identical or similar to the Services hereunder from any third party.

4.2 Party A shall provide the Annual Business Plan to Party B before November 30 of each year, to the extent that Party B could arrange Services plan and add necessary personnel and resources. If Party A requires personnel supplement temporarily, Party A shall negotiate with Party B with 15 days in advance to reach an agreement.

4.3 For better Services provided by Party B, Party A shall timely provide related materials that Party B requires.

4.4 Party A shall pay the Service Fee in a timely and sufficient manner in accordance with Section 3.

4.5 Party A should maintain its own good reputation, actively expand its business, and strive to maximize revenue.

4.6 During the term of this Agreement, Party A agrees to cooperate with Party B and Party B's parent company (including direct or indirect) to conduct related-party transaction audits and other audits, and provide Party B, its parent company, or its authorized auditors with information on Party A's operations, business, customers, finances, employees and other related information and materials, and agree that Party B's parent company shall disclose such information and materials in order to meet the regulatory requirements of the place where its securities are listed.

5. INTELLECTUAL PROPERTY RIGHTS

5.1 Party B shall have proprietary rights and interests in all rights, ownership, interests of the intellectual property rights it already has before entering into this Agreement, and created or arising out of providing of Services during the term of this Agreement.

5.2 Since the operation of Party A's Business depends on the Services provided by Party B under this Agreement, Party A agrees to the following arrangements regarding the Business Related Intellectual Property Rights developed by Party A on the basis of such Services:

(1) If the Business Related Intellectual Property Rights are developed by Party A entrusted by Party B, or obtained through cooperation between Party A and Party B, the ownership and the right to apply for related intellectual property rights shall belong to Party B.

(2) If the Business Related Intellectual Property Rights are independently developed and acquired by Party A, the ownership shall belong to Party A, provided that (A) Party A informs Party B of the details of the Business Related Intellectual Property Rights in a timely manner, and provides relevant information that Party B has reasonably requested; (B) If Party A wants to license or transfer such Business Related Intellectual Property Rights, Party A shall transfer to Party B or grant Party B an exclusive license prior to any third party, without violating the mandatory provisions of the laws of China, and Party B may use such Business Related Intellectual Property Rights within the scope of such transfer or license from Party A (but Party B has the right to decide whether to accept such transfer or license); Party A can only transfer or license the Business Related Intellectual Property Rights to a third party without offering more favorable conditions than which Party A offers to Party B (including but not limited to the transfer price or license fee) provided that Party B has waived the priority to purchase the ownership of the Business Related Intellectual Property Rights or the exclusive right to use the Business Related Intellectual Property Rights, and shall ensure that such third party fully complies with and performs the obligations of Party A under this Agreement; (C) Except for the circumstances mentioned in item (B) above, during the term of this Agreement, Party B has the right to purchase such Business Related Intellectual Property Rights; then Party A shall agree to Party B's such purchase request provided that there would be no violation of the mandatory provisions of the laws of China, and the purchase price shall be the lowest price allowed by the laws of China at that time.

5.3 If Party B is licensed to exclusively use the Business Related Intellectual Property Rights according to Section 5.2 (2) of this Agreement, such license shall be implemented in according with the following rules:

(1) Licensing period shall not be less than five (5) years (calculated from the effective date of relevant licensing agreement);

(2) The scope of license shall be the maximum scope as far as possible;

(3) Within the licensing period and scope of license, any other parties (include Party A) except Party B shall not use or license others to use the Business Related Intellectual Property Rights;

(4) Without prejudicing to Section 5.3 (3), Party A is entitled to, at its own discretion, license the Business Related Intellectual Property Rights to any other third parties;

(5) After expiration of licensing period, Party B is entitled to request the renewal of the license agreement and Party A shall agree to it. The terms of the license agreement shall remain unchanged, except for changes approved by Party B.

5.4 Notwithstanding Section 5.2 (2) above, if any Business Related Intellectual Property Rights described in such Section can be valid only after registration of ownership under applicable laws, then the application for registration of ownership shall be implemented in according with the following rules:

(1) Party A shall obtain prior written consent from Party B if Party A would apply for registration of ownership with regard to any Business Related Intellectual Property Rights described in such Section;

(2) Party A can only apply for registration of ownership on its own or transfer such right of applying for registration of ownership to a third party when Party B waives its right to purchase the right to apply for registration of ownership of the Business Related Intellectual Property Rights. In the case where Party A transfers the aforementioned right to apply for registration of ownership to a third party, Party A shall ensure that such third party will fully comply with and perform the obligations that Party A shall perform under this Agreement; meanwhile, the terms and conditions of the transfer (including but not limited to the transfer price) which Party A transfer the right to apply for registration of ownership to a third party shall not be more favorable than the terms and conditions proposed to Party B in accordance with Section 5.4 (3).

(3) During the term of this Agreement, Party B may request Party A to file an application for the registration of ownership of such Business Related Intellectual Property Rights at any time, and decide on its own whether to purchase the right to apply for such registration of ownership. Upon request of Party B, Party A shall transfer the right to apply for registration of ownership to Party B at that time, without violating the mandatory provisions of the laws of China, at the lowest price allowed by the laws of China; after Party B has obtained the right to apply for registration of ownership of the Business Related Intellectual Property Rights, filed the registration of ownership and completed the registration, Party B shall be the legal owner of such registration of ownership.

5.5 Both Parties respectively warrants to each other that they will compensate the other Party for any and all economic losses due to any infringement of the intellectual property rights of any third party.

6. CONFIDENTIALITY

6.1 Regardless of whether this Agreement is terminated or not, both parties shall strictly keep confidential the trade secrets, proprietary information, customer information and other confidential information of the other Party obtained during the execution and performance of this Agreement. Without the prior written consent from the disclosing Party, or mandatorily required to be disclosed to third party

by relevant laws and regulations or the requirements of the listing place of a Party's related company, the receiving Party should not disclose any confidential information to any third party; unless for the purpose of performance of this Agreement, the receiving Party should not use or indirectly use any confidential information.

6.2 Confidential information shall not include information:

(a) is known to the Receiving Party prior to disclosure by the disclosing Party as demonstrated by documentary evidence;

(b) is or becomes available to the public other than as a result of the receiving Party's fault; or

(c) information obtained legally by the receiving Party from other sources after receiving confidential information.

6.3 The receiving Party may disclose confidential information to its relevant employees, agents or professionals engaged, provided the receiving Party shall ensure the abovementioned personnel be in compliance with the relevant terms and conditions of this Agreement and be liable for any responsibilities incurred by breach of the relevant terms and conditions of this Agreement by the abovementioned personnel.

6.4 Notwithstanding any other terms of this Agreement, this section shall still be valid and binding upon the termination of this Agreement.

7. REPRESENTATIONS AND WARRANTIES OF PARTY A

Party A represents and warrants to Party B as follows:

7.1 It is a limited liability company legally registered and validly existing in accordance with the PRC laws and has independent legal capacity; has complete and independent legal status and legal capacity to sign, deliver and perform this Agreement, and can independently act as a party to a litigation.

7.2 It has the full internal power and authorization to sign and deliver this Agreement and all other documents that it will sign related to the transactions described in this Agreement, and it has the full power and authorization to complete the transactions described in this Agreement. This Agreement is legally and appropriately signed and delivered by it. This Agreement constitutes the Party A's legal, valid and binding obligations, and shall be enforceable against it.

7.3 It shall promptly inform Party B of circumstances that have caused or may cause a material adverse effect on the Party A's Business and its operations, and shall use its best effort to prevent the occurrence of such circumstances and/or the expansion of losses.

7.4 Without the written consent of Party B, Party A will not, in any form, dispose of Party A's material assets, nor will it change Party A's existing equity structure.

7.5 Upon being effective of this Agreement, Party A has obtained all necessary business license, competent rights and qualification to conduct Party A's Business now engaged in the territory of China;

7.6 Once Party B submits a written request, Party A will use all accounts receivables and/or all other assets that are legally owned and can be disposed of at that time, in a manner permitted by law, as guarantee of payment obligation of the Service Fee set forth in Section 3 of this Agreement.

7.7 Without the written consent of Party B, Party A shall not enter into any other agreement or arrangement that conflicts with this Agreement or may damage Party B's rights and interests under this Agreement.

8. REPRESENTATIONS AND WARRANTIES OF PARTY B

Party B represents and warrants to Party A as follows:

8.1 It is a limited liability company legally registered and validly existing in accordance with the PRC laws and has independent legal capacity; has complete and independent legal status and legal capacity to sign, deliver and perform this Agreement, and can independently act as a party to a litigation.

8.2 It has the full internal power and authorization to sign and deliver this Agreement and all other documents that it will sign related to the transactions described in this Agreement, and it has the full power and authorization to complete the transactions described in this Agreement. This Agreement is legally and appropriately signed and delivered by it. This Agreement constitutes the Party B's legal, valid and binding obligations, and shall be enforceable against it.

9. TERM

9.1 This Agreement takes effect as of the date of execution. Unless otherwise provided in this Agreement, or this Agreement terminated by Party B in writing, the term of this Agreement shall be twenty (20) years. After the expiration of this Agreement, unless Party B informs Party A 30 days in advance that this Agreement will not be renewed, this Agreement will be automatically renewed for one year after the expiration of the term, and so on.

9.2 If Party A or Party B fails to complete the approval and registration procedures for extending the business term at the expiration of the business term, this Agreement shall be terminated on the date when the business term of Party A or B expires. Both Parties shall complete the approval and registration procedures for extending the business term within three months before the expiration of their respective business term, to the extent that the term of this Agreement could be extended.

9.3 After the termination of this Agreement, both Parties shall still abide by their obligations under Section 6 of this Agreement.

10. INDEMNIFICATION

The Party A shall indemnify and hold harmless Party B from all the losses including but not limited to any losses caused by any lawsuit, claims, arbitration, damages by any third party or governmental investigation and penalties against Party B arising from providing the Services. However, if the losses are caused by Party B's willful conduct or gross negligence, such losses shall not be included in the indemnification.

11. NOTICE

11.1 All the notices, request, requirement and other communications pursuant to this Agreement shall be delivered to the relevant Party in written form.

11.2 Abovesaid notices or other notices if given by facsimile transmission or e-mail, shall be deemed effectively given upon successful transmission; if given by person, shall be deemed effectively given upon delivery by person; if given by post, shall be deemed effectively given on the date after two (2) days from posting.

12. DEFAULT

12.1 Both Parties agree and confirm that, if any Party ("**Defaulting Party**") materially violates any of the terms under this Agreement, or fails to perform, incompletely perform or delays the performance of any of the obligations under this Agreement, it shall constitute a breach of this Agreement ("**Default**"). The other Party has the right to request Defaulting Party to make amendments or remedies within reasonable period. If the Defaulting Party fails to make amendments or remedies within reasonable period or ten (10) days after the other Party sends a written notice to Party B and requests for amendments, and if Party A is the Defaulting Party, then Party B is entitled to decide at its own discretion: (1) to terminate this Agreement, and requires Defaulting Party to compensate all the losses; or (2) requires the mandatory performance of Defaulting Party 's obligations under this Agreement, and requires the Defaulting Party to compensate all the losses; if Party B is the Defaulting Party, then Party A is entitled to require the performance of the Defaulting Party 's obligations under this Agreement, and require the Defaulting Party to compensate all the losses.

12.2 Notwithstanding the foregoing Section 12.1, both Parties agree and confirm that, except as otherwise provided by law, Party A shall not unilaterally terminate this Agreement in any circumstances.

12.3 Notwithstanding any other terms of this Agreement, the validity of this Section 12 shall not be affected by the termination of this Agreement.

13. FORCE MAJEURE

If the performance of this Agreement by any Party is affected or any Party delays or fails to perform its obligation hereunder due to earthquake, typhoon, flood, fire, war, computer virus, design vulnerabilities of instrumental software, hacker attack on internet, modification of governmental policy or laws, and other exceptional situation that cannot be overcome or avoided by the Parties and cannot be foreseen by the Party alleged to be affected by such force majeure, the Party being affected shall immediately notify the other Party by facsimile and provide proof of the details of the force majeure and the reasons why this Agreement cannot be implemented or the performance needs to be delayed. Such proof documents must be issued by a notary institution in the jurisdiction where the force majeure occurred. Based on the extent of the force majeure event's impact on the performance of this Agreement, the two Parties shall negotiate whether the performance of this Agreement should be partially waived or postponed. Neither Party shall be liable for compensation for the economic losses caused to both Parties by the force majeure event.

14. MISCELLANEOUS PROVISIONS

14.1 This Agreement is executed in the Chinese language. This Agreement may be executed in five (5) counterparts, which Party A keeps one (1) counterpart, one (1) counterpart for governmental approval or registration, and Party B keeps other three (3) counterparts.

14.2 This Agreement, including the execution, validity, performance, interpretation and dispute resolution of this Agreement, shall be governed by and construed in accordance with the laws of China

14.3 Dispute Resolution

14.3.1 The Parties shall firstly attempt to resolve any and all disputes arising out of or relating to this Agreement through friendly consultations. If a dispute is not resolved through friendly consultations, then each Party may submit the dispute to Guangzhou Arbitration Commission for arbitration in accordance with then effective arbitration rules of such commission. The arbitration shall be conducted in Guangzhou. The award of the arbitration tribunal shall be final and binding upon the Parties. The costs of arbitration shall be borne by the losing Party, unless otherwise determined by the arbitration tribunal.

14.3.2 When any dispute is under arbitration, except for the matters in dispute, the Parties shall continue to fulfil their respective obligations under this Agreement.

14.4 Any rights, powers and remedies granted to both Parties by any terms of this Agreement shall not exclude any other rights, powers or remedies that the Party is entitled to in accordance with the laws and other terms under this Agreement, and one Party's exercise of its rights, powers and remedies does not preclude such Party from exercising other rights, powers and remedies.

14.5 A Party's failure to exercise or delay in exercising any of its rights, powers and remedies ("**Such Party's Rights**") under this Agreement or the laws will not result in the waiver of such rights, and any

single or partial waiver of Such Party's Rights will not exclude such Party's exercise of such rights in other manner and the exercise of other Such Party's Rights.

14.6 The titles of the sections and subsections of this Agreement are for convenience of reference only and are not to be considered in construing this Agreement.

14.7 Each provision of this Agreement shall be severable and independent. If any single or multiple provisions hereof become invalid, illegal or unenforceable in any aspect, the validity, legality and enforceability of the remaining provisions of this Agreement shall not be affected in any aspect.

14.8 This Agreement once executed shall supersede all prior agreements both Parties executed before, with respect to the subject matter hereof and thereof. Any amendment and supplements to this Agreement shall be made in writing, and only takes effect after the execution by all Parties hereunder, except for Party B's transfer of its rights under Section 14.9 of this Agreement.

14.9 Without the prior written consent of Party B, Party A has no right to transfer or assign any of its rights and obligations hereunder to any third party. Party A hereby agrees that Party B may transfer its rights and obligations under this Agreement to a third party, and that Party B only needs to send a written notice to the Party A of such transfer, and there is no need to obtain consent from the Party A for such transfer.

14.10 This Agreement shall be binding upon the respective successors, assigns, creditors and other person who may acquire the equity or relevant rights of the Parties.

14.11 The taxes applicable to the execution and performance of this Agreement shall be borne by the respective Party.

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This page is the signature page of the Exclusive Service Agreement of Guangzhou Xuancheng Internet Technology Co., Ltd.

Party A:

Guangzhou Xuancheng Internet Technology Co., Ltd. (seal)
/seal/ Guangzhou Xuancheng Internet Technology Co., Ltd.
/s/ Ting Li
Name: Ting Li
Title: Legal Representative

This page is the signature page of the Exclusive Service Agreement of Guangzhou Xuancheng Internet Technology Co., Ltd.

Party B:

Guangzhou Huanju Shidai Information Technology Co., Ltd. (seal)
/seal/ Guangzhou Huanju Shidai Information Technology Co., Ltd.
/s/ Ting Li
Name: Ting Li
Title: Legal Representative

Exclusive Option Agreement

This Exclusive Option Agreement (this "***Agreement***"), dated December 9, 2020, is entered into by and between:

1. **Ting Li:**
   Identity Card Number: ***

2. **Lin Song:**
   Identity Card Number: ***

3. **Di Fu:** (together with Ting Li and Lin Song, collectively as the"**Existing Shareholders**"**):**
   Identity Card Number: ***

4. **Guangzhou Xuancheng Internet Technology Co., Ltd.** ("***Company***")
   Registered address: Room 3201, No. 79 Wanbo Er Road, Nancun Town, Panyu District, Guangzhou Legal representative: Ting Li

5. **Guangzhou Huanju Shidai Information Technology Co., Ltd.** ("***WFOE***")
   Registered address: 23/F, Building B-1, North Block of Wanda Plaza, No. 79 Wanbo Er Road, Nancun Town, Panyu District, Guangzhou Legal representative: Ting Li

The parties above shall be hereinafter individually referred to as a "Party"; collectively, the "Parties".

PREAMBLE

1. The Existing Shareholders are the registered shareholders of the Company and holds all the equity shares of the Company. As of the date hereof, the capital amount of the registered capital of the Company by the Existing Shareholders is RMB10,000, and the shares percentage by the Existing Shareholders is 100%, which all of the registered capital are unpaid. The basic information of the Company is shown as Exhibit A.

2. The Existing shareholders intend to transfer all of their equity in the Company to the WFOE and/or its designated entities and/or individuals without violating the PRC Laws, and the WFOE intends to accept such transfer by itself or other entities and/or individuals appointed by it.

3. The Company intends to transfer all of the assets held by it to the WFOE and/or its designated entities and/or individuals without violating the PRC Laws, and the WFOE intends to accept such transfer by itself or other entities and/or individuals appointed by it.

4. The Company and the Existing shareholders intend to reduce the capital of the Company and increase the capital of the Company by the WFOE and/or its designated entities and/or individuals

without violating the PRC Laws, and the WFOE intends to subscribe such increased capital by itself or other entities and/or individuals appointed by it.

5. In order to fulfill the above-mentioned share or asset transfer, the Existing Shareholders and the Company agree to separately and exclusively grant irrevocable share purchase option and asset purchase option to the WFOE. According to such share purchase option and asset purchase option, subject to the PRC Laws, the Existing Shareholders or the Company shall, in accordance with the requirements of the WFOE, transfer the Option Shares or Company Assets (as defined below) to the WFOE and/or any other entity and/or individual designated by the WFOE in accordance with the provisions of this Agreement; in order to fulfill the above-mentioned capital reduction and capital increase of the Company, the Existing Shareholders and the Company agree to grant an irrevocable share subscription option to the WFOE. According to such share subscription option, subject to the PRC Laws, the Company shall, in accordance with the requirements of the WFOE, reduce the capital of the Company, and the Capital Increase Shares (as defined below) shall be subscribed by the WFOE and/or any other entity and/or individual designated by the WFOE in accordance with the provisions of this Agreement

6. The Company agrees the Existing Shareholders to grant the WFOE the Shares Purchase Option (as defined below) pursuant to the terms and conditions of this Agreement.

7. The Existing Shareholders agrees the Company to grant the WFOE the Assets Purchase Option (as defined below) pursuant to the terms and conditions of this Agreement.

8. The Company and the Existing Shareholders agree to grant the WFOE the Shares Subscription Option (as defined below) pursuant to the terms and conditions of this Agreement.

NOW, THEREFORE, the Parties agree as follows through negotiations:

1. DEFINITIONS

1.1 Definitions. Unless otherwise provided, in this Agreement:

PRC Laws means the then effective laws, administrative regulations, local regulations, judicial interpretation and other binding regulatory documents of the People's Republic of China.

Shares Purchase Option means the option to purchase the shares of the Company granted by the Existing Shareholders to the WFOE pursuant to the terms and conditions of this Agreement.

Assets Purchase Option means the option to purchase the assets of the Company granted by the Company to the WFOE pursuant to the terms and conditions of this Agreement.

Shares Subscription Option means the option to request the Company reduce its capital (the amount shall be part of or all of the Option Shares (as defined below)), and to subscribe increased capital of the Company by the WFOE or other entities and/or individuals appointed by it .

Option Shares means all the shares of the Company Register Capital (as defined below) held by the Existing Shareholders, namely the shares of 100% of the Company Register Capital.

Company Registered Capital means as the date hereof, the registered capital of the Company at the amount of RMB10,000, also include the increased registered capital by any form of capital increase during the term of this Agreement.

Transfer Shares means when the WFOE exercises its Shares Purchase Option, it is entitled to require the Existing Shareholders to transfer the shares of the Company to it and/or its designated entity and/or individual in accordance with the provisions of Section 3 of this Agreement. The number of which may be all or part of the Option Shares, and the specific number shall be freely determined by the WFOE in accordance with the PRC laws and its own commercial considerations.

Transfer Assets means when the WFOE exercises its Assets Purchase Option, it is entitled to require the Company to transfer the assets of the Company to it and/or its designated entity and/or individual in accordance with the provisions of Section 3 of this Agreement. It may be all or part of the Company Assets, and shall be freely determined by the WFOE in accordance with the PRC laws and its own commercial considerations.

Increased Capital Shares means when the WFOE exercises its Shares Subscription Option before or after the reduction of capital of the Company, the WFOE and/or its designated entity and/or individual is entitled to subscribe the newly increased capital of the Company in accordance with the provisions of Section 3 of this Agreement. The specific number of which shall be freely determined by the WFOE in accordance with the PRC laws and its own commercial considerations.

Exercise means the WFOE exercises its Shares Purchase Option, Assets Purchase Option and Shares Subscription Option.

Transfer Price means in each Exercise, all the considerations that need to be paid by the WFOE and/or its designated entity and/or individual to the Existing Shareholders or the Company in order to obtain the Transfer Shares or Transfer Assets.

Capital Reduction Price means in each Exercise, all the considerations that the Company needs to pay to the Existing Shareholders in respect of the reduction of Company Register Capital.

Capital Increase Price means in each Exercise, all the considerations that need to be paid by the WFOE and/or its designated entity and/or individual to the Company for subscription of the Increased Capital Shares.

Business License means any approvals, permits, filings and registrations that the company must hold in order to operate all its businesses legally and effectively, including but not limited to “Enterprise Entity Business License” and other relevant permits and licenses required by the PRC Laws then.

Company Assets means all the tangible and intangible assets the Company owned or has the right to dispose, including but not limited to any real estate, moveable properties, and intellectual properties such as trademarks, copyrights, patents, domain names, software use rights.

Material Contracts means the contracts Company as a party have material effects on the Company's business or assets, including but not limited to the Exclusive Service Agreemen signed by the Company and the WFOE simultaneously with this Agreement and other material contracts about the Company's business.

Exercise Notice has the meaning assigned to it in Section 3.9.

Confidential Information has the meaning assigned to it in Section 8.1.

Defaulting Party has the meaning assigned to it in Section 11.1.

Default has the meaning assigned to it in Section 11.1.

Non-defaulting Party has the meaning assigned to it in Section 11.1.

Such Party's Right has the meaning assigned to it in Section 12.5.

1.2 Any referring to any law or statutory provision under this Agreement shall be deemed to:

(a) also include referring to any revision, extension, combination and replacement related to such law or provision; and
(b) also include referring to orders, ordinances, instructions and other subordinate legislation promulgated in accordance with relevant law or provisions.

1.3 All references in this Agreement to designated "Sections" and other subdivisions are to the designated Sections and other subdivisions of the body of this Agreement unless explicitly stated otherwise

2. GRANT OF SHARES PURCHASE OPTION, ASSETS PURCHASE OPTION AND SHARE SUBSCRIPTION OPTION

2.1 The Existing Shareholders hereby agree to exclusively grant an irrevocable Shares Purchase Option to the WFOE without any additional condition. According to such Share Purchase Option, subject to the PRC Laws, the WFOE is entitled to require the Existing Shareholders transfer the Option Shares to the WFOE and/or any other entity and/or individual designated by the WFOE at any time (including but not limited to when the WFOE, after its independent judgment, believes that the Existing Shareholders are at risk of transferring all or part of the Option Shares they hold to any third party in accordance with the requirements of the PRC Laws, other than to the WFOE and/or its designated entity and/or individual) in accordance with the provisions of this Agreement. The WFOE agrees to accept such Shares Purchase Option.

2.2 The Company hereby agrees the Existing Shareholders grant such Shares Purchase Option to the WFOE in accordance with the Section 2.1 above and other provisions of this Agreement.

2.3 The Company hereby agrees to exclusively grant an irrevocable Assets Purchase Option to the WFOE without any additional condition. According to such Assets Purchase Option, subject to the PRC Laws, the WFOE is entitled to require the Company transfer all of or part of the Company Assets to the WFOE and/or any other entity and/or individual designated by the WFOE at any time (including but not limited to when the WFOE, after its independent judgment, believes that the Existing Shareholders are at risk of transferring all or part of the Option Shares they hold to any third party in accordance with the requirements of the PRC Laws, other than to the WFOE and/or its designated entity and/or individual) in accordance with the provisions of this Agreement. The WFOE agrees to accept such Assets Purchase Option.

2.4 The Existing Shareholders hereby agree the Company grant such Assets Purchase Option to the WFOE in accordance with the Section 2.3 above and other provisions of this Agreement.

2.5 The Existing Shareholders and the Company hereby severally and jointly agree, to exclusively grant an irrevocable Shares Subscription Option to the WFOE without any additional condition. According to such Share Subscription Option, subject to the PRC Laws, the WFOE is entitled to require the Company reduce its capital at any time (including but not limited to when the WFOE, after its independent judgment, believes that the Existing Shareholders are at risk of transferring all or part of the Option Shares they hold to any third party in accordance with the requirements of the PRC Laws, other than to the WFOE and/or its designated entity and/or individual) , and the WFOE and/or any other entity and/or individual designated by the WFOE is entitled to subscribe the Increased Capital Shares in accordance with the provisions of this Agreement. The WFOE agrees to accept such Shares Subscription Option.

3. Exercise Methods

3.1 Subject to the terms and conditions of this Agreement, as permitted by the PRC Laws, the WFOE has absolute discretion to determine the specific time, method and frequency of Exercise.

3.2 Subject to the terms and conditions of this Agreement, the WFOE has the right to request the purchase of all or part of the Company's shares from the Existing Shareholders by itself and/or through other entities and/or individuals designated by the WFOE at any time without violating the PRC laws then effective.

3.3 Subject to the terms and conditions of this Agreement, the WFOE has the right to request the purchase of all or part of the Company's assets from the Company by itself and/or through other entities and/or individuals designated by the WFOE at any time without violating the PRC laws then effective.

3.4 Subject to the terms and conditions of this Agreement, the WFOE has the right to request the reduction of capital of the Company, and to subscribe the Increased Capital Shares by itself and/or

through other entities and/or individuals designated by the WFOE at any time without violating the PRC laws then effective.

3.5 As for the Shares Purchase Option, at each Exercise, the WFOE has the right to decide the number of shares that the Existing Shareholders should transfer to the WFOE and/or through other entities and/or individuals designated by the WFOE during such Exercise, and the Existing Shareholders shall respectively transfer the Transfer Shares to the WFOE and/or through other entities and/or individuals designated by the WFOE according to the number required by the WFOE. The WFOE and/or through other entities and/or individuals designated by the WFOE shall pay the Transfer Price to the Existing Shareholders who have transferred the Transfer Shares in respect of the Transfer Shares purchased in each Exercise.

3.6 As for the Assets Purchase Option, at each Exercise, the WFOE has the right to decide the specific Company Assets that the Company should transfer to the WFOE and/or through other entities and/or individuals designated by the WFOE during such Exercise, and the Company shall transfer the Transfer Assets to the WFOE and/or through other entities and/or individuals designated by the WFOE according to the number required by the WFOE. The WFOE and/or through other entities and/or individuals designated by the WFOE shall pay the Transfer Price to the Company in respect of the Transfer Assets purchased in each Exercise.

3.7 As for the Shares Subscription Option, at each Exercise, the Company shall confirm the amount of capital which shall be reduced in such Exercise pursuant to the request of the WFOE, the WFOE has the right to decide the Existing Shareholders reduce their capital contribution to the Company, and the Company and the Existing Shareholders shall reduce capital of the Company pursuant to the request of the WFOE; concurrently, the WFOE has the right to decide the number of the Increase Capital Shares to be subscribed by the WFOE and/or through other entities and/or individuals designated by the WFOE, and the Company shall accept the subscription of the Increase Capital Shares from the WFOE and/or through other entities and/or individuals designated by the WFOE according to the request of the WFOE. The Company shall pay the Capital Reduction Price to the Company in respect of the capital reduced in respect of the capital reduction in each Exercise. The WFOE and/or through other entities and/or individuals designated by the WFOE shall pay the Capital Increase Price to the Company in respect of the Increase Capital Shares subscribed in each Exercise.

3.8 At each Exercise, the WFOE could purchase the Transfer Shares, Transfer Assets or subscribe the Increase Capital Shares by itself, and could designate any third party to purchase all or part of the Transfer Shares, Transfer Assets or subscribe all or part of the Increase Capital Shares.

3.9 At each time the WFOE decide the Exercise, it shall delivery to the Existing Shareholders and/or the Company a Shares Purchase Option exercise notice, Assets Purchase Option exercise notice or Shares Subscription Option exercise notice (the “Exercise Notice”, in the form respectively set forth in Exhibit B, Exhibit C and Exhibit D). Upon receipt of the Exercise Notice, the Existing Shareholders or the Company shall immediately transfer the Transfer Shares or Transfer Assets to the WFOE and/or through other entities and/or individuals designated by the WFOE in one time in accordance with the method described in Section 3.5 or 3.6 of this Agreement, or shall reduce the capital of the Company in the

manner described in Section 3.7, and the Increased Capital Shares shall be subscribed by the WFOE and/or through other entities and/or individuals designated by the WFOE.

4. TRANSFER PRICE, CAPITAL REDUCTION PRICE AND CAPITAL INCREASE PRICE

4.1 As for the Shares Purchase Option, at each Exercise, the total Transfer Price that the WFOE and/or through other entities and/or individuals designated by the WFOE should pay to the Existing Shareholders shall be the actual paid-in capital contribution corresponding to the relevant Transfer Shares in the Company's registered capital. If the minimum price allowed by the PRC Laws at that time is higher than the aforementioned actual paid-in capital, the minimum price allowed by the PRC Laws shall prevail. Under the premise of complying with the PRC Laws, the Existing Shareholders shall immediately return and gift it to the WFOE and/or its designated entity after receiving the Transfer Price.

4.2 As for the Assets Purchase Option, at each Exercise, the total Transfer Price that the WFOE and/or through other entities and/or individuals designated by the WFOE should pay to the Existing Shareholders shall be the net book value of the relevant assets. If the minimum price allowed by the PRC Laws at that time is higher than the aforementioned net book value, the minimum price allowed by the PRC Laws shall prevail. Under the premise of complying with the PRC Laws, the Existing Shareholders shall immediately return and gift it to the WFOE and/or its designated entity after receiving the Transfer Price.

4.3 As for the Share Subscription Option, at each Exercise, the Company shall pay the Capital Reduction Price to the Existing Shareholders who have reduced their capital contribution to the company. The Capital Reduction Price shall be the reduced actual paid-up amount of the Company Registered Capital. If the minimum price allowed by the PRC Laws at that time is higher than the aforementioned Capital Reduction Price, the minimum price allowed by the PRC Laws shall prevail; and the total subscription price that WFOE and/or through other entities and/or individuals designated by the WFOE should pay to the Company for the subscription of Increased Capital Shares is the Capital Reduction Price paid to the Existing Shareholders when the Company reduces its capital and the registered capital that the Existing Shareholders have not paid to the company at the time of capital reduction (if any), unless the WFOE and the Company agree otherwise. Under the premise of complying with the PRC Laws, the Existing Shareholders shall immediately return and gift it to the WFOE and/or its designated entity after receiving the Capital Reduction Price.

4.4 All taxes and fees arising from the Exercise of the Shares Purchase Option, Assets Purchase Option or Shares Subscription Option under this Agreement in accordance with applicable laws, shall be paid by each Party or withheld in accordance with the laws.

5. REPRESENTATIONS AND WARRANTIES

5.1 The Existing Shareholders represent and warrant as follows:

(a) The Existing Shareholders are limited partnerships legally registered and validly existing in accordance with the PRC laws and has complete and independent legal status and legal capacity to execute, deliver and perform this Agreement, and can independently act as a party to a litigation.

(b) The Company is a limited liability company legally registered and validly existing in accordance with the PRC laws and has independent legal capacity; has complete and independent legal status and legal capacity to execute, deliver and perform this Agreement, and can independently act as a party to a litigation.

(c) The Existing Shareholders have the full internal power and authorization to sign and deliver this Agreement and all other documents that they will sign related to the transactions described in this Agreement, and they have the full power and authorization to complete the transactions described in this Agreement.

(d) This Agreement constitutes the Existing Shareholders' legal, valid and binding obligations, and shall be enforceable against them.

(e) The Existing Shareholders are the registered legal owner of the Option Shares when this Agreement becomes effective. Except for the Shares Purchase Option, Shares Subscription Option, the pledge contemplated in the Share Pledge Agreement by and among the Company, the WFOE and the Existing Shareholders dated [ ], 2020 and the entrustment contemplated in the Shareholder Voting Rights Proxy Agreement dated [ ], 2020 , there is no liens, pledges, claims and other security rights and third-party rights on the Option Shares. According to this Agreement, after the Exercise by the WFOE and/or through other entities and/or individuals designated by the WFOE, it can obtain good ownership of the Transfer Shares without any lien, pledge, claim, other security rights and third-party rights.

(f) Except for the Assets Purchase Option, there is no liens, pledges, claims and other security rights and third-party rights on the Company Assets. According to this Agreement, after the Exercise by the WFOE and/or through other entities and/or individuals designated by the WFOE, it can obtain good ownership of the Company Assets without any lien, pledge, claim, other security rights and third-party rights.

5.2 The Company represents and warrants as follows:

(a) The Company is a limited liability company legally registered and validly existing in accordance with the PRC laws and has independent legal capacity; has complete and independent legal status and legal capacity to execute, deliver and perform this Agreement, and can independently act as a party to a litigation.

(b) The Company has the full internal power and authorization to sign and deliver this Agreement and all other documents that it will sign related to the transactions described in this Agreement,

and it has the full power and authorization to complete the transactions described in this Agreement.

(c) This Agreement is legally and duly executed and delivered by the Company. This Agreement constitutes the Company's legal, valid and binding obligations, and shall be enforceable against it.

(d) Except for the Assets Purchase Option, there is no liens, pledges, claims and other security rights and third-party rights on the Company Assets. According to this Agreement, after the Exercise by the WFOE and/or through other entities and/or individuals designated by the WFOE, it can obtain good ownership of the Company Assets without any lien, pledge, claim, other security rights and third-party rights.

5.3 The WFOE represents and warrants as follows:

(a) The WFOE is a limited liability company legally registered and validly existing in accordance with the PRC laws and has independent legal capacity; has complete and independent legal status and legal capacity to execute, deliver and perform this Agreement, and can independently act as a party to a litigation.

(b) The WFOE has the full internal power and authorization to sign and deliver this Agreement and all other documents that it will sign related to the transactions described in this Agreement, and it has the full power and authorization to complete the transactions described in this Agreement.

(c) This Agreement is legally and duly executed and delivered by the WFOE. This Agreement constitutes the WFOE's legal, valid and binding obligations, and shall be enforceable against it.

6. EXISTING SHAREHOLDERS' COVENANTS

The Existing Shareholders irrevocably undertake as follows:

6.1 During the term of this Agreement, without prior written consent of the WFOE:

(a) They shall not transfer or dispose of any Option Shares in any other way or set any security right or other third party rights on any Option Shares;

(b) They shall not increase or decrease the Company Registered Capital, or cause the Company to merge with any other entity;

(c) They shall not dispose of or procure the Company's management to dispose of any material Company Assets (except those occur in the ordinary course of business);

(d) They shall not terminate or procure the Company's management to terminate any material agreement signed by the Company, or enter into any other agreement that conflicts with existing material agreements;

(e) They shall not appoint or remove any Company's directors, supervisors or other company's managers who should be appointed or removed by the Existing Shareholders;

(f) They shall not procure the company to declare or actually distribute any distributable profits or dividends;

(g) They shall not take any actions (including any omissions) that will affect the effective existence of the Company; nor take any actions that may make the Company to be terminated, liquidated or dissolved;

(h) They shall not amend the articles and associations of the Company; and

(i) They shall not take any actions (including any omissions) that make the company lend or borrow loans, or provide guarantees or make other forms of guarantees, or undertake any substantial obligations outside of ordinary business activities.

6.2 During the term of this Agreement, they must use their best efforts to develop the Company's business and ensure the Company's operation is in compliance with the laws and regulations. They will not conduct any action or omission that may damage the Company's assets, goodwill or affect the validity of the Company's business licenses.

6.3 During the term of this Agreement, they shall promptly inform the WFOE of any situation that may have a material adverse effect on the Company's existence, business operations, financial conditions, assets or goodwill, and promptly take all measures agreed by the WFOE to eliminate such unfavorable situations or take effective remedial measures.

6.4 Once the WFOE issues the Exercise Notice:

(a) They shall immediately adopt shareholder decisions and take all other necessary actions to agree the Existing Shareholders or the Company to transfer all Transfer Shares or Transfer Assets to the WFOE and/or through other entities and/or individuals designated by the WFOE at the Transfer Price, or agree the reduction of the Company's capital, and accept the WFOE and/or through other entities and/or individuals designated by the WFOE to subscribe for the Increased Capital Shares of the Company (depending on the situation);

(b) With respect to the Shares Purchase Option, they shall immediately sign an shares transfer agreement with the WFOE and/or through other entities and/or individuals designated by the WFOE, transfer all the Transfer Shares to the WFOE and/or through other entities and/or individuals designated by the WFOE at the Transfer Price, and provide the WFOE with the necessary support in accordance with the requirements of the WFOE and the provisions of laws

and regulations (including providing and signing all relevant legal documents, and fulfilling all government approvals and registration procedures and assume all relevant obligations) so that the WFOE and/or through other entities and/or individuals designated by the WFOE can obtain all the Transfer Shares, and there should be no legal flaws in such Transfer Shares and there should be no security rights, third-party restrictions or any other restrictions on shares;

(c) With respect to the Shares Subscription Option, the Existing Shareholders shall immediately sign an capital reduction agreement with the Company in a form and substance to the satisfactory of the WFOE, the Existing Shareholders shall assist and cooperate with the Company to implement capital reduction procedure (including notifying creditors, making public announcement of capital reduction, signing all relevant legal documents, and fulfilling all government approvals and registration procedures and assume all relevant obligations) so that the Company could complete the capital reduction successfully, and the WFOE and/or through other entities and/or individuals designated by the WFOE could complete the subscription of the Increased Capital Shares.

6.5 If the Transfer Price received by the Existing Shareholders for the Transfer Shares held by them, the Capital Reduction Price received as a result of the Company's capital reduction, and/or the amounts received from distribution of the Company's remaining assets when the company is terminated or liquidated, are higher than the capital contributions to the Company by them, or receives any form of profits distribution or dividends from the Company, then the Existing Shareholders agree and confirm that they will not be entitled to the income and profits distribution or dividends from the premium (after deduction of relevant taxes) without violating the PRC Laws, and such portion of the income and profits distribution or dividends should be attributed to the WFOE. The Existing shareholders shall instruct the relevant transferee or the Company to pay such portion of the proceeds to the bank account then designated by the WFOE.

6.6 They irrevocably agree to the Company's execution and performance of this Agreement, and provide the Company with all cooperation in the execution and performance of this Agreement, including but not limited to signing all necessary documents or documents required by the WFOE, and taking all necessary or actions required by the WFOE, and no action or omission will be taken to prevent the WFOE from claiming and realizing its rights under this Agreement.

6.7 Once they know or should be aware that the Option Shares they hold may be transferred to any third party other than the WFOE and/or through other entities and/or individuals designated by the WFOE due to applicable laws, judgments or awards of courts or arbitration institution, or for any other reason, they should immediately and without hesitation notify the WFOE.

7. COMPANY'S COVENANTS

7.1 The Company irrevocably undertakes as follows:

(a) If the execution and performance of this Agreement and the granting of Shares Purchase Option, Assets Purchase Option or Shares Subscription Option under this Agreement require the consent, permission, waiver, authorization of any third party, or the approval, permission, exemption or approval of any government authorities, or the registration or filing procedures with any government authorities (if required by the Laws), the company will use its best effort to assist in meeting the above conditions.

(b) Without prior written consent of the WFOE, it shall not assist or allow the Existing Shareholders transfer or dispose of any Option Shares in any other way or set any security right or other third party rights on any Option Shares.

(c) Without prior written consent of the WFOE, it shall not transfer or dispose of any material Company Assets (except those occur in the ordinary course of business) in any other way or set any security right or other third party rights on any Company Assets.

(d) The Company shall not carry out or allow any behavior or action that may adversely affect the interests of the WFOE under this Agreement, including but not limited to any behavior and action restricted by Section 6.1.

(e) Once it knows or should be aware that the Option Shares hold by the Existing Shareholders may be transferred to any third party other than the WFOE and/or through other entities and/or individuals designated by the WFOE due to applicable laws, judgments or awards of courts or arbitration institution, or for any other reason, it should immediately and without hesitation notify the WFOE.

7.2 Once the WFOE issues the Exercise Notice:

(a) The Company shall immediately procure the Existing Shareholders to adopt shareholders decisions and take all other necessary actions to agree the Company to transfer all Transfer Assets to the WFOE and/or through other entities and/or individuals designated by the WFOE at the Transfer Price, or agree the reduction of the Company's capital, and accept the WFOE and/or through other entities and/or individuals designated by the WFOE to subscribe for all the Increased Capital Shares of the Company (depending on the situation);

(b) With respect to the Assets Purchase Option, the Company shall immediately sign an assets transfer agreement with the WFOE and/or through other entities and/or individuals designated by the WFOE, transfer all the Transfer Assets to the WFOE and/or through other entities and/or individuals designated by the WFOE at the Transfer Price, and procure the Existing Shareholders to provide the WFOE with necessary support in accordance with the requirements of the WFOE and the provisions of laws and regulations (including providing and signing all relevant legal documents, and fulfilling all government approvals and registration procedures and assume all relevant obligations) so that the WFOE and/or through other entities and/or individuals designated by the WFOE can obtain all the Transfer Assets, and there should be no

legal flaws in such Transfer Assets and there should be no security rights, third-party restrictions or any other restrictions on Company Assets;

(c) With respect to the Shares Subscription Option, the Company shall immediately sign an capital reduction agreement with the Existing Shareholders in a form and substance to the satisfactory of the WFOE, the Company shall, and the Existing Shareholders shall procure the Company to implement capital reduction procedure (including notifying creditors, making public announcement of capital reduction, signing all relevant legal documents, and fulfilling all government approvals and registration procedures and assume all relevant obligations) so that the Company could complete the capital reduction successfully, and the WFOE and/or through other entities and/or individuals designated by the WFOE could complete the subscription of the Increased Capital Shares.

8. CONFIDENTIALITY

8.1 Regardless of whether this Agreement is terminated or not, both parties shall strictly keep confidential the trade secrets, proprietary information, customer information and other confidential information of the other Party obtained during the execution and performance of this Agreement. Without the prior written consent from the disclosing Party, or mandatorily required to be disclosed to third party by relevant laws and regulations or the requirements of the listing place of a Party's related company, the receiving Party should not disclose any confidential information to any third party; unless for the purpose of performance of this Agreement, the receiving Party should not use or indirectly use any confidential information.

8.2 Confidential information shall not include information:

(a) is known to the Receiving Party prior to disclosure by the disclosing Party as demonstrated by documentary evidence;

(b) is or becomes available to the public other than as a result of the receiving Party’s fault; or

(c) information obtained legally by the receiving Party from other sources after receiving confidential information.

8.3 The receiving Party may disclose confidential information to its relevant employees, agents or professionals engaged, provided the receiving Party shall ensure the abovementioned personnel be in compliance with the relevant terms and conditions of this Agreement and be liable for any responsibilities incurred by breach of the relevant terms and conditions of this Agreement by the abovementioned personnel.

8.4 Notwithstanding any other terms of this Agreement, this section shall still be valid and binding upon the termination of this Agreement.

9. TERM

This Agreement takes effect as of the date of execution. Unless otherwise required by the WFOE, this Agreement will terminate after all the Option Shares and Company Assets are legally transferred to the WFOE and/or through other entities and/or individuals designated by the WFOE in accordance with this Agreement.

10. NOTICE

10.1 All the notices, request, requirement and other communications pursuant to this Agreement shall be delivered to the relevant Party in written form.

10.2 Abovesaid notices or other notices if given by facsimile transmission or e-mail, shall be deemed effectively given upon successful transmission; if given by person, shall be deemed effectively given upon delivery by person; if given by post, shall be deemed effectively given on the date after two (2) days from posting.

11. DEFAULT

11.1 Both Parties agree and confirm that, if any Party ("**Defaulting Party**") materially violates any of the terms under this Agreement, or fails to perform, incompletely perform or delays the performance of any of the obligations under this Agreement, it shall constitute a breach of this Agreement ("**Default**"). Any Party of the other non-defaulting Party ("**Non-Defaulting Party**") has the right to request Defaulting Party to make amendments or remedies within reasonable period. If the Defaulting Party fails to make amendments or remedies within reasonable period or ten (10) days after the other Party sends a written notice to Party B and requests for amendments, then:

(a) if the Existing Shareholders or the Company is the Defaulting Party, the WFOE is entitled to terminate this Agreement, and requires the Defaulting Party to compensate all the losses;

(b) if the WFOE is the Defaulting Party, the Non-Defaulting Party is entitled to require the Defaulting Party to compensate all the losses, however, unless otherwise required by the Laws, it has no right to terminate or cancel this Agreement under any circumstances.

For the purpose of this Section 11.1, the Existing Shareholders further confirm and agree that their breach of Section 6 of this Agreement will constitute a material violation of this Agreement; the Company further confirms and agrees that its breach of Section 7 of this Agreement will constitute its material violation of this Agreement.

11.2 Notwithstanding any other terms of this Agreement, the validity of this Section shall not be affected by the termination of this Agreement.

12. MISCELLANEOUS PROVISIONS

12.1 This Agreement is executed in the Chinese language. This Agreement may be executed in five (5) counterparts, which the Company keeps one (1) counterpart, one (1) counterpart for governmental approval or registration, and the WFOE keeps other three (3) counterparts.

12.2 This Agreement, including the execution, validity, performance, interpretation and dispute resolution of this Agreement, shall be governed by and construed in accordance with the PRC Laws.

12.3 Dispute Resolution

(a) The Parties shall firstly attempt to resolve any and all disputes arising out of or relating to this Agreement through friendly consultations. If a dispute is not resolved through friendly consultations, then each Party may submit the dispute to Guangzhou Arbitration Commission for arbitration in accordance with then effective arbitration rules of such commission. The arbitration shall be conducted in Guangzhou. The award of the arbitration tribunal shall be final and binding upon the Parties. The costs of arbitration shall be borne by the losing Party, unless otherwise determined by the arbitration tribunal.

(b) When any dispute is under arbitration, except for the matters in dispute, the Parties shall continue to fulfil their respective obligations under this Agreement.

12.4 Any rights, powers and remedies granted to both Parties by any terms of this Agreement shall not exclude any other rights, powers or remedies that the Party is entitled to in accordance with the laws and other terms under this Agreement, and one Party's exercise of its rights, powers and remedies does not preclude such Party from exercising other rights, powers and remedies.

12.5 A Party's failure to exercise or delay in exercising any of its rights, powers and remedies ("**Such Party's Rights**") under this Agreement or the laws will not result in the waiver of such rights, and any single or partial waiver of Such Party's Rights will not exclude such Party's exercise of such rights in other manner and the exercise of other Such Party's Rights.

12.6 The titles of the sections and subsections of this Agreement are for convenience of reference only and are not to be considered in construing this Agreement.

12.7 Each provision of this Agreement shall be severable and independent. If any single or multiple provisions hereof become invalid, illegal or unenforceable in any aspect, the validity, legality and enforceability of the remaining provisions of this Agreement shall not be affected in any aspect.

12.8 This Agreement once executed shall supersede all prior agreements both Parties executed before, with respect to the subject matter hereof and thereof. Any amendment and supplements to this Agreement shall be made in writing, and only takes effect after the execution by all Parties hereunder, except for the WFOE's transfer of its rights under Section 12.9 of this Agreement.

12.9 Without the prior written consent of the WFOE, the other Parties have no right to transfer or assign any of its rights and obligations hereunder to any third party. The other Parties hereby agree that the WFOE may transfer its rights and obligations under this Agreement to a third party, and that the

WFOE only needs to send a written notice to the other Parties of such transfer, and there is no need to obtain consent from the other Parties for such transfer.

12.10 This Agreement shall be binding upon the respective successors and assigns. The Existing Shareholders assure to WFOE that they have made all proper arrangements and signed all necessary documents to ensure that when they bankrupts, liquidates or incurs other situations that may affect the exercise of their shareholders' rights, their legal transferees, successors, heirs, liquidators, bankruptcy administrators, creditors, and other persons who may obtain the Company's shares or related rights shall not affect or hinder the performance of this Agreement. For this purpose, the Existing Shareholders and the Company should promptly sign all other documents required by the WFOE and take all other actions required by the WFOE (including but not limited to notarization of this Agreement).

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This page is the signature page of the Exclusive Option Agreement of Guangzhou Xuancheng Internet Technology Co., Ltd.

Existing Shareholder:

Ting Li
/s/ Ting Li

This page is the signature page of the Exclusive Option Agreement of Guangzhou Xuancheng Internet Technology Co., Ltd.

Existing Shareholder:

Lin Song
/s/ Lin Song

This page is the signature page of the Exclusive Option Agreement of Guangzhou Xuancheng Internet Technology Co., Ltd.

Existing Shareholder:

Di Fu
/s/ Di Fu

This page is the signature page of the Exclusive Option Agreement of Guangzhou Xuancheng Internet Technology Co., Ltd.

Company:

Guangzhou Xuancheng Internet Technology Co., Ltd. (seal)
/seal/ Guangzhou Xuancheng Internet Technology Co., Ltd.
/s/ Ting Li
Name: Ting Li
Title: Legal Representative

This page is the signature page of the Exclusive Option Agreement of Guangzhou Xuancheng Internet Technology Co., Ltd.

WFOE:

Guangzhou Huanju Shidai Information Technology Co., Ltd. (seal)
/seal/ Guangzhou Huanju Shidai Information Technology Co., Ltd.
/s/ Ting Li
Name: Ting Li
Title: Legal Representative

Exhibit 4.42

Shareholder Voting Rights Proxy Agreement

This Shareholder Voting Rights Proxy Agreement (this "**Agreement**") dated December 9, 2020, is signed by and among:

1. **Ting Li:**
   Identity Card Number: ***

2. **Lin Song:**
   Identity Card Number: ***

3. **Di Fu:** (together with Ting Li and Lin Song, collectively as the"**Existing Shareholders**"**):**
   Identity Card Number: ***

4. **Guangzhou Xuancheng Internet Technology Co., Ltd.** ("***Company***")
   Registered address: Room 3201, No. 79 Wanbo Er Road, Nancun Town, Panyu District, Guangzhou
   Legal representative: Ting Li

   Guangzhou Shangying Internet Technology Co., Ltd. ("***Company***")
   Registered address: 4/F, 5/F, 6/F, 13/F, 14/F, 15/F, 16/F, Jisheng Business Center, No. 278 Xingtai Road, Shiqiao Street, Panyu District, Guangzhou
   Legal representative: Wenxian Zhong

5. **Guangzhou Huanju Shidai Information Technology Co., Ltd.** ("***WFOE***")
   Registered address: 23/F, Building B-1, North Block of Wanda Plaza, No. 79 Wanbo Er Road, Nancun Town, Panyu District, Guangzhou Legal representative: Ting Li

The parties above shall be hereinafter respectively referred to as a "Party", collectively referred to as "Parties".

WHEREAS:

1. The Existing Shareholders are all the present shareholder of the Company, which holds 100% shares of the Company;

2. The Existing Shareholders intend to entrust the individual designated by the WFOE with the exercise of their voting rights in the Company and the WFOE is willing to designate such individual to accept such entrustment.

THEREFORE, the Parties, after friendly consultations, hereby agree as follows:

Article 1 Voting Right Entrustment

1.1 The Existing Shareholders hereby irrevocably undertake to sign a power of attorney in the form and substance as set forth in Annex 1 after execution of this Agreement to entrust the individual designated by the WFOE (hereinafter, the "**Entrusted Person**") to exercise on its behalf the following rights they, as the shareholder of the Company, are entitled to under the then effective articles of association of the Company (collectively, the "**Entrusted Rights**"):

(a) Proposing to convene and attending shareholders' meetings of the Company as the representative of the Existing Shareholders according to the articles of association of the Company;

(b) On behalf of the Existing Shareholders, exercising voting rights on all the issues needing to be discussed and resolved by the shareholders' meetings of the Company, including but not limited to the appointment of the Company's directors and other officers needing to be appointed and removed by shareholders;

(c) Other shareholder voting rights as specified in the articles of association of the Company (including any other shareholder voting rights as specified in the amended articles of association); and

(d) When the Existing Shareholders transfer the shares of the Company held by it, agrees to the transfer of assets of the Company, agrees to reduce capital contributions to the company, or accepts the WFOE or its designated party to subscribe the increased capital of the Company in accordance with the Exclusive Option Agreement signed by the parties on the same date hereof, to sign relevant share transfer agreements, asset transfer agreements (if applicable), capital reduction agreements, capital increase agreements, shareholder decisions and other relevant documents on behalf of the Existing Shareholders, and handle government approval, registration and filing procedure required for such transfer, capital reduction and capital increase.

The above authorization and entrustment are granted subject to the status of the Entrusted Person as a PRC citizen and the approval by the WFOE. Upon and only upon written notice of dismissing and replacing the Entrusted Person given by the WFOE to the Existing Shareholders, the Existing Shareholders shall promptly entrust another PRC citizen then designated by the WFOE to exercise the above Entrusted Rights, and once new entrustment is made, the original entrustment shall be replaced. The Existing Shareholders shall not cancel the authorization and entrustment for the Entrusted Person otherwise.

1.2 The Entrusted Person shall perform the fiduciary obligations within the scope of authorization with due care and diligence and in compliance with laws. The Existing Shareholders acknowledge and assume relevant liabilities for any legal consequences of the Entrusted Person's exercise of the foregoing Entrusted Rights.

1.3 The Existing Shareholders hereby acknowledge that the Entrusted Person is not required to seek advice from the Existing Shareholders prior to the exercise of the foregoing Entrusted Rights. However, the Entrusted Person shall inform the Existing Shareholders in a timely manner of any resolution or any proposal on convening interim shareholders' meeting after such resolution or proposal is made.

Article 2 Right to Information

2.1 For the purpose of exercising the Entrusted Rights hereunder, the Entrusted Person is entitled to know the information with regard to the Company's operation, business, customers, finance, staff, etc., and shall have access to the relevant materials of the Company. The Company shall adequately cooperate with the Entrusted Person in this regard.

Article 3 Exercise of Entrusted Rights

3.1 The Existing Shareholders will provide adequate assistance to the exercise of the Entrusted Rights by the Entrusted Person, including timely execution of the resolutions of the shareholders' meeting of the Company adopted by the Entrusted Person or other related legal documents when necessary (e.g., when it is necessary for examination and approval of or registration or filing with governmental departments).

3.2 If at any time during the term of this Agreement, the grant or exercise of the Entrusted Rights hereunder is unenforceable for any reason (except for default of Existing Shareholders or the Company), the Parties shall immediately seek a most similar substitute for the unenforceable provision and, if necessary, enter into a supplementary agreement to amend or adjust the provisions herein, in order to ensure the realization of the purpose of this Agreement.

Article 4 Exemption and Compensation

4.1 The Parties acknowledge that the WFOE shall not be requested to be liable to or compensate (monetary or otherwise) other Parties or any third party due to exercise of the Entrusted Rights hereunder by the individuals designated by it in any circumstances.

4.2 The Existing Shareholders and the Company agree to indemnify and hold harmless the WFOE from and against all losses incurred or likely to be incurred by it due to exercise of the Entrusted Rights by the Entrusted Person designated by the WFOE, including without limitation, any loss resulting from any litigation, demand, arbitration or claim initiated or raised by any third party against it or from administrative investigation or penalty of governmental authorities (collectively, the "Losses"), PROVIDED THAT the above indemnity in respect of any Losses shall not be available to the WFOE to the extent that such Losses have been caused by the willful default or gross negligence on the part of the Entrusted Person.

Article 5 Representations and Warranties

5.1 The Existing Shareholders hereby represent and warrant that:

(b) The Existing Shareholders are PRC citizens with full capacity; they have complete and independent legal status and legal capacity to execute, deliver and perform this Agreement, and can independently act as a party to a litigation.

(b) The Company is a limited liability company legally registered and validly existing in accordance with the PRC laws and has independent legal capacity; has complete and independent legal status and legal capacity to execute, deliver and perform this Agreement, and can independently act as a party to a litigation.

(c) They have the full power and authority to execute and deliver this Agreement and all other documents relating to the transaction contemplated hereby and to be executed by it. It also has the full power and authority to consummate the transaction contemplated hereby. This Agreement, when duly executed and delivered, shall constitute a legal, valid and binding obligation enforceable against it in accordance with the terms of this Agreement.

(d) They are the recorded legal shareholder of the Company as of the effective date of this Agreement, and except for the rights under this Agreement, the Equity Pledge Agreement and the Exclusive Option Agreement entered into among the Existing Shareholders, the Company and the WFOE, the Entrusted Rights are free of any third-party right. Pursuant to this Agreement, the Entrusted Person may fully and sufficiently exercise the Entrusted Rights in accordance with the then effective articles of association of the Company.

(e) Without the consent of the WFOE, the Existing Shareholders shall not take any measures to advice, claim or request amendment, modification, termination or change the articles of association of the Company in any other forms.

5.2 The Existing Shareholders hereby irrevocably represent and warrant that, once they know or should be aware that the shares held by them may be transferred to any third party other than the WFOE and/or through other entities and/or individuals designated by the WFOE due to applicable laws, judgments or awards of courts or arbitration institution, or for any other reason, they should immediately and without hesitation notify the WFOE.

5.3. Each of the WFOE and the Company hereby represents and warrants that:

(a) It is a limited liability company duly organized and validly existing under the PRC Law with an independent legal personality. It has the full and independent legal status and legal capacity to execute, deliver and perform this Agreement and may sue or be sued as an independent party.

(b) It has the full corporate power and authority to execute and deliver this Agreement and all other documents relating to the transaction contemplated hereby and to be executed by it. It also has the full power and authority to consummate the transaction contemplated hereby.

5.4 The Company further represents and warrants that:

(a) The Existing Shareholders are the recorded legal shareholders of the Company as of the effective date of this Agreement, and except for the rights under this Agreement, the Equity Pledge Agreement and the Exclusive Option Agreement entered into among the Existing Shareholders, the Company and the WFOE, the Entrusted Rights are free of any third-party right. Pursuant to this Agreement, the Entrusted Person may fully and sufficiently exercise the Entrusted Rights in accordance with the then effective articles of association of the Company.

5.5 The Company hereby irrevocably represents and warrants that, once it knows or should be aware that the shares held by the Existing Shareholders may be transferred to any third party other than the WFOE and/or through other entities and/or individuals designated by the WFOE due to applicable laws, judgments or awards of courts or arbitration institution, or for any other reason, it should immediately and without hesitation notify the WFOE.

Article 6 Term

6.1 Subject to the provisions of Articles 6.2 and 6.3 hereof, this Agreement shall become effective as of the date of the due execution by the Parties and the term of this Agreement shall be twenty (20) years; unless prematurely terminated by the Parties in writing or pursuant to Article 9.1 hereof. After the expiration of this Agreement, unless the WFOE informs other Parties 30 days in advance that this Agreement will not be renewed, this Agreement will be automatically renewed for one year after the expiration of the term, and so on.

6.2 If the Company or the WFOE, upon expiry of its duration, fails to handle the examination, approval and registration procedures concerning the extension of its duration, this Agreement shall be terminated.

6.3 In case that the Existing Shareholders transfer all of the equity interest held by it in the Company with the WFOE's prior consent, such Existing Shareholder shall cease to be a party to this Agreement since it has completed relevant assistant obligation, executed all the relevant and necessary documents, completed relevant internal procedure of the Company and governmental approval, registration, filing procedures (provided subject to Article 4, Article 5.1, Article 6, Article 7, Article 8, Article 9 and Article 10).

Article 7 Notices

7.1 All the notices, request, requirement and other communications pursuant to this Agreement shall be delivered to the relevant Party in written form.

7.2 Abovesaid notices or other notices if given by facsimile transmission or e-mail, shall be deemed effectively given upon successful transmission; if given by person, shall be deemed effectively given upon delivery by person; if given by post, shall be deemed effectively given on the date after two (2) days from posting.

Article 8 Confidentiality

8.1 Regardless of whether this Agreement is terminated or not, each Party shall keep strictly confidential all the business secrets, proprietary information, customer information and other information of a confidential nature about the other Parties known by it during the execution and performance of this Agreement (collectively, the "**Confidential Information**"). The receiving Party shall not disclose any Confidential Information to any third party except with the prior written consent of the disclosing Party or in accordance with relevant laws or regulations or under requirements of the place where its affiliate is listed on a stock exchange. The receiving Party shall not use or indirectly use any Confidential Information other than for performing this Agreement.

8.2 The following information shall not be deemed part of the Confidential Information:

(a) any information already known by the receiving Party by legal means prior to disclosure, which is substantiated in writing;

(b) any information being part of public knowledge through no fault of the receiving Party; or

(c) any information rightfully received by the receiving Party from other sources after disclosure.

8.3 The receiving Party may disclose the Confidential Information to its relevant employees, agents or engaged professionals, but the receiving Party shall guarantee that they are in compliance with the relevant terms and conditions of this Agreement and assume any responsibility arising from any breach thereof by them.

8.4 Notwithstanding any other provision herein, the validity of this Article shall survive the termination of this Agreement.

Article 9 Defaulting Liability

9.1 The Parties agree and acknowledge that, if any of the Parties (the "**Defaulting Party**") materially breaches any provision herein or materially fails to perform or delays performance of any of the obligations hereunder, such breach, failure or delay shall constitute a default under this Agreement (a "**Default**"). In such event, any of the other Parties without default (the "**Non-defaulting Party**") shall have the right to require the Defaulting Party to rectify such Default or take remedial measures within a reasonable period. If the Defaulting Party fails to rectify such Default or take remedial measures within such reasonable period or within ten (10) days of the Non-defaulting Party notifying the Defaulting Party in writing and requiring the Default to be rectified, then:

(a) if the Existing Shareholder or the Company is the Defaulting Party, the WFOE shall be entitled to terminate this Agreement and require the Defaulting Party to indemnify all damages;

(b) if the WFOE is the Defaulting Party, the Non-defaulting Party shall be entitled to require the Defaulting Party to indemnify all damages, but the Non-defaulting Party shall not be entitled to any rights to terminate or cancel this Agreement in any situation unless otherwise provided by the mandatory provisions of the laws.

b)

9.2 Notwithstanding any other provision herein, the validity of this Article shall survive the suspension or termination of this Agreement.

Article 10 Miscellaneous

10.1 This Agreement is written in Chinese and executed in three (3) originals, with one (1) original to be retained by each Party hereto.

10.2 The formation, validity and interpretation of, resolution of disputes in connection with, this Agreement, shall be governed by PRC Law.

10.3 Dispute Resolution

(a) Any dispute arising hereunder and in connection herewith shall be resolved through consultations among the Parties, and if the Parties fail to reach a mutual agreement, any Party may submit such dispute to Guangzhou Arbitration Commission for arbitration in accordance with its arbitration rules in effect at the time of applying for arbitration. The seat of arbitration shall be Guangzhou. The arbitral award shall be final and binding on the Parties. The costs of arbitration shall be borne by the losing Party, unless otherwise determined by the arbitration tribunal.

(b) During dispute resolution, the Parties shall continue to perform the terms of this Agreement other than those relating to disputes.

10.4 Any right, power or remedy conferred on any Party by any provision of this Agreement shall not be exclusive of any other right, power or remedy available to it at law and under the other provisions of this Agreement, and the exercise by such Party of any of its rights, powers and remedies shall not preclude the exercise of any other rights, powers and remedies it may have.

10.5 No failure or delay by a Party in exercising any of its rights, powers and remedies available to it hereunder or at law (hereinafter, the "**Party's Rights**") shall operate as a waiver thereof, nor shall the waiver of any single or partial exercise of the Party's Rights shall preclude such Party from exercising such rights in any other way and exercising the remaining part of the Party's Rights.

10.6 The headings contained herein shall be for reference only, and in no circumstances shall such headings be used in or affect the interpretation of the provisions hereof.

10.7 Each provision contained herein shall be severable and independent from each of other provisions, and if at any time any one or more provisions herein become invalid, illegal or unenforceable, the validity, legality or enforceability of the remaining provisions herein shall not be affected as a result thereof.

10.8 This Agreement, once executed, replaces any other legal documents previously signed by the parties on the same subject. Any amendment or supplement hereto shall be made in writing and shall become effective only upon due execution by the Parties hereto, except for the WFOE's transfer of its rights under Section 10.9 of this Agreement.

10.9 Without the WFOE's prior written consent, any other Party shall not transfer any of its rights and/or obligations hereunder to any third party. The Existing Shareholders and the Company hereby agree that the WFOE is entitled to transfer any of its rights and/or obligations hereunder to any third party upon written notice thereof to the other Parties, and there is no need to obtain consent from the other Parties for such transfer.

10.10 This Agreement shall be binding upon the respective successors and assigns. The Existing Shareholders assure to WFOE that they have made all proper arrangements and signed all necessary documents to ensure that when they bankrupts, liquidates or incurs other situations that may affect the exercise of their shareholders' rights, their legal transferees, successors, heirs, liquidators, bankruptcy administrators, creditors, and other persons who may obtain

the Company's shares or related rights shall not affect or hinder the performance of this Agreement. For this purpose, the Existing Shareholders and the Company should promptly sign all other documents required by the WFOE and take all other actions required by the WFOE (including but not limited to notarization of this Agreement).

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This page is the signature page of the Shareholder Voting Rights Proxy Agreement of Guangzhou Xuancheng Internet Technology Co., Ltd.

Existing Shareholder:

Ting Li
/s/ Ting Li

This page is the signature page of the Shareholder Voting Rights Proxy Agreement of Guangzhou Xuancheng Internet Technology Co., Ltd.

Existing Shareholder:

Lin Song
/s/ Lin Song

This page is the signature page of the Shareholder Voting Rights Proxy Agreement of Guangzhou Xuancheng Internet Technology Co., Ltd.

Existing Shareholder:

Di Fu
/s/ Di Fu

This page is the signature page of the Shareholder Voting Rights Proxy Agreement of Guangzhou Xuancheng Internet Technology Co., Ltd.

Company:

Guangzhou Xuancheng Internet Technology Co., Ltd. (seal)
/seal/ Guangzhou Xuancheng Internet Technology Co., Ltd.
/s/ Ting Li
Name: Ting Li
Title: Legal Representative

This page is the signature page of the Shareholder Voting Rights Proxy Agreement of Guangzhou Xuancheng Internet Technology Co., Ltd.

WFOE:

Guangzhou Huanju Shidai Information Technology Co., Ltd. (seal)
/seal/ Guangzhou Huanju Shidai Information Technology Co., Ltd.
/s/ Ting Li
Name: Ting Li
Title: Legal Representative

PARTNERSHIP INTEREST PLEDGE AGREEMENT

THIS PARTNERSHIP INTEREST PLEDGE AGREEMENT (this "**Agreement**") is entered into on December 9, 2020 ("**Execution Date**")

BY AND AMONG:

1. **Ting Li:**
   Identity Card Number: ***

2. **Lin Song:**
   Identity Card Number: ***

3. **Di Fu:** (together with Ting Li and Lin Song, collectively as the "**Limited Partners**"**):**
   Identity Card Number: ***

4. **Guangzhou Xuancheng Internet Technology Co., Ltd.** (the "**General Partner**", together with Limited Partners, the "**Pledgors**" and each a "**Pledgor**")
   Registered address: Room 3201, No. 79 Wanbo Er Road, Nancun Town, Panyu District, Guangzhou
   Legal representative: Ting Li

5. **Guangzhou Xuanyi Internet Technology L.P.** (the "**Partnership**")
   Registered address: Room 3202, No. 79 Wanbo Er Road, Nancun Town, Panyu District, Guangzhou
   Executive Partner: Guangzhou Xuancheng Internet Technology Co., Ltd.

6. **Guangzhou Huanju Shidai Information Technology Co., Ltd.** (the "**Pledgee**")
   Registered address: 23/F, Building B-1, North Block of Wanda Plaza, No. 79 Wanbo Er Road, Nancun Town, Panyu District, Guangzhou
   Legal representative: Ting Li

In this Agreement, the aforementioned parties are referred to individually as a "**Party**" and collectively as the "**Parties**".

WHEREAS:

1. The Pledgors are the registered partners of the Partnership and lawfully hold all partnership interest in the Partnership ("**Partnership Interest**"). As of the Execution Date, the capital commitments, percentage of commitments and capital contribution to the Partnership set forth in Schedule 1 hereto.

2. The Parties hereto entered into a Partner Voting Rights Proxy Agreement ("**Proxy Agreement**") on December 9, 2020, pursuant to which the each of the Pledgors has irrevocably granted a general power of attorney to such persons as may then be appointed by the Pledgee to exercise its entire partner voting rights in the Partnership on behalf of the Pledgors.

3. The Partnership and the Pledgee entered into an Exclusive Service Agreement

("**Service Agreement**") on December 9, 2020, pursuant to which the Partnership has, on an exclusive basis, engaged the Pledgee to provide it with relevant services and agrees to pay relevant service fees to the Pledgee for such services.

4. The Parties hereto entered into an Exclusive Option Agreement ("**Option Agreement**") on December 9, 2020, pursuant to which the Pledgors and the Partnership shall, to the extent permitted by the PRC Laws, transfer, at the request of the Pledgee, all or part of their partnership interests in the Partnership or all or part of the assets of the Partnership respectively to the Pledgee and/or any entity and/or individual designated by it, or the Partnership shall decrease its capital and the Pledgee and/or any entity and/or individual designated by it shall subscribe for the newly increased registered capital of the Partnership.

5. As security for the performance by the Pledgors of their Contractual Obligations (as defined below) and their repayment of the Secured Indebtedness (as defined below), each Pledgor is willing to pledge all of its Partnership Interest to the Pledgee and create first priority pledge in favor of the Pledgee; and the Partnership has agreed to such partnership interest pledge arrangement.

NOW, THEREFORE, upon consensus through consultation, the Parties agree as follows:

ARTICLE I DEFINITIONS

1.1 Unless otherwise required by the context, the following terms shall have the following meanings in this Agreement:

"**Contractual Obligations**"	means all of the each Pledgor's contractual obligations under the Proxy Agreement and the Option Agreement; all of the Partnership's contractual obligations under the Proxy Agreement, the Service Agreement and the Option Agreement; and all of the contractual obligations of the each Pledgor and the Partnership under this Agreement.
"Secured Indebtedness"	means all direct, indirect or consequential losses and loss of projectable benefits suffered by the Pledgee as a result of any Event of Default (as defined below) of the Pledgors and/or the Partnership, and the basis for determining the amounts of such losses shall include, without limitation, reasonable commercial plans and profit forecasts of the Pledgee and all costs incurred by the Pledgee in connection with its enforcement of the Contractual Obligations of each Pledgor and/or the Partnership.
"Transaction Agreements"	means the Proxy Agreement, the Service Agreement and the Option Agreement.

"Event of Default"	means a breach by any Pledgor of any of its Contractual Obligations under the Proxy Agreement, the Option Agreement and/or this Agreement, and a breach by the Partnership of any of its Contractual Obligations under the Proxy Agreement, the Service Agreement, the Option Agreement and/or this Agreement.
"Pledged Interest"	means all of the Partnership Interest lawfully owned by the Pledgors as of the effectiveness of this Agreement and to be pledged hereunder to the Pledgee as security for the performance by the Pledgors and the Partnership of their respective Contractual Obligations and increased capital contribution amounts and dividends under Sections 2.6 and 2.7 hereof.
"PRC Laws"	means the then effective laws, administrative regulations, administrative rules, local regulations, judicial interpretations and other binding regulatory documents of the People's Republic of China.

1.2 In this Agreement, any reference to any PRC Law shall be deemed to include (i) a reference to such PRC Law as modified, amended, supplemented or reenacted, effective either before or after the date hereof; and (ii) a reference to any other decision, circular or rule made thereunder or effective as a result thereof.

1.3 Unless otherwise required by the context, a reference to an article, section, clause or paragraph herein shall be a reference to an article, section, clause or paragraph of this Agreement.

ARTICLE II INTEREST PLEDGE

2.1 Each Pledgor hereby agrees to pledge, in accordance with the terms hereof, its lawfully owned and rightfully disposable Pledged Interest to the Pledgee as security for the performance by such Pledgor of its Contractual Obligations and its repayment of the Secured Indebtedness. The Partnership hereby agrees for the Pledgors to so pledge the Pledged Interest to the Pledgee in accordance with the terms hereof.

2.2 Each Pledgor covenants that it will assume the responsibility of recording the interest pledge arrangement ("**Interest Pledge**") hereunder in the partner's register of the Partnership on the Execution Date. Each Pledgor further covenants that, after the Execution Date, it will use its best efforts and take all necessary measures to (i) register the Interest Pledge as soon as possible with the competent administrative authority for market regulation of the Partnership; and (ii) under the condition that the PRC Laws and relevant government departments or registration agencies have established relevant pledge registration systems, file pledge registration of the Interest Pledge with relevant government departments or registration agencies according to the requirements of the Pledgee.

2.3 During the validity term hereof, the Pledgee shall not be liable in whatsoever manner for any diminution in value of the Pledged Interest and the Pledgors shall have no right to seek any form of recourse or bring any claims against the Pledgee in connection therewith, except where such diminution arises out of any willful conduct of the Pledgee or its gross negligence having immediate causal link with such result.

2.4 Subject to Section 2.3 above, if the Pledged Interest is likely to suffer such a manifest value diminution as to impair the rights of the Pledgee, the Pledgee may at any time auction or sell the Pledged Interest on behalf of the Pledgor and may, as agreed with the Pledgors, apply the proceeds from such auction or sale towards early repayment of the Secured Indebtedness, or deposit (entirely at the cost of the Pledgee) such proceeds with a notary organ of the place of the Pledgee. In addition, upon request by the Pledgee, the Pledgors shall provide other property as security for the Secured Indebtedness.

2.5 Upon occurrence of any Event of Default, the Pledgee shall be entitled to dispose of the Pledged Interest in such manner as prescribed by Article IV hereof.

2.6 The Pledgors shall not increase the capital of the Partnership except with prior consent of the Pledgee. Any increase in the capital contribution made by the Pledgors to the registered capital of the Partnership as a result of any capital increase shall equally become part of the Pledged Interest, and the Pledgors shall register the pledge of the Partnership Interest corresponding to such capital contribution with the competent administrative authority for market regulation of the Partnership.

2.7 The Pledgors shall not receive any dividend or profit in respect of the Pledged Interest except with prior consent of the Pledgee. Any dividend or profit received by the Pledgors in respect of the Pledged Interest shall be deposited into an account designated by the Pledgee, monitored by the Pledgee and first applied towards repayment of the Secured Indebtedness.

2.8 Upon occurrence of an Event of Default, the Pledgee shall be entitled to dispose of any Pledged Interest of the Pledgors in accordance with the terms hereof.

ARTICLE III RELEASE OF PLEDGE

3.1 Upon full and complete performance by the Pledgors and the Partnership of all of their Contractual Obligations and full repayment of the Secured Indebtedness, the Pledgee shall, at the request of the Pledgors, release the Interest Pledge hereunder and cooperate with the Pledgors in relation to both the deregistration of the Interest Pledge in the partner’s register of the Partnership and the deregistration of the Interest Pledge with the relevant administrative authority for market regulation; reasonable costs arising out of such release of the Interest Pledge shall be borne by the Pledgee.

ARTICLE IV DISPOSAL OF PLEDGED INTEREST

4.1 The Parties hereby agree that upon occurrence of any Event of Default, the Pledgee shall be entitled to exercise, upon written notice to the Pledgors, all of the remedies, rights and powers available to it under the PRC Laws, the Transaction Agreements and this Agreement, including, without limitation, the right to auction or sell the Pledged Interest for prior satisfaction of claims. The Pledgee shall not be held liable for any losses resulting from its reasonable exercise of such rights and powers.

The Pledgors further acknowledge and agree that its breach of Article IX hereof shall constitute its material breach of this Agreement; the Partnership further acknowledges and agrees that its breach of Article X hereof shall constitute its material breach of this Agreement.

4.2 The Pledgee shall be entitled to appoint, in writing, its counsels or other agents to exercise any and all of its foregoing rights and powers, and neither anyPledgor nor the Partnership shall object thereto.

4.3 The Pledgee shall have the right to fully deduct all reasonable costs incurred by it in connection with its exercise of any or all of its foregoing rights and powers from the proceeds obtained as a result of such exercise of rights and powers.

4.4 The proceeds obtained as a result of the exercise by the Pledgee of its rights and powers shall be applied in the following order of precedence:

(a) towards payment of all costs arising out of the disposal of the Pledged Interest and the exercise by the Pledgee of its rights and powers (including fees paid to its counsels and agents);

(b) towards payment of the taxes payable in connection with the disposal of the Pledged Interest; and

(c) towards repayment of the Secured Indebtedness to the Pledgee.

Any balance after the deduction of the foregoing payments shall either be returned by the Pledgee to the Pledgors or any other person who may be entitled to such balance under relevant laws and regulations or be deposited by the Pledgee with a notary organ of the place of the Pledgee (any costs arising out of such deposit shall be borne by the Pledgee).

4.5 The Pledgee shall have the right to exercise, at its option, concurrently or successively, any of its breach of contract remedies; the Pledgee shall not be required to first exercise other breach of contract remedies prior to the exercise of its right to auction or sell the Pledged Interest hereunder.

ARTICLE V COSTS AND EXPENSES

5.1 All actual costs and expenses arising in connection with the creation of the Interest Pledge hereunder, including, without limitation, the stamp duty, any other taxes and all legal costs, shall be borne by the Parties severally.

ARTICLE VI CONTINUING GUARANTEE AND NON-WAIVER

6.1 The Interest Pledge created hereunder shall constitute a continuing guarantee and shall remain valid until full performance of the Contractual Obligations or full repayment of the Secured Indebtedness, whichever occurs later. Neither any waiver or grace granted by the Pledgee with respect to any breach by any Pledgor nor any delay of the Pledgee in its exercise of any of its rights under the Transaction Agreements and this Agreement shall affect the right of the Pledgee under this Agreement, relevant PRC Laws and the Transaction Agreements to require at any time thereafter the Pledgors to strictly perform the Transaction Agreements and this Agreement or any right that may be available to the Pledgee as a result of any subsequent breach by the Pledgors of the Transaction Agreements and/or this Agreement.

ARTICLE VII REPRESENTATIONS AND WARRANTIES BY THE PLEDGOR

Each Pledgor represents and warrants to the Pledgee that:

7.1 Each Limited Partner is a PRC citizen with full capacity; the General Partner is a limited liability company legally registered and validly existing in accordance with the PRC laws with independent legal personality. Each Pledgor has full and independent legal status and capacity to execute, deliver and perform this Agreement and may sue or be sued as an independent party.

7.2 All reports, documents and information provided by it to the Pledgee prior to the effectiveness of this Agreement with respect to all matters pertaining to such Pledgor or required by this Agreement are true, correct, complete and not misleading in all material respects as of the effectiveness of this Agreement.

7.3 All reports, documents and information provided by it to the Pledgee subsequent to the effectiveness of this Agreement with respect to all matters pertaining to such Pledgor or required by this Agreement are true and valid in all material respects as of the time of provision of the same.

7.4 As of the effectiveness of this Agreement, such Pledgor is the sole lawful owner of the Pledged Interest free from any ongoing or potential dispute or any third party claim as to the ownership thereof; and such Pledgor has the right to dispose of the Pledged Interest or any part thereof.

7.5 Other than the security interest created on the Pledged Interest hereunder and the rights created under the Transaction Agreements, the Pledged Interest is free from any other security interests, third party rights or interests or any other restrictions.

7.6 The Pledged Interest may be lawfully pledged and assigned, and such Pledgor

has full rights and powers to pledge the Pledged Interest to the Pledgee in accordance with the terms hereof.

7.7 Once duly executed by such Pledgor, this Agreement will constitute lawful, valid and binding obligations of such Pledgor.

7.8 Other than the registration of the Interest Pledge with the relevant administrative authority for market regulation, any consents, permissions, waivers or authorizations by any third party or any approval, license or exemption from or any registration or filing formalities with any governmental body (if required by law), requisite in each case for the execution and performance of this Agreement and the creation of the Interest Pledge hereunder, have been obtained or completed and will remain fully valid during the validity term hereof.

7.9 The execution and performance by such Pledgor of this Agreement do not violate or conflict with any law applicable to such Pledgor, any agreement to which such Pledgor is a party or by which he is bound, any court judgment, any arbitral award, or any decision of any administrative authority.

7.10 The pledge hereunder constitutes a first priority security interest on the Pledged Interest.

7.11 All taxes and costs payable in connection with the acquisition of the Pledged Interest have been paid in full by such Pledgor.

7.12 There are no pending, or to the knowledge of such Pledgor, threatened, suits, legal proceedings or claims before any court or arbitral tribunal or by any governmental body or administrative authority against such Pledgor or its property or the Pledged Interest having a material or adverse effect on the financial condition of such Pledgor or its ability to perform its obligations and the guarantee liability hereunder.

7.13 Each Pledgor hereby warrants to the Pledgee that the foregoing representations and warranties will remain true and correct and be fully complied with under all circumstances at any time prior to the full performance of the Contractual Obligations or full repayment of the Secured Indebtedness.

ARTICLE VIII REPRESENTATIONS AND WARRANTIES BY THE PARTNERSHIP

The General Partner and the Partnership represent and warrant to the Pledgee that:

8.1 The Partnership is a limited liability Partnership duly registered and lawfully existing under the PRC Laws; and has full and independent legal status and capacity to execute, deliver and perform this Agreement and may sue or be sued as an independent party.

8.2 All reports, documents and information provided by it to the Pledgee prior to the effectiveness of this Agreement with respect to all matters pertaining to the

Pledged Interest or required by this Agreement are true, correct, complete and not misleading in all material respects as of the effectiveness of this Agreement.

8.3 All reports, documents and information provided by it to the Pledgee subsequent to the effectiveness of this Agreement with respect to all matters pertaining to the Pledged Interest or required by this Agreement are true and valid in all material respects as of the time of provision of the same.

8.4 Once duly executed by it, this Agreement will constitute lawful, valid and binding obligations of the Partnership.

8.5 It has full internal corporate power and authority to execute and deliver this Agreement and all other documents to be executed by it in connection with the transactions contemplated hereunder as well as full power and authority to consummate the transactions contemplated hereunder.

8.6 There are no pending, or to the knowledge of the Partnership, threatened, suits, legal proceedings or claims before any court or arbitral tribunal or by any governmental body or administrative authority against the Pledged Interest, the Partnership or its assets having a material or adverse effect on the financial condition of the Partnership or the ability of the Pledgors to perform its obligations and the guarantee liability hereunder.

8.7 The Partnership hereby agrees to be severally and jointly liable to the Pledgee for the representations and warranties made by the Pledgors under Sections 7.4, 7.5, 7.6, 7.8 and 7.10 hereof.

8.8 The Partnership hereby warrants to the Pledgee that the foregoing representations and warranties will remain true and correct and be fully complied with under all circumstances at any time prior to the full performance of the Contractual Obligations or full repayment of the Secured Indebtedness.

ARTICLE IX UNDERTAKINGS BY THE PLEDGORS

The Pledgors hereby agree and irrevocably undertake to the Pledgee that:

9.1 Without prior written consent of the Pledgee, the Pledgors will not create or permit to be created any new pledge or any other security interest on the Pledged Interest, and any pledge or any other security interest created on all or part of the Pledged Interest without prior written consent of the Pledgee shall be null and void.

9.2 Without prior written notice to and prior written consent of the Pledgee, (i) the Pledgors will not assign or otherwise dispose of the Pledged Interest or request the Partnership to decrease its capital, and any of such actions taken by the Pledgors without prior consent of the Pledgee shall be null and void; (ii) the Pledgors will not assist or permit other existing partners (as applicable) to take any of the foregoing actions without prior written consent of the Pledgee. The proceeds received by the Pledgors from the assignment or other disposal of the Pledged Interest shall be first applied towards early full repayment of the

Secured Indebtedness to the Pledgee or deposited with a third party to be agreed with the Pledgee.

9.3 Should there arise any suit, arbitration or other claims which are likely to have an adverse effect on the interests of the Pledgors or the Pledgee under the Transaction Agreements and this Agreement or on the Pledged Interest, the Pledgors warrant that it will notify the Pledgee in writing of the same as soon as possible and without delay and will, in accordance with the reasonable request of the Pledgee, take all necessary actions to ensure the Pledgee's pledge rights and interests in and to the Pledged Interest.

9.4 The Pledgors warrant that it shall complete the business term extension registration formalities of the Partnership within three (3) months prior to the expiry of the business term of the Partnership such that the validity of this Agreement shall be maintained.

9.5 The Pledgors shall not do or permit to be done any act or action likely to have an adverse effect on the interests of the Pledgee under the Transaction Agreements and this Agreement or on the Pledged Interest.

9.6 The Pledgors will use its best efforts and take all necessary measures to register the Interest Pledge hereunder as soon as possible with the relevant administrative authority for market regulation after the execution of this Agreement, and the Pledgors warrant, in accordance with the reasonable request of the Pledgee, to take all necessary actions and execute all necessary documents (including, without limitation, any supplement hereto) to ensure the Pledgee's pledge rights and interests in and to the Pledged Interest as well as the exercise and realization by the Pledgee of such rights and interests.

9.7 Should the exercise of the pledge rights hereunder result in an assignment of any Pledged Interest, the Pledgors warrant that it will take all actions to realize such assignment.

9.8 The Pledgors ensure that the partner's resolutions adopted, convening procedures of, the methods of voting at and the contents of the partners' meeting (as applicable) and board meetings of the Partnership held in connection with the execution of this Agreement and the creation and exercise of the pledge rights hereunder shall not violate laws, administrative regulations or the articles of association of the Partnership.

9.9 Once the Pledgors know or should have known any possible transfer of the Pledged Interest held by him to any third parties other than the Pledgee or any individual or entity designated by the Pledgee as a result of applicable PRC Laws or any judgment or award rendered by a court or arbitral body or for any other reasons, it shall notify the Pledgee immediately and without delay.

9.10 Without prior written consent of the Pledgee, the Pledgors shall not take any measure to advise, claim or request amendment, revision, termination or change the limited partnership agreement of the Partnership, and shall not procure or agree the General Partner and/or the Partnership reach any ancillary

agreement or supplemental agreement with the Pledgors in respect of the limited partnership agreement of the Partnership.

ARTICLE X UNDERTAKINGS BY THE GENERAL PARTNER AND THE PARTNERSHIP

The General Partner and the Partnership hereby severally and jointly agree and irrevocably undertake to the Pledgee that:

10.1 The General Partner and the Partnership will use every effort to assist with the obtainment of any consents, permissions, waivers or authorizations by any third party or any approval, license or exemption from any governmental body or the completion of any registration or filing formalities with any governmental body (if required by law), requisite in each case for the execution and performance of this Agreement and the creation of the Interest Pledge hereunder, and the maintenance of the same in full force and effect during the validity term hereof.

10.2 Without prior written consent of the Pledgee, the General Partner and the Partnership will not assist or permit the Pledgors to create any new pledge or any other security interest on the Pledged Interest.

10.3 Without prior written consent of the Pledgee, (i) the Partnership will not assist or permit the Pledgors to assign or otherwise dispose of the Pledged Interest, (ii) the General Partner and the Partnership will not assist or permit withdrawal from the Partnership by the Pledgors, delisting the Pledgors from the Partnership, reduce the capital commitment to the Partnership or dissolution of the Partnership. Without limiting the foregoing, once the abovesaid disposal, withdrawal, delisting, reduction of capital commitment or dissolution occurs, the General Partner and the Partnership shall notify the Pledgee when they know or should have known such circumstances.

10.4 Without the prior written consent of the Pledgee, the General Partner and the Partnership shall not make the Pledgor receive any revenue distribution or return of the Partnership Interest for the Pledged Interest. The revenue distribution or return of the Partnership Interests that the Pledgor is entitled to receive due to the Pledged Interest shall be deposited in the designated account of the Pledgee, and the General Partner and the Partnership shall notify the Pledgee such revenue distribution and the return of the Partnership Interest.

10.5 Should there arise any suit, arbitration or other claims which are likely to have an adverse effect on the Partnership, the Pledged Interest or the interests of the Pledgee under the Transaction Agreements and this Agreement, the Partnership warrants that it will notify the Pledgee in writing of the same as soon as possible and without delay and will, in accordance with the reasonable request of the Pledgee, take all necessary actions to ensure the Pledgee’s pledge rights and interests in and to the Pledged Interest.

10.6 The Partnership warrants that it shall complete its business term extension registration formalities within three (3) months prior to the expiry of its

business term such that the validity of this Agreement shall be maintained.

10.7 The Partnership shall not do or permit to be done any act, action or omission likely to have an adverse effect on the interests of the Pledgee under the Transaction Agreements and this Agreement or on the Pledged Interest.

10.8 The General Partner and the Partnership will, during the first month of each calendar quarter, submit to the Pledgee the financial statements of the Partnership for the preceding calendar quarter, including, without limitation, the balance sheet, the income statement and the cash flow statement.

10.9 The Partnership warrants, in accordance with the reasonable request of the Pledgee, to take all necessary actions and execute all necessary documents (including, without limitation, any supplement hereto) to ensure the Pledgee's pledge rights and interests in and to the Pledged Interest as well as the exercise and realization by the Pledgee of such rights and interests.

10.10 Should the exercise of the pledge rights hereunder result in an assignment of any Pledged Interest, the Partnership warrants that it will take all actions to realize such assignment.

10.11 The Partnership covenants that it will assist the Pledgors to register the Interest Pledge hereunder with the competent administrative authority for market regulation of the Partnership as soon as possible after the execution of this Agreement and provide all necessary cooperation to complete such registration in a timely manner.

10.12 Once the Partnership knows or should have known any possible transfer of the Pledged Interest held by the Pledgors to any third parties other than the Pledgee or any individual or entity designated by the Pledgee as a result of applicable PRC Laws or any judgment or award rendered by a court or arbitral body or for any other reasons, it shall notify the Pledgee immediately and without delay.

10.13 Without prior written consent of the Pledgee, the General Partner shall not take any measure to advise, claim or request amendment, revision, termination or change the limited partnership agreement of the Partnership, and the General Partner and/or the Partnership shall not reach any ancillary agreement or supplemental agreement with the Pledgors in respect of the limited partnership agreement of the Partnership.

ARTICLE XI FUNDAMENTAL CHANGES OF CIRCUMSTANCES

11.1 As a supplementary agreement and without contravening other provisions of the Transaction Agreements and this Agreement, if, at any time, in the opinion of the Pledgee, as a result of any promulgation of or amendment to any PRC Laws, regulations or rules, or any change in the interpretation or application of such laws, regulations or rules, or any change in relevant registration procedures, the maintenance of the validity of this Agreement and/or the disposal of the Pledged Interest in the manner prescribed hereby becomes illegal or contravenes such laws, regulations or rules, the Pledgors and the

Partnership shall, based on the Pledgee's written instructions and in accordance with its reasonable request, immediately take any actions and/or execute any agreements or other documents so as to:

(a) maintain the validity of this Agreement;

(b) facilitate the disposal of the Pledged Interest in the manner prescribed hereby; and/or

(c) maintain or realize the security created or purported to be created hereunder.

ARTICLE XII EFFECTIVENESS AND TERM OF AGREEMENT

12.1 This Agreement shall become effective after duly executed by the parties; and

12.2 The term of this Agreement shall end when the Contractual Obligations have been fully performed or the Secured Indebtedness have been fully repaid, whichever is later.

ARTICLE XIII NOTICES

13.1 Any notice, request, demand and other correspondences required by or made pursuant to this Agreement shall be made in writing and delivered to the relevant Parties.

13.2 Such notice or other correspondences shall be deemed delivered when it is transmitted if transmitted by fax or email; or upon delivery if delivered in person; or two (2) days after posting if delivered by mail.

ARTICLE XIV MISCELLANEOUS

14.1 The Pledgors and the Partnership agree that the Pledgee may, immediately upon notice to the Pledgors and the Partnership, assign its rights and/or obligations hereunder to any third party; provided that without prior written consent of the Pledgee, neither the Pledgors nor the Partnership may assign their respective rights, obligations or liabilities hereunder to any third party.

14.2 The sum of the Secured Indebtedness determined by the Pledgee in its discretion in connection with its exercise of its pledge rights to the Pledged Interest in accordance with the terms hereof shall constitute the conclusive evidence for the Secured Indebtedness hereunder.

14.3 This Agreement is made in Chinese in five (5) originals, of which one (1) copy shall be held by the Partnership, one (1) copy shall be used for governmental approval/registration purposes and the three (3) copies shall be kept by the Pledgee.

14.4 The entry into, effectiveness and interpretation of, and resolution of disputes

under, this Agreement shall be governed by the PRC Laws.

14.5 Dispute Resolution

(a) All disputes arising out of or in connection with this Agreement shall be first settled by the relevant Parties through amiable consultations; if such Parties fail to resolve the dispute through consultations, the dispute shall be submitted to China Guangzhou Arbitration Commission ("**CGAC**") for arbitration according to CGAC arbitration rules in effect at the time of applying for arbitration. The seat of arbitration shall be in Guangzhou. The arbitration award shall be final and binding on the relevant Parties. Except as otherwise required by the arbitration award, the arbitration fees shall be borne by the losing party. The losing party shall also indemnify for the attorneys' fee and other expenses incurred by the winning party.

(b) Pending the resolution of such dispute, the Parties shall continue to perform the remaining provisions of this Agreement other than the disputed matters.

14.6 No right, power or remedy empowered to any Party by any provision of this Agreement shall preclude any other right, power or remedy enjoyed by such Party in accordance with law or any other provisions hereof and no exercise by a Party of any of its rights, powers and remedies shall preclude its exercise of its other rights, powers and remedies.

14.7 No failure or delay by a Party in exercising any right, power or remedy under this Agreement or laws ("**Party's Rights**") shall result in a waiver of such rights; and no single or partial waiver by a Party of the Party's Rights shall preclude such Party from exercising such rights in any other way or exercising the remaining part of the Party's Rights.

14.8 The section headings herein are inserted for convenience of reference only and shall in no event be used in or affect the interpretation of the provisions hereof.

14.9 Each provision contained herein shall be severable and independent of any other provisions hereof, and if at any time any one or more provisions hereof become invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions hereof shall not be affected thereby.

14.10 (i) Once executed, this Agreement shall replace any other legal documents previously entered into by the Parties in respect of the same subject matter hereof. To clarify, despite the foregoing agreement, all parties irrevocably promise, agree and recognize to sign a simplified version of interest pledge agreement ("**Simplified Pledge Agreement**"), only for the purpose of the pledge registration of the Partnership's competent administrative department for industry and commerce. If the simplified pledge agreement is inconsistent with this agreement, the agreement is not as clear as this agreement, or the simplified pledge agreement does not cover matters, this agreement shall

prevail. (ii) Any amendments or supplements to this Agreement shall be made in writing. Except for the transfer of rights hereunder by the Pledgee according to Section 14.1 hereof, such amendments or supplements shall become effective only if they are duly signed by the Parties hereto.

14.11 This Agreement shall be binding upon the legal assignees or successors of the Parties. The successors or permitted assignees (if any) of the Pledgors and the Partnership shall continue to perform the respective obligations of the Pledgors and the Partnership hereunder. The Pledgors warrant to the Pledgee that he has made all appropriate arrangements and executed all necessary documents to ensure that, in the event of its bankruptcy, dissolution or occurrence of other circumstances that might affect exercise of its partner rights, his legal assignee, successor, heir, creditor, liquidator, bankruptcy administrator and other persons that might consequently acquire the Partnership Interest or relevant rights cannot affect or impede the performance of this Agreement. For this purpose, the Pledgors and the Partnership shall promptly sign all other documents and take all other actions (including, without limitation, notarization of this Agreement) as required by the Pledgee.

14.12 Concurrently with the execution of this Agreement, the Pledgors shall execute a power of attorney ("**Power of Attorney**") in the form of Schedule 2 hereto, entrusting any nominee of the Pledgee to execute, on its behalf in accordance with this Agreement, any and all legal documents as may be required in order for the Pledgee to exercise its rights hereunder. Such Power of Attorney shall be submitted to the Pledgee for custody and may be presented by the Pledgee to relevant governmental authorities whenever necessary.

[THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK. EXECUTION PAGE FOLLOWS]

Pledgor:

Ting Li
/s/ Ting Li

Pledgor:

Lin Song
/s/ Lin Song

Pledgor:

Di Fu
/s/ Di Fu

Pledgor:

Guangzhou Xuancheng Internet Technology Co., Ltd. (seal)
/seal/ Guangzhou Xuancheng Internet Technology Co., Ltd.
/s/ Ting Li
Name: Ting Li
Title: Legal Representative

Partnership:

Guangzhou Xuanyi Internet Technology L.P. (seal)
/seal/ Guangzhou Xuanyi Internet Technology L.P.
Executive Partner:

Guangzhou Xuancheng Internet Technology Co., Ltd.
/seal/ Guangzhou Xuancheng Internet Technology Co., Ltd.
/s/ Ting Li

Pledgee:

Guangzhou Huanju Shidai Information Technology Co., Ltd. (seal)
/seal/ Guangzhou Huanju Shidai Information Technology Co., Ltd.
/s/ Ting Li
Name: Ting Li
Title: Legal Representative

Exhibit 4.44

Exclusive Service Agreement

This Exclusive Service Agreement (this "***Agreement***") is made and entered into by and between the following parties on December 9, 2020:

(1) **Guangzhou Xuanyi Internet Technology L.P.** ("***Party A***")
Registered address: Room 3202, No. 79 Wanbo Er Road, Nancun Town, Panyu District, Guangzhou Legal representative: Guangzhou Xuancheng Internet Technology Co., Ltd.

(2) **Guangzhou Huanju Shidai Information Technology Co., Ltd.** ("***Party B***")
Registered address: 23/F, Building B-1, North Block of Wanda Plaza, No. 79 Wanbo Er Road, Nancun Town, Panyu District, Guangzhou Legal representative: LI Ting

Each of Party A and Party B shall be hereinafter referred to as a "Party" respectively, and as the "Parties" collectively.

PREAMBLE

1. Party A is a limited partnership registered and validly existing in Guangzhou, China, which engages in software development; information technology consulting services; enterprise management consulting services; enterprise management services (except for business requires license); business information consulting;

2. Party B is a wholly-foreign-owned enterprise registered and validly existing in Guangzhou, China, which engages in software product development and production; computer technology development and technical services; information system integration services; information technology consulting services; software wholesale; software retail; computer retail; house leasing; computer wholesale; computer parts wholesale; technology import and export; business management consulting services; electronic, communication and automatic control technology research and development; retail of small accessories and small gifts; design services of animation and derivative products; retail of department stores (except retail of food and tobacco products); commodity wholesale trade (except for commodities involved in special management regulations and permits for foreign investment access); commodity retail trade (except for commodities involved in special management regulations and permits for foreign investment access); retail of textiles and knitwear; retail of electronic products; retail of stationery; retail of toys; retail of clothing; retail of luggage and bags; craftsmanship art retail (except cultural relics).

3. Party A needs Party B to provide services related to the Party A Business, and Party B agrees to provide such services to Party A.

NOW, THEREFORE, the Parties have reached the following agreements:

1. DEFINITIONS

1.1 Unless otherwise provided, in this Agreement:

Party A's Business means all business activities that Party A currently operates and operates at any time during the term of this Agreement.

Services means services exclusively provided by Party B to Party A with respect to the Party A's Business, which may include but without limitation:

(a) Approval of Party A to use the software related to the Party A's Business that Party B has legal rights;

(b) Providing economic information, computer technology, commercial and management consulting or advices for Party A;

(c) Providing business planning, design, marketing plan;

(d) Daily management, maintenance and update of hardware equipment and databases or software resources and customer resources;

(e) Providing comprehensive operation and solution plan in information technology/operation management required by Party A's business;

(f)Software development, maintenance, and update which the Party A's Business requires;

(g) Providing business training, support and assistance of relevant personnel of Party A;

(h) Other relevant services that are required to be provided by Party A from time to time.

Service Fee means all the fees Party A shall pay to Party B for the Services Party B provides subject to Section 3.

Annual Business Plan means according to this Agreement, the Party A's Business development plan and budget report for the next calendar year prepared by Party A before November 30 of each year, with the assistance of Party B.

Business Related Intellectual Property Rights means any and all intellectual property rights related to the Party A's business developed by Party A on the basis of the services provided by Party B under this agreement.

Confidential Information has the meaning assigned to it in Section 6.1.

Defaulting Party has the meaning assigned to it in Section 12.1.

Default has the meaning assigned to it in Section 12.1.

Such Party's Right has the meaning assigned to it in Section 14.5.

1.2 Any referring to any law or statutory provision under this Agreement shall be deemed to:

(a) also include referring to any revision, extension, combination and replacement related to such law or provision; and

(b) also include referring to orders, ordinances, instructions and other subordinate legislation promulgated in accordance with relevant law or provisions.

1.3 All references in this Agreement to designated "Sections" and other subdivisions are to the designated Sections and other subdivisions of the body of this Agreement unless explicitly stated otherwise

2. SERVICES

2.1 During the term of this Agreement, Party A hereby exclusively engages Party B to provide the Services, and Party B shall provide the Services to Party A diligently pursuant to the requirement of Party A's Business. Both Parties understand that, the actual Services provided by Party B shall be limited to the approved business scope of Party B; if the Services Party A requires exceed the approved business scope of Party B, Party B will apply for extension of its business scope under the maximum scope permitted by the laws, and will provide related Services after permission of such extension.

2.2 For the purpose of providing Services in accordance with this Agreement, Party B shall communicate with Party A and exchange various information related to the Party A's Business.

2.3 Notwithstanding any other provisions of this Agreement, Party B is entitled to appoint any third party to provide any or all of the Services under this Agreement, or perform any obligations under this Agreement on behalf of Party B. Party A hereby agrees that Party B has the right to transfer or assign the rights and obligations of Party B under this Agreement to any third party.

3. SERVICE FEE

3.1 The Party A shall pay Party B the Service Fee for the Services contemplated in this Agreement as following:

3.1.1 After mutual consents between both Parties, for the Services provided by Party B to Party A in each calendar year within the term of this agreement, Party A shall pay Party B the relevant Service Fee on an annual basis; and

3.1.2 With respect to the Service Fee incurred by the specific Services Party B provided as required by Party A from time to time, after mutual consents between both Parties, Party A shall pay the Service Fee separately.

3.2 Party B shall issue a payment notice and value-added tax invoice to Party A in a timely manner, and calculate on an annual basis. Party A shall pay the Service Fee to Party B within one (1) month upon the receipt of Party B's tax invoice.

3.3 Both Parties agree, without violating any mandatory requirement of any laws and regulations, the amount of the Service Fee and service scope as set forth in Section 3.1 and 3.2, may be confirmed and adjusted by both Parties in accordance with advices made by Party B from time to time.

3.4 The parties shall bear the taxes they shall pay and withhold the taxes (if any) in accordance with the applicable law.

4. PARTY A'S OBLIGATION

4.1 The Services provided by Party B is exclusive. During the term of this Agreement, without prior written consent of Party B, the Party A shall not enter into any agreement with any third party and accept any services identical or similar to the Services hereunder from any third party.

4.2 Party A shall provide the Annual Business Plan to Party B before November 30 of each year, to the extent that Party B could arrange Services plan and add necessary personnel and resources. If Party A requires personnel supplement temporarily, Party A shall negotiate with Party B with 15 days in advance to reach an agreement.

4.3 For better Services provided by Party B, Party A shall timely provide related materials that Party B requires.

4.4 Party A shall pay the Service Fee in a timely and sufficient manner in accordance with Section 3.

4.5 Party A should maintain its own good reputation, actively expand its business, and strive to maximize revenue.

4.6 During the term of this Agreement, Party A agrees to cooperate with Party B and Party B's parent company (including direct or indirect) to conduct related-party transaction audits and other audits, and provide Party B, its parent company, or its authorized auditors with information on Party A's operations, business, customers, finances, employees and other related information and materials, and agree that Party B's parent company shall disclose such information and materials in order to meet the regulatory requirements of the place where its securities are listed.

5. INTELLECTUAL PROPERTY RIGHTS

5.1 Party B shall have proprietary rights and interests in all rights, ownership, interests of the intellectual property rights it already has before entering into this Agreement, and created or arising out of providing of Services during the term of this Agreement.

5.2 Since the operation of Party A's Business depends on the Services provided by Party B under this Agreement, Party A agrees to the following arrangements regarding the Business Related Intellectual Property Rights developed by Party A on the basis of such Services:

(1) If the Business Related Intellectual Property Rights are developed by Party A entrusted by Party B, or obtained through cooperation between Party A and Party B, the ownership and the right to apply for related intellectual property rights shall belong to Party B.

(2) If the Business Related Intellectual Property Rights are independently developed and acquired by Party A, the ownership shall belong to Party A, provided that (A) Party A informs Party B of the details of the Business Related Intellectual Property Rights in a timely manner, and provides relevant information that Party B has reasonably requested; (B) If Party A wants to license or transfer such Business Related Intellectual Property Rights, Party A shall transfer to Party B or grant Party B an exclusive license prior to any third party, without violating the mandatory provisions of the laws of China, and Party B may use such Business Related Intellectual Property Rights within the scope of such transfer or license from Party A (but Party B has the right to decide whether to accept such transfer or license); Party A can only transfer or license the Business Related Intellectual Property Rights to a third party without offering more favorable conditions than which Party A offers to Party B (including but not limited to the transfer price or license fee) provided that Party B has waived the priority to purchase the ownership of the Business Related Intellectual Property Rights or the exclusive right to use the Business Related Intellectual Property Rights, and shall ensure that such third party fully complies with and performs the obligations of Party A under this Agreement; (C) Except for the circumstances mentioned in item (B) above, during the term of this Agreement, Party B has the right to purchase such Business Related Intellectual Property Rights; then Party A shall agree to Party B's such purchase request provided that there would be no violation of the mandatory provisions of the laws of China, and the purchase price shall be the lowest price allowed by the laws of China at that time.

5.3 If Party B is licensed to exclusively use the Business Related Intellectual Property Rights according to Section 5.2 (2) of this Agreement, such license shall be implemented in according with the following rules:

(1) Licensing period shall not be less than five (5) years (calculated from the effective date of relevant licensing agreement);

(2) The scope of license shall be the maximum scope as far as possible;

(3) Within the licensing period and scope of license, any other parties (include Party A) except Party B shall not use or license others to use the Business Related Intellectual Property Rights;

(4) Without prejudicing to Section 5.3 (3), Party A is entitled to, at its own discretion, license the Business Related Intellectual Property Rights to any other third parties;

(5) After expiration of licensing period, Party B is entitled to request the renewal of the license agreement and Party A shall agree to it. The terms of the license agreement shall remain unchanged, except for changes approved by Party B.

5.4 Notwithstanding Section 5.2 (2) above, if any Business Related Intellectual Property Rights described in such Section can be valid only after registration of ownership under applicable laws, then the application for registration of ownership shall be implemented in according with the following rules:

(1) Party A shall obtain prior written consent from Party B if Party A would apply for registration of ownership with regard to any Business Related Intellectual Property Rights described in such Section;

(2) Party A can only apply for registration of ownership on its own or transfer such right of applying for registration of ownership to a third party when Party B waives its right to purchase the right to apply for registration of ownership of the Business Related Intellectual Property Rights. In the case where Party A transfers the aforementioned right to apply for registration of ownership to a third party, Party A shall ensure that such third party will fully comply with and perform the obligations that Party A shall perform under this Agreement; meanwhile, the terms and conditions of the transfer (including but not limited to the transfer price) which Party A transfer the right to apply for registration of ownership to a third party shall not be more favorable than the terms and conditions proposed to Party B in accordance with Section 5.4 (3).

(3) During the term of this Agreement, Party B may request Party A to file an application for the registration of ownership of such Business Related Intellectual Property Rights at any time, and decide on its own whether to purchase the right to apply for such registration of ownership. Upon request of Party B, Party A shall transfer the right to apply for registration of ownership to Party B at that time, without violating the mandatory provisions of the laws of China, at the lowest price allowed by the laws of China; after Party B has obtained the right to apply for registration of ownership of the Business Related Intellectual Property Rights, filed the registration of ownership and completed the registration, Party B shall be the legal owner of such registration of ownership.

5.5 Both Parties respectively warrants to each other that they will compensate the other Party for any and all economic losses due to any infringement of the intellectual property rights of any third party.

6. CONFIDENTIALITY

6.1 Regardless of whether this Agreement is terminated or not, both parties shall strictly keep confidential the trade secrets, proprietary information, customer information and other confidential information of the other Party obtained during the execution and performance of this Agreement. Without the prior written consent from the disclosing Party, or mandatorily required to be disclosed to third party by relevant laws and regulations or the requirements of the listing place of a Party's related company, the receiving Party should not disclose any confidential information to any third party; unless for the purpose of performance of this Agreement, the receiving Party should not use or indirectly use any confidential information.

6.2 Confidential information shall not include information:

(a) is known to the Receiving Party prior to disclosure by the disclosing Party as demonstrated by documentary evidence;

(b) is or becomes available to the public other than as a result of the receiving Party's fault; or

(c) information obtained legally by the receiving Party from other sources after receiving confidential information.

6.3 The receiving Party may disclose confidential information to its relevant employees, agents or professionals engaged, provided the receiving Party shall ensure the abovementioned personnel be in compliance with the relevant terms and conditions of this Agreement and be liable for any responsibilities incurred by breach of the relevant terms and conditions of this Agreement by the abovementioned personnel.

6.4 Notwithstanding any other terms of this Agreement, this section shall still be valid and binding upon the termination of this Agreement.

7. REPRESENTATIONS AND WARRANTIES OF PARTY A

Party A represents and warrants to Party B as follows:

7.1 It is a limited liability company legally registered and validly existing in accordance with the PRC laws and has independent legal capacity; has complete and independent legal status and legal capacity to sign, deliver and perform this Agreement, and can independently act as a party to a litigation.

7.2 It has the full internal power and authorization to sign and deliver this Agreement and all other documents that it will sign related to the transactions described in this Agreement, and it has the full power and authorization to complete the transactions described in this Agreement. This Agreement is legally and appropriately signed and delivered by it. This Agreement constitutes the Party A's legal, valid and binding obligations, and shall be enforceable against it.

7.3 It shall promptly inform Party B of circumstances that have caused or may cause a material adverse effect on the Party A's Business and its operations, and shall use its best effort to prevent the occurrence of such circumstances and/or the expansion of losses.

7.4 Without the written consent of Party B, Party A will not, in any form, dispose of Party A's material assets, nor will it change Party A's existing equity structure.

7.5 Upon being effective of this Agreement, Party A has obtained all necessary business license, competent rights and qualification to conduct Party A's Business now engaged in the territory of China;

7.6 Once Party B submits a written request, Party A will use all accounts receivables and/or all other assets that are legally owned and can be disposed of at that time, in a manner permitted by law, as guarantee of payment obligation of the Service Fee set forth in Section 3 of this Agreement.

7.7 Without the written consent of Party B, Party A shall not enter into any other agreement or arrangement that conflicts with this Agreement or may damage Party B's rights and interests under this Agreement.

8. REPRESENTATIONS AND WARRANTIES OF PARTY B

Party B represents and warrants to Party A as follows:

8.1 It is a limited liability company legally registered and validly existing in accordance with the PRC laws and has independent legal capacity; has complete and independent legal status and legal capacity to sign, deliver and perform this Agreement, and can independently act as a party to a litigation.

8.2 It has the full internal power and authorization to sign and deliver this Agreement and all other documents that it will sign related to the transactions described in this Agreement, and it has the full power and authorization to complete the transactions described in this Agreement. This Agreement is legally and appropriately signed and delivered by it. This Agreement constitutes the Party B's legal, valid and binding obligations, and shall be enforceable against it.

9. TERM

9.1 This Agreement takes effect as of the date of execution. Unless otherwise provided in this Agreement, or this Agreement terminated by Party B in writing, the term of this Agreement shall be twenty (20) years. After the expiration of this Agreement, unless Party B informs Party A 30 days in advance that this Agreement will not be renewed, this Agreement will be automatically renewed for one year after the expiration of the term, and so on.

9.2 If Party A or Party B fails to complete the approval and registration procedures for extending the business term at the expiration of the business term, this Agreement shall be terminated on the date when the business term of Party A or B expires. Both Parties shall complete the approval and registration procedures for extending the business term within three months before the expiration of their respective business term, to the extent that the term of this Agreement could be extended.

9.3 After the termination of this Agreement, both Parties shall still abide by their obligations under Section 6 of this Agreement.

10. INDEMNIFICATION

The Party A shall indemnify and hold harmless Party B from all the losses including but not limited to any losses caused by any lawsuit, claims, arbitration, damages by any third party or governmental investigation and penalties against Party B arising from providing the Services. However, if the losses are caused by Party B's willful conduct or gross negligence, such losses shall not be included in the indemnification.

11. NOTICE

11.1 All the notices, request, requirement and other communications pursuant to this Agreement shall be delivered to the relevant Party in written form.

11.2 Abovesaid notices or other notices if given by facsimile transmission or e-mail, shall be deemed effectively given upon successful transmission; if given by person, shall be deemed effectively given upon delivery by person; if given by post, shall be deemed effectively given on the date after two (2) days from posting.

12. DEFAULT

12.1 Both Parties agree and confirm that, if any Party ("**Defaulting Party**") materially violates any of the terms under this Agreement, or fails to perform, incompletely perform or delays the performance of any of the obligations under this Agreement, it shall constitute a breach of this Agreement ("**Default**"). The other Party has the right to request Defaulting Party to make amendments or remedies within reasonable period. If the Defaulting Party fails to make amendments or remedies within reasonable period or ten (10) days after the other Party sends a written notice to Party B and requests for amendments, and if Party A is the Defaulting Party, then Party B is entitled to decide at its own discretion: (1) to terminate this Agreement, and requires Defaulting Party to compensate all the losses; or (2) requires the mandatory performance of Defaulting Party 's obligations under this Agreement, and requires the Defaulting Party to compensate all the losses; if Party B is the Defaulting Party, then Party A is entitled to require the performance of the Defaulting Party 's obligations under this Agreement, and require the Defaulting Party to compensate all the losses.

12.2 Notwithstanding the foregoing Section 12.1, both Parties agree and confirm that, except as otherwise provided by law, Party A shall not unilaterally terminate this Agreement in any circumstances.

12.3 Notwithstanding any other terms of this Agreement, the validity of this Section 12 shall not be affected by the termination of this Agreement.

13. FORCE MAJEURE

If the performance of this Agreement by any Party is affected or any Party delays or fails to perform its obligation hereunder due to earthquake, typhoon, flood, fire, war, computer virus, design vulnerabilities

of instrumental software, hacker attack on internet, modification of governmental policy or laws, and other exceptional situation that cannot be overcome or avoided by the Parties and cannot be foreseen by the Party alleged to be affected by such force majeure, the Party being affected shall immediately notify the other Party by facsimile and provide proof of the details of the force majeure and the reasons why this Agreement cannot be implemented or the performance needs to be delayed. Such proof documents must be issued by a notary institution in the jurisdiction where the force majeure occurred. Based on the extent of the force majeure event's impact on the performance of this Agreement, the two Parties shall negotiate whether the performance of this Agreement should be partially waived or postponed. Neither Party shall be liable for compensation for the economic losses caused to both Parties by the force majeure event.

14. MISCELLANEOUS PROVISIONS

14.1 This Agreement is executed in the Chinese language. This Agreement may be executed in five (5) counterparts, which Party A keeps one (1) counterpart, one (1) counterpart for governmental approval or registration, and Party B keeps other three (3) counterparts.

14.2 This Agreement, including the execution, validity, performance, interpretation and dispute resolution of this Agreement, shall be governed by and construed in accordance with the laws of China

14.3 Dispute Resolution

14.3.1 The Parties shall firstly attempt to resolve any and all disputes arising out of or relating to this Agreement through friendly consultations. If a dispute is not resolved through friendly consultations, then each Party may submit the dispute to Guangzhou Arbitration Commission for arbitration in accordance with then effective arbitration rules of such commission. The arbitration shall be conducted in Guangzhou. The award of the arbitration tribunal shall be final and binding upon the Parties. The costs of arbitration shall be borne by the losing Party, unless otherwise determined by the arbitration tribunal.

14.3.2 When any dispute is under arbitration, except for the matters in dispute, the Parties shall continue to fulfil their respective obligations under this Agreement.

14.4 Any rights, powers and remedies granted to both Parties by any terms of this Agreement shall not exclude any other rights, powers or remedies that the Party is entitled to in accordance with the laws and other terms under this Agreement, and one Party's exercise of its rights, powers and remedies does not preclude such Party from exercising other rights, powers and remedies.

14.5 A Party's failure to exercise or delay in exercising any of its rights, powers and remedies ("**Such Party's Rights**") under this Agreement or the laws will not result in the waiver of such rights, and any single or partial waiver of Such Party's Rights will not exclude such Party's exercise of such rights in other manner and the exercise of other Such Party's Rights.

14.6 The titles of the sections and subsections of this Agreement are for convenience of reference only and are not to be considered in construing this Agreement.

14.7 Each provision of this Agreement shall be severable and independent. If any single or multiple provisions hereof become invalid, illegal or unenforceable in any aspect, the validity, legality and enforceability of the remaining provisions of this Agreement shall not be affected in any aspect.

14.8 This Agreement once executed shall supersede all prior agreements both Parties executed before, with respect to the subject matter hereof and thereof. Any amendment and supplements to this Agreement shall be made in writing, and only takes effect after the execution by all Parties hereunder, except for Party B's transfer of its rights under Section 14.9 of this Agreement.

14.9 Without the prior written consent of Party B, Party A has no right to transfer or assign any of its rights and obligations hereunder to any third party. Party A hereby agrees that Party B may transfer its rights and obligations under this Agreement to a third party, and that Party B only needs to send a written notice to the Party A of such transfer, and there is no need to obtain consent from the Party A for such transfer.

14.10 This Agreement shall be binding upon the respective successors, assigns, creditors and other person who may acquire the equity or relevant rights of the Parties.

14.11 The taxes applicable to the execution and performance of this Agreement shall be borne by the respective Party.

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This page is the signature page of the Exclusive Service Agreement of Guangzhou Xuanyi Internet Technology L.P.

Party A:

Guangzhou Xuanyi Internet Technology L.P. (seal)
/seal/ Guangzhou Xuanyi Internet Technology L.P.
Executive Partner:
Guangzhou Xuancheng Internet Technology Co., Ltd. (seal)
/seal/ Guangzhou Xuancheng Internet Technology Co., Ltd.
/s/ Ting Li

This page is the signature page of the Exclusive Service Agreement of Guangzhou Xuanyi Internet Technology L.P.

Party B:

Guangzhou Huanju Shidai Information Technology Co., Ltd. (seal)
/seal/ Guangzhou Huanju Shidai Information Technology Co., Ltd.
/s/ Ting Li
Name: Ting Li
Title: Legal Representative

Exclusive Option Agreement

This Exclusive Option Agreement (this "***Agreement***"), dated December 9, 2020, is entered into by and between:

1. **Ting Li:**
   Identity Card Number: ***

2. **Lin Song:**
   Identity Card Number: ***

3. **Di Fu:** (together with Ting Li and Lin Song, collectively as the"***Limited Partners***"**):**
   Identity Card Number: ***

4. **Guangzhou Xuancheng Internet Technology Co., Ltd.** (the "**General Partner**", together with the Limited Partners, collectively as "***Existing Partners***")
   Registered address: Room 3201, No. 79 Wanbo Er Road, Nancun Town, Panyu District, Guangzhou
   Legal representative: Ting Li

5. **Guangzhou Xuanyi Internet Technology L.P.** (the "**Partnership**")
   Registered address: Room 3202, No. 79 Wanbo Er Road, Nancun Town, Panyu District, Guangzhou
   Executive Partner: Guangzhou Xuancheng Internet Technology Co., Ltd.

6. **Guangzhou Huanju Shidai Information Technology Co., Ltd.** ("***WFOE***")
   Registered address: 23/F, Building B-1, North Block of Wanda Plaza, No. 79 Wanbo Er Road, Nancun Town, Panyu District, Guangzhou
   Legal representative: Ting Li

The parties above shall be hereinafter individually referred to as a "Party"; collectively, the "Parties".

PREAMBLE

1. The Existing Partners are the registered partners of the Partnership and holds all the interests of the Partnership. As of the date hereof, the capital commitment and percentage of the capital commitment to the Partnership is shown as Exhibit A.

2. The Existing Partners intend to transfer all of their interests in the Partnership to the WFOE and/or its designated entities and/or individuals without violating the PRC Laws, and the WFOE intends to accept such transfer by itself or other entities and/or individuals appointed by it.

3. The Partnership intends to transfer all of the assets held by it to the WFOE and/or its designated entities and/or individuals without violating the PRC Laws, and the WFOE intends to accept such transfer by itself or other entities and/or individuals appointed by it.

4. The Partnership and the Existing Partners intend to reduce the capital commitment of the Partnership (including withdrawal from the Partnership), and the partners intend to accept the capital commitment by the WFOE and/or its designated entities and/or individuals without violating the PRC Laws, and the WFOE intends to subscribe such capital by itself or other entities and/or individuals appointed by it.

5. In order to fulfill the above-mentioned Partnership interests transfer or asset transfer, the Existing Partners and the Partnership agree to separately and exclusively grant irrevocable Partnership Interests Purchase Option (as defined below) and Assets Purchase Option (as defined below) to the WFOE. According to such Partnership Interests Purchase Option and Assets Purchase Option, subject to the PRC Laws, the Existing Partners or the Partnership shall, in accordance with the requirements of the WFOE, transfer the Option Partnership Interests or Partnership Assets (as defined below) to the WFOE and/or any other entity and/or individual designated by the WFOE in accordance with the provisions of this Agreement; in order to fulfill the above-mentioned capital commitment reduction of the Partnership and the capital subscription of the Partnership by the WFOE, the Existing Partners and the Partnership agree to grant an irrevocable Capital Subscription Option to the WFOE. According to such Capital Subscription Option, subject to the PRC Laws, the Partnership shall, in accordance with the requirements of the WFOE, reduce the capital commitment of the Partnership, and the Subscription Capital (as defined below) shall be subscribed by the WFOE and/or any other entity and/or individual designated by the WFOE in accordance with the provisions of this Agreement.

6. The Partnership agrees the Existing Partners to grant the WFOE the Partnership Interests Purchase Option (as defined below) pursuant to the terms and conditions of this Agreement.

7. The Existing Partners agrees the Partnership to grant the WFOE the Assets Purchase Option (as defined below) pursuant to the terms and conditions of this Agreement.

8. The Partnership and the Existing Partners agree to grant the WFOE the Capital Subscription Option (as defined below) pursuant to the terms and conditions of this Agreement.

NOW, THEREFORE, the Parties agree as follows through negotiations:

1. DEFINITIONS

1.1 Definitions. Unless otherwise provided, in this Agreement:

PRC Laws means the then effective laws, administrative regulations, local regulations, judicial interpretation and other binding regulatory documents of the People's Republic of China.

Partnership Interests Purchase Option means the option to purchase the interests of the Partnership granted by the Existing Partners to the WFOE pursuant to the terms and conditions of this Agreement.

Assets Purchase Option means the option to purchase the assets of the Partnership granted by the Partnership to the WFOE pursuant to the terms and conditions of this Agreement.

Capital Subscription Option means the option to request the partners reduce its capital commitment to the Partnership (the amount shall be part of or all of the Option Partnership Interests (as defined below)), and to subscribe Subscription Capital of the Partnership and join the Partnership by the WFOE or other entities and/or individuals appointed by it .

Option Partnership Interests means all the interests of the Partnership Capital Commitment (as defined below) held by the Existing Partners, namely the shares of 100% of the Partnership Capital Commitment.

Partnership Capital Commitment means as the date hereof, the capital commitment of the Partnership at the amount of RMB1,000,000, also include the increased capital commitment by any form of capital increase during the term of this Agreement.

Transfer Partnership Interests means when the WFOE exercises its Partnership Interests Purchase Option, it is entitled to require the Existing Partners to transfer the interests of the Partnership to it and/or its designated entity and/or individual in accordance with the provisions of Section 3 of this Agreement. The number of which may be all or part of the Option Partnership Interests, and the specific number shall be freely determined by the WFOE in accordance with the PRC laws and its own commercial considerations.

Transfer Assets means when the WFOE exercises its Assets Purchase Option, it is entitled to require the Partnership to transfer the assets of the Partnership to it and/or its designated entity and/or individual in accordance with the provisions of Section 3 of this Agreement. It may be all or part of the Partnership Assets, and shall be freely determined by the WFOE in accordance with the PRC laws and its own commercial considerations.

Subscription Capital means when the WFOE exercises its Capital Subscription Option before or after the reduction of capital commitment of the Partnership, the WFOE and/or its designated entity and/or individual is entitled to subscribe the capital of the Partnership in accordance with the provisions of Section 3 of this Agreement. The specific number of which shall be freely determined by the WFOE in accordance with the PRC laws and its own commercial considerations.

Exercise means the WFOE exercises its Partnership Interests Purchase Option, Assets Purchase Option and Capital Subscription Option .

Transfer Price means in each Exercise, all the considerations that need to be paid by the WFOE and/or its designated entity and/or individual to the Existing Partners or the Partnership in order to obtain the Transfer Partnership Interests or Transfer Assets.

Returned Interests means in each Exercise, all the considerations that the Partnership needs to pay to the Existing Partners in respect of the reduction of Partnership Capital Commitment.

Subscription Price means in each Exercise, all the considerations that need to be paid by the WFOE and/or its designated entity and/or individual to the Partnership for subscription of the Subscription Capital.

Business License means any approvals, permits, filings and registrations that the Partnership must hold in order to operate all its businesses legally and effectively, including but not limited to "Partnership Business License" and other relevant permits and licenses required by the PRC Laws then.

Partnership Assets means all the tangible and intangible assets the Partnership owned or has the right to dispose, including but not limited to any real estate, moveable properties, and intellectual properties such as trademarks, copyrights, patents, domain names, software use rights.

Material Contracts means the contracts Partnership as a party have material effects on the Partnership's business or assets, including but not limited to the Exclusive Service Agreemen signed by the Partnership and the WFOE simultaneously with this Agreement and other material contracts about the Partnership's business.

Exercise Notice has the meaning assigned to it in Section 3.9.

Confidential Information has the meaning assigned to it in Section 8.1.

Defaulting Party has the meaning assigned to it in Section 11.1.

Default has the meaning assigned to it in Section 11.1.

Non-defaulting Party has the meaning assigned to it in Section 11.1.

Such Party's Right has the meaning assigned to it in Section 12.5.

1.2 Any referring to any law or statutory provision under this Agreement shall be deemed to:

(a) also include referring to any revision, extension, combination and replacement related to such law or provision; and
(b) also include referring to orders, ordinances, instructions and other subordinate legislation promulgated in accordance with relevant law or provisions.

1.3 All references in this Agreement to designated "Sections" and other subdivisions are to the designated Sections and other subdivisions of the body of this Agreement unless explicitly stated otherwise

2. GRANT OF PARTNERSHIP INTERESTS PURCHASE OPTION, ASSETS PURCHASE OPTION AND CAPITAL SUBSCRIPTION OPTION

2.1 The Existing Partners hereby agree to exclusively grant an irrevocable Partnership Interests Purchase Option to the WFOE without any additional condition. According to such Share Purchase Option, subject to the PRC Laws, the WFOE is entitled to require the Existing Partners transfer the Option Partnership Interests to the WFOE and/or any other entity and/or individual designated by the WFOE at any time (including but not limited to when the WFOE, after its independent judgment, believes that the Existing Partners are at risk of transferring all or part of the Option Partnership Interests they hold to any third party in accordance with the requirements of the PRC Laws, other than to the WFOE and/or its designated entity and/or individual) in accordance with the provisions of this Agreement. The WFOE agrees to accept such Partnership Interests Purchase Option.

2.2 The Partnership hereby agrees the Existing Partners grant such Partnership Interests Purchase Option to the WFOE in accordance with the Section 2.1 above and other provisions of this Agreement.

2.3 The Partnership hereby agrees to exclusively grant an irrevocable Assets Purchase Option to the WFOE without any additional condition. According to such Assets Purchase Option, subject to the PRC Laws, the WFOE is entitled to require the Partnership transfer all of or part of the Partnership Assets to the WFOE and/or any other entity and/or individual designated by the WFOE at any time (including but not limited to when the WFOE, after its independent judgment, believes that the Existing Partners are at risk of transferring all or part of the Option Partnership Interests they hold to any third party in accordance with the requirements of the PRC Laws, other than to the WFOE and/or its designated entity and/or individual) in accordance with the provisions of this Agreement. The WFOE agrees to accept such Assets Purchase Option.

2.4 The Existing Partners hereby agree the Partnership grant such Assets Purchase Option to the WFOE in accordance with the Section 2.3 above and other provisions of this Agreement.

2.5 The Existing Partners and the Partnership hereby severally and jointly agree, to exclusively grant an irrevocable Capital Subscription Option to the WFOE without any additional condition. According to such Share Subscription Option, subject to the PRC Laws, the WFOE is entitled to require the partners reduce its capital commitment to the Partnership at any time (including but not limited to when the WFOE, after its independent judgment, believes that the Existing Partners are at risk of transferring all or part of the Option Partnership Interests they hold to any third party in accordance with the requirements of the PRC Laws, other than to the WFOE and/or its designated entity and/or individual) , and the WFOE and/or any other entity and/or individual designated by the WFOE is entitled to subscribe the Subscription Capital and join the Partnership in accordance with the provisions of this Agreement. The WFOE agrees to accept such Capital Subscription Option.

3. Exercise Methods

3.1 Subject to the terms and conditions of this Agreement, as permitted by the PRC Laws, the WFOE has absolute discretion to determine the specific time, method and frequency of Exercise.

3.2 Subject to the terms and conditions of this Agreement, the WFOE has the right to request the purchase of all or part of the Partnership’s interests from the Existing Partners by itself and/or through

other entities and/or individuals designated by the WFOE at any time without violating the PRC laws then effective.

3.3 Subject to the terms and conditions of this Agreement, the WFOE has the right to request the purchase of all or part of the Partnership's assets from the Partnership by itself and/or through other entities and/or individuals designated by the WFOE at any time without violating the PRC laws then effective.

3.4 Subject to the terms and conditions of this Agreement, the WFOE has the right to request the partners reduce their capital commitment of the Partnership, and to subscribe the Subscription Capital and join the Partnership by itself and/or through other entities and/or individuals designated by the WFOE at any time without violating the PRC laws then effective.

3.5 As for the Partnership Interests Purchase Option , at each Exercise, the WFOE has the right to decide the number of partnership interests that the Existing Partners should transfer to the WFOE and/or through other entities and/or individuals designated by the WFOE during such Exercise, and the Existing Partners shall respectively transfer the Transfer Partnership Interests to the WFOE and/or through other entities and/or individuals designated by the WFOE according to the number required by the WFOE. The WFOE and/or through other entities and/or individuals designated by the WFOE shall pay the Transfer Price to the Existing Partners who have transferred the Transfer Partnership Interests in respect of the Transfer Partnership Interests purchased in each Exercise.

3.6 As for the Assets Purchase Option, at each Exercise, the WFOE has the right to decide the specific Partnership Assets that the Partnership should transfer to the WFOE and/or through other entities and/or individuals designated by the WFOE during such Exercise, and the Partnership shall transfer the Transfer Assets to the WFOE and/or through other entities and/or individuals designated by the WFOE according to the number required by the WFOE. The WFOE and/or through other entities and/or individuals designated by the WFOE shall pay the Transfer Price to the Partnership in respect of the Transfer Assets purchased in each Exercise.

3.7 As for the Capital Subscription Option , at each Exercise, the Partnership shall confirm the amount of capital commitment which shall be reduced in such Exercise pursuant to the request of the WFOE, the WFOE has the right to decide the Existing Partners reduce their capital commitment to the Partnership, and the Partnership and the Existing Partners shall reduce capital commitment of the Partnership pursuant to the request of the WFOE; concurrently, the WFOE has the right to decide the number of the Subscription Capital to be subscribed by the WFOE and/or through other entities and/or individuals designated by the WFOE, and the Partnership shall accept the subscription of the Subscription Capital from the WFOE and/or through other entities and/or individuals designated by the WFOE according to the request of the WFOE. The Partnership shall pay the Returned Interests to the Partnership in respect of the capital commitment reduced in respect of the capital reduction in each Exercise. The WFOE and/or through other entities and/or individuals designated by the WFOE shall pay the Subscription Price to the Partnership in respect of the Subscription Capital subscribed in each Exercise.

3.8 At each Exercise, the WFOE could purchase the Transfer Partnership Interests, Transfer Assets or subscribe the Subscription Capital by itself, and could designate any third party to purchase all or part of the Transfer Partnership Interests, Transfer Assets or subscribe all or part of the Subscription Capital.

3.9 At each time the WFOE decide the Exercise, it shall delivery to the Existing Partners and/or the Partnership a Partnership Interests Purchase Option exercise notice, Assets Purchase Option exercise notice or Capital Subscription Option exercise notice (the "Exercise Notice", in the form respectively set forth in Exhibit B, Exhibit C and Exhibit D). Upon receipt of the Exercise Notice, the Existing Partners or the Partnership shall immediately transfer the Transfer Partnership Interests or Transfer Assets to the WFOE and/or through other entities and/or individuals designated by the WFOE in one time in accordance with the method described in Section 3.5 or 3.6 of this Agreement, or shall reduce the capital commitment of the Partnership in the manner described in Section 3.7, and the Subscription Capital shall be subscribed by the WFOE and/or through other entities and/or individuals designated by the WFOE.

4. TRANSFER PRICE, RETURNED CAPITAL AND SUBSCRIPTION PRICE

4.1 As for the Partnership Interests Purchase Option , at each Exercise, the total Transfer Price that the WFOE and/or through other entities and/or individuals designated by the WFOE should pay to the Existing Partners shall be the actual paid-in capital contribution corresponding to the relevant Transfer Partnership Interests in the Partnership's registered capital. If the minimum price allowed by the PRC Laws at that time is higher than the aforementioned actual paid-in capital, the minimum price allowed by the PRC Laws shall prevail. Under the premise of complying with the PRC Laws, the Existing Partners shall immediately return and gift it to the WFOE and/or its designated entity after receiving the Transfer Price.

4.2 As for the Assets Purchase Option, at each Exercise, the total Transfer Price that the WFOE and/or through other entities and/or individuals designated by the WFOE should pay to the Existing Partners shall be the net book value of the relevant assets. If the minimum price allowed by the PRC Laws at that time is higher than the aforementioned net book value, the minimum price allowed by the PRC Laws shall prevail. Under the premise of complying with the PRC Laws, the Existing Partners shall immediately return and gift it to the WFOE and/or its designated entity after receiving the Transfer Price.

4.3 As for the Share Subscription Option, at each Exercise, the Partnership shall pay the Returned Interests to the Existing Partners who have reduced their capital commitment to the Partnership. The amount of the Returned Interests shall be the reduced actual paid-up amount of the capital commitment by the partners. If the minimum price allowed by the PRC Laws at that time is higher than the aforementioned Returned Interests , the minimum price allowed by the PRC Laws shall prevail; and the total Subscription Price that WFOE and/or through other entities and/or individuals designated by the WFOE should pay to the Partnership for the subscription of Subscription Capital is the Returned Interests paid to the Existing Partners when the Partnership reduces its capital commitment and the registered capital that the Existing Partners have not paid to the Partnership at the time of capital reduction (if any), unless the WFOE and the Partnership agree otherwise. Under the premise of complying with the PRC

Laws, the Existing Partners shall immediately return and gift it to the WFOE and/or its designated entity after receiving the Returned Interests.

4.4 All taxes and fees arising from the Exercise of the Partnership Interests Purchase Option , Assets Purchase Option or Capital Subscription Option under this Agreement in accordance with applicable laws, shall be paid by each Party or withheld in accordance with the laws.

5. REPRESENTATIONS AND WARRANTIES

5.1 The Existing Partners represent and warrant as follows:

(a) Each Limited Partner is a PRC citizen with full capacity; the General Partner is a limited liability company legally registered and validly existing in accordance with the PRC laws. Each Existing Partners has complete and independent legal status and legal capacity to execute, deliver and perform this Agreement, and can independently act as a party to a litigation.

(b) The Partnership is a limited partnership legally registered and validly existing in accordance with the PRC Laws; it has complete and independent legal status and legal capacity to execute, deliver and perform this Agreement, and can independently act as a party to a litigation.

(c) Each Existing Partner has the full internal power and authorization to sign and deliver this Agreement and all other documents that they will sign related to the transactions described in this Agreement, and it has the full power and authorization to complete the transactions described in this Agreement.

(d) This Agreement constitutes the Existing Partners' legal, valid and binding obligations, and shall be enforceable against them.

(e) The Existing Partners are the registered legal owner of the Option Partnership Interests when this Agreement becomes effective. Except for the Partnership Interests Purchase Option , Capital Subscription Option , the pledge contemplated in the Partnership Interests Pledge Agreement by and among the Partnership, the WFOE and the Existing Partners dated [ ], 2020 and the entrustment contemplated in the Partner Voting Rights Proxy Agreement dated [ ], 2020 , there is no liens, pledges, claims and other security rights and third-party rights on the Option Partnership Interests. According to this Agreement, after the Exercise by the WFOE and/or through other entities and/or individuals designated by the WFOE, it can obtain good ownership of the Transfer Partnership Interests without any lien, pledge, claim, other security rights and third-party rights.

(f) Except for the Assets Purchase Option, there is no liens, pledges, claims and other security rights and third-party rights on the Partnership Assets. According to this Agreement, after the Exercise by the WFOE and/or through other entities and/or individuals designated by the

WFOE, it can obtain good ownership of the Partnership Assets without any lien, pledge, claim, other security rights and third-party rights.

5.2 The Partnership represents and warrants as follows:

(a) The Partnership is a limited partnership legally registered and validly existing in accordance with the PRC Laws; has complete and independent legal status and legal capacity to execute, deliver and perform this Agreement, and can independently act as a party to a litigation.

(b) The Partnership has the full internal power and authorization to sign and deliver this Agreement and all other documents that it will sign related to the transactions described in this Agreement, and it has the full power and authorization to complete the transactions described in this Agreement.

(c) This Agreement is legally and duly executed and delivered by the Partnership. This Agreement constitutes the Partnership's legal, valid and binding obligations, and shall be enforceable against it.

(d) Except for the Assets Purchase Option, there is no liens, pledges, claims and other security rights and third-party rights on the Partnership Assets. According to this Agreement, after the Exercise by the WFOE and/or through other entities and/or individuals designated by the WFOE, it can obtain good ownership of the Partnership Assets without any lien, pledge, claim, other security rights and third-party rights.

5.3 The WFOE represents and warrants as follows:

(a) The WFOE is a limited liability Partnership legally registered and validly existing in accordance with the PRC laws and has independent legal capacity; has complete and independent legal status and legal capacity to execute, deliver and perform this Agreement, and can independently act as a party to a litigation.

(b) The WFOE has the full internal power and authorization to sign and deliver this Agreement and all other documents that it will sign related to the transactions described in this Agreement, and it has the full power and authorization to complete the transactions described in this Agreement.

(c) This Agreement is legally and duly executed and delivered by the WFOE. This Agreement constitutes the WFOE's legal, valid and binding obligations, and shall be enforceable against it.

6. EXISTING PARTNERS' COVENANTS

The Existing Partners irrevocably undertake as follows:

6.1 During the term of this Agreement, without prior written consent of the WFOE:

(a) They shall not transfer or dispose of any Option Partnership Interests in any other way or set any security right or other third party rights on any Option Partnership Interests;

(b) They shall not increase or decrease the Partnership Capital Commitment, or cause the Partnership to merge with any other entity;

(c) They shall not dispose of or procure the Partnership's management to dispose of any material Partnership Assets (except those occur in the ordinary course of business);

(d) They shall not terminate or procure the Partnership's management to terminate any material agreement signed by the Partnership, or enter into any other agreement that conflicts with existing material agreements;

(e) They shall not appoint or remove any Partnership's executive partner or other Partnership's managers who should be appointed or removed by the Existing Partners;

(f) They shall not procure the Partnership to declare or actually distribute any distributable profits or dividends;

(g) They shall not take any actions (including any omissions) that will affect the effective existence of the Partnership; nor take any actions that may make the Partnership to be terminated, liquidated or dissolved;

(h) They shall not take any measure to advise, claim or request amendment, revision, termination or change the limited partnership agreement of the Partnership, and shall not procure or agree the General Partner and/or the Partnership reach any affiliated agreement or supplemental agreement with specific partner in respect of the limited partnership agreement of the Partnership; and

(i) They shall not take any actions (including any omissions) that make the Partnership lend or borrow loans, or provide guarantees or make other forms of guarantees, or undertake any substantial obligations outside of ordinary business activities.

6.2 During the term of this Agreement, they must use their best efforts to develop the Partnership's business and ensure the Partnership's operation is in compliance with the laws and regulations. They will not conduct any action or omission that may damage the Partnership's assets, goodwill or affect the validity of the Partnership's business licenses.

6.3 During the term of this Agreement, they shall promptly inform the WFOE of any situation that may have a material adverse effect on the Partnership's existence, business operations, financial conditions, assets or goodwill, and promptly take all measures agreed by the WFOE to eliminate such unfavorable situations or take effective remedial measures.

6.4 Once the WFOE issues the Exercise Notice:

(a) They shall immediately adopt shareholder decisions and take all other necessary actions to agree the Existing Partners or the Partnership to transfer all Transfer Partnership Interests or Transfer Assets to the WFOE and/or through other entities and/or individuals designated by the WFOE at the Transfer Price, or agree the reduction of the Partnership's capital, and accept the WFOE and/or through other entities and/or individuals designated by the WFOE to subscribe for the Subscription Capital of the Partnership and join the Partnership (depending on the situation);

(b) With respect to the Partnership Interests Purchase Option , they shall immediately sign an shares transfer agreement with the WFOE and/or through other entities and/or individuals designated by the WFOE, transfer all the Transfer Partnership Interests to the WFOE and/or through other entities and/or individuals designated by the WFOE at the Transfer Price, and provide the WFOE with the necessary support in accordance with the requirements of the WFOE and the provisions of laws and regulations (including providing and signing all relevant legal documents, and fulfilling all government approvals and registration procedures and assume all relevant obligations) so that the WFOE and/or through other entities and/or individuals designated by the WFOE can obtain all the Transfer Partnership Interests, and there should be no legal flaws in such Transfer Partnership Interests and there should be no security rights, third-party restrictions or any other restrictions on shares;

(c) With respect to the Capital Subscription Option, the Existing Partners shall immediately issue a resolution in a form and substance to the satisfactory of the WFOE, sign an admission agreement or capital commitment document (depending on situation) with the Partnership in a form and substance to the satisfactory of the WFOE, amend the limited partnership agreement of the Partnership (including the register of partners), assist and cooperate with the Partnership to implement relevant admission (if applicable), withdrawal (if applicable), capital commitment (if applicable) and Partnership Capital Commitment change procedure (if applicable) (including signing all relevant legal documents, and fulfilling all government approvals and registration procedures and assume all relevant obligations) so that the Partnership could complete the capital commitment reduction successfully, and the WFOE and/or through other entities and/or individuals designated by the WFOE could complete the subscription of the Subscription Capital.

6.5 If the Transfer Price received by the Existing Partners for the Transfer Partnership Interests held by them, the Returned Interests received as a result of the Partnership's capital commitment reduction, and/or the amounts received from distribution of the Partnership's remaining assets when the Partnership is terminated or liquidated, are higher than the capital contributions to the Partnership by them, or receives any form of profits distribution or dividends from the Partnership, then the Existing Partners agree and confirm that they will not be entitled to the income and profits distribution or dividends from the premium (after deduction of relevant taxes) without violating the PRC Laws, and such portion of the income and profits distribution or dividends should be attributed to the WFOE. The

Existing Partners shall instruct the relevant transferee or the Partnership to pay such portion of the proceeds to the bank account then designated by the WFOE.

6.6 They irrevocably agree to the Partnership's execution and performance of this Agreement, and provide the Partnership with all cooperation in the execution and performance of this Agreement, including but not limited to signing all necessary documents or documents required by the WFOE, and taking all necessary or actions required by the WFOE, and no action or omission will be taken to prevent the WFOE from claiming and realizing its rights under this Agreement.

6.7 Once they know or should be aware that the Option Partnership Interests they hold may be transferred to any third party other than the WFOE and/or through other entities and/or individuals designated by the WFOE due to applicable laws, judgments or awards of courts or arbitration institution, or for any other reason, they should immediately and without hesitation notify the WFOE.

7. EXISTING PARTNER AND PARTNERSHIP'S COVENANTS

7.1 The Existing Partner hereby further, together with the Partnership, irrevocably, severally and jointly undertake as follows:

(a) If the execution and performance of this Agreement and the granting of Partnership Interests Purchase Option, Assets Purchase Option or Capital Subscription Option under this Agreement require the consent, permission, waiver, authorization of any third party, or the approval, permission, exemption or approval of any government authorities, or the registration or filing procedures with any government authorities (if required by the Laws), the Partnership will use its best effort to assist in meeting the above conditions.

(b) Without prior written consent of the WFOE, it shall not assist or allow the Existing Partners transfer or dispose of any Option Partnership Interests in any other way or set any security right or other third party rights on any Option Partnership Interests.

(c) Without prior written consent of the WFOE, it shall not transfer or dispose of any material Partnership Assets (except those occur in the ordinary course of business) in any other way or set any security right or other third party rights on any Partnership Assets.

(d) The Partnership shall not carry out or allow any behavior or action that may adversely affect the interests of the WFOE under this Agreement, including but not limited to any behavior and action restricted by Section 6.1.

(e) Once it knows or should be aware that the Option Partnership Interests hold by the Existing Partners may be transferred to any third party other than the WFOE and/or through other entities and/or individuals designated by the WFOE due to applicable laws, judgments or

awards of courts or arbitration institution, or for any other reason, it should immediately and without hesitation notify the WFOE.

7.2 Once the WFOE issues the Exercise Notice:

(a) The Partnership shall immediately procure the Existing Partners to adopt necessary resolutions and take all other necessary actions to agree the Partnership to transfer all Transfer Assets to the WFOE and/or through other entities and/or individuals designated by the WFOE at the Transfer Price, or agree the reduction of the Partnership's capital, and accept the WFOE and/or through other entities and/or individuals designated by the WFOE to subscribe for all the Subscription Capital of the Partnership and join the Partnership (depending on the situation);

(b) With respect to the Assets Purchase Option, the Partnership shall immediately sign an assets transfer agreement with the WFOE and/or through other entities and/or individuals designated by the WFOE, transfer all the Transfer Assets to the WFOE and/or through other entities and/or individuals designated by the WFOE at the Transfer Price, and procure the Existing Partners to provide the WFOE with necessary support in accordance with the requirements of the WFOE and the provisions of laws and regulations (including providing and signing all relevant legal documents, and fulfilling all government approvals and registration procedures and assume all relevant obligations) so that the WFOE and/or through other entities and/or individuals designated by the WFOE can obtain all the Transfer Assets, and there should be no legal flaws in such Transfer Assets and there should be no security rights, third-party restrictions or any other restrictions on Partnership Assets;

(c) With respect to the Capital Subscription Option, the Partnership shall procure the Existing Partners immediately issue a resolution in a form and substance to the satisfactory of the WFOE, sign an admission agreement or capital commitment document (depending on situation) with the Partnership in a form and substance to the satisfactory of the WFOE, amend the limited partnership agreement of the Partnership (including the register of partners), assist and cooperate with the Partnership to implement relevant admission (if applicable), withdrawal (if applicable), capital commitment (if applicable) and Partnership Capital Commitment change procedure (including signing all relevant legal documents, and fulfilling all government approvals and registration procedures and assume all relevant obligations) so that the Partnership could complete the capital commitment reduction successfully, and the WFOE and/or through other entities and/or individuals designated by the WFOE could complete the subscription of the Subscription Capital and join the Partnership.

8. CONFIDENTIALITY

8.1 Regardless of whether this Agreement is terminated or not, both parties shall strictly keep confidential the trade secrets, proprietary information, customer information and other confidential information of the other Party obtained during the execution and performance of this Agreement. Without the prior written consent from the disclosing Party, or mandatorily required to be disclosed to third party by relevant laws and regulations or the requirements of the listing place of a Party's related Partnership,

the receiving Party should not disclose any confidential information to any third party; unless for the purpose of performance of this Agreement, the receiving Party should not use or indirectly use any confidential information.

8.2 Confidential information shall not include information:

(a) is known to the Receiving Party prior to disclosure by the disclosing Party as demonstrated by documentary evidence;

(b) is or becomes available to the public other than as a result of the receiving Party's fault; or

(c) information obtained legally by the receiving Party from other sources after receiving confidential information.

8.3 The receiving Party may disclose confidential information to its relevant employees, agents or professionals engaged, provided the receiving Party shall ensure the abovementioned personnel be in compliance with the relevant terms and conditions of this Agreement and be liable for any responsibilities incurred by breach of the relevant terms and conditions of this Agreement by the abovementioned personnel.

8.4 Notwithstanding any other terms of this Agreement, this section shall still be valid and binding upon the termination of this Agreement.

9. TERM

This Agreement takes effect as of the date of execution. Unless otherwise required by the WFOE, this Agreement will terminate after all the Option Partnership Interests and Partnership Assets are legally transferred to the WFOE and/or through other entities and/or individuals designated by the WFOE in accordance with this Agreement.

10. NOTICE

10.1 All the notices, request, requirement and other communications pursuant to this Agreement shall be delivered to the relevant Party in written form.

10.2 Abovesaid notices or other notices if given by facsimile transmission or e-mail, shall be deemed effectively given upon successful transmission; if given by person, shall be deemed effectively given upon delivery by person; if given by post, shall be deemed effectively given on the date after two (2) days from posting.

11. DEFAULT

11.1 Both Parties agree and confirm that, if any Party ("**Defaulting Party**") materially violates any of the terms under this Agreement, or fails to perform, incompletely perform or delays the performance

of any of the obligations under this Agreement, it shall constitute a breach of this Agreement ("**Default**"). Any Party of the other non-defaulting Party ("**Non-Defaulting Party**") has the right to request Defaulting Party to make amendments or remedies within reasonable period. If the Defaulting Party fails to make amendments or remedies within reasonable period or ten (10) days after the other Party sends a written notice to Party B and requests for amendments, then:

(a) if the Existing Partners or the Partnership is the Defaulting Party, the WFOE is entitled to terminate this Agreement, and requires the Defaulting Party to compensate all the losses;

(b) if the WFOE is the Defaulting Party, the Non-Defaulting Party is entitled to require the Defaulting Party to compensate all the losses, however, unless otherwise required by the Laws, it has no right to terminate or cancel this Agreement under any circumstances.

For the purpose of this Section 11.1, the Existing Partners further confirm and agree that their breach of Section 6 of this Agreement will constitute a material violation of this Agreement; the Partnership further confirms and agrees that its breach of Section 7 of this Agreement will constitute its material violation of this Agreement.

11.2 Notwithstanding any other terms of this Agreement, the validity of this Section shall not be affected by the termination of this Agreement.

12. MISCELLANEOUS PROVISIONS

12.1 This Agreement is executed in the Chinese language. This Agreement may be executed in five (5) counterparts, which the Partnership keeps one (1) counterpart, one (1) counterpart for governmental approval or registration, and the WFOE keeps other three (3) counterparts.

12.2 This Agreement, including the execution, validity, performance, interpretation and dispute resolution of this Agreement, shall be governed by and construed in accordance with the PRC Laws.

12.3 Dispute Resolution

(a) The Parties shall firstly attempt to resolve any and all disputes arising out of or relating to this Agreement through friendly consultations. If a dispute is not resolved through friendly consultations, then each Party may submit the dispute to Guangzhou Arbitration Commission for arbitration in accordance with then effective arbitration rules of such commission. The arbitration shall be conducted in Guangzhou. The award of the arbitration tribunal shall be final and binding upon the Parties. The costs of arbitration shall be borne by the losing Party, unless otherwise determined by the arbitration tribunal.

(b) When any dispute is under arbitration, except for the matters in dispute, the Parties shall continue to fulfil their respective obligations under this Agreement.

12.4 Any rights, powers and remedies granted to both Parties by any terms of this Agreement shall not exclude any other rights, powers or remedies that the Party is entitled to in accordance with the laws

and other terms under this Agreement, and one Party's exercise of its rights, powers and remedies does not preclude such Party from exercising other rights, powers and remedies.

12.5 A Party's failure to exercise or delay in exercising any of its rights, powers and remedies ("**Such Party's Rights**") under this Agreement or the laws will not result in the waiver of such rights, and any single or partial waiver of Such Party's Rights will not exclude such Party's exercise of such rights in other manner and the exercise of other Such Party's Rights.

12.6 The titles of the sections and subsections of this Agreement are for convenience of reference only and are not to be considered in construing this Agreement.

12.7 Each provision of this Agreement shall be severable and independent. If any single or multiple provisions hereof become invalid, illegal or unenforceable in any aspect, the validity, legality and enforceability of the remaining provisions of this Agreement shall not be affected in any aspect.

12.8 This Agreement once executed shall supersede all prior agreements both Parties executed before, with respect to the subject matter hereof and thereof. Any amendment and supplements to this Agreement shall be made in writing, and only takes effect after the execution by all Parties hereunder, except for the WFOE's transfer of its rights under Section 12.9 of this Agreement.

12.9 Without the prior written consent of the WFOE, the other Parties have no right to transfer or assign any of its rights and obligations hereunder to any third party. The other Parties hereby agree that the WFOE may transfer its rights and obligations under this Agreement to a third party, and that the WFOE only needs to send a written notice to the other Parties of such transfer, and there is no need to obtain consent from the other Parties for such transfer.

12.10 This Agreement shall be binding upon the respective successors and assigns. The Existing Partners assure to WFOE that they have made all proper arrangements and signed all necessary documents to ensure that when they dies, loses capacity, bankrupts, liquidates or incurs other situations that may affect the exercise of their shareholders' rights, their legal transferees, successors, heirs, liquidators, bankruptcy administrators, creditors, and other persons who may obtain the Partnership's shares or related rights shall not affect or hinder the performance of this Agreement. For this purpose, (a) After the date hereof, upon request of the WFOE, each limited partner shall sign as soon as possible, and each Existing Partner and the Partnership will procure the spouse of the limited partner to sign as soon as possible, a marital property agreement in a form and substance to the satisfactory of the WFOE ; (b) the Existing Partners and the Partnership should promptly sign all other documents required by the WFOE and take all other actions required by the WFOE (including but not limited to notarization of this Agreement).

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This page is the signature page of the Exclusive Option Agreement of Guangzhou Xuanyi Internet Technology L.P.

Existing Partner:

Ting Li
/s/ Ting Li

This page is the signature page of the Exclusive Option Agreement of Guangzhou Xuanyi Internet Technology L.P.

Existing Partner:

Lin Song
/s/ Lin Song

This page is the signature page of the Exclusive Option Agreement of Guangzhou Xuanyi Internet Technology L.P.

Existing Partner:

Di Fu
/s/ Di Fu

This page is the signature page of the Exclusive Option Agreement of Guangzhou Xuanyi Internet Technology L.P.

Existing Partner:

Guangzhou Xuancheng Internet Technology Co., Ltd. (seal)
/seal/ Guangzhou Xuancheng Internet Technology Co., Ltd.
/s/ Ting Li
Name: Ting Li
Title: Legal Representative

This page is the signature page of the Exclusive Option Agreement of Guangzhou Xuanyi Internet Technology L.P.

Partnership:

Guangzhou Xuanyi Internet Technology L.P. (seal)
/seal/ Guangzhou Xuanyi Internet Technology L.P.
Executive Partner:
Guangzhou Xuancheng Internet Technology Co., Ltd.
/seal/ Guangzhou Xuancheng Internet Technology Co., Ltd.
/s/ Ting Li

This page is the signature page of the Exclusive Option Agreement of Guangzhou Xuanyi Internet Technology Co., Ltd.

WFOE:

Guangzhou Huanju Shidai Information Technology Co., Ltd. (seal)
/seal/ Guangzhou Huanju Shidai Information Technology Co., Ltd.
/s/ Ting Li
Name: Ting Li
Title: Legal Representative

Exhibit 4.46

Partner Voting Rights Proxy Agreement

This Partner Voting Rights Proxy Agreement (this "**Agreement**") dated December 9, 2020, is signed by and among:

1. **Ting Li:**
   Identity Card Number: ***

2. **Lin Song:**
   Identity Card Number: ***

3. **Di Fu:** (together with Ting Li and Lin Song, collectively as the"**Limited Partners**"**):**
   Identity Card Number: ***

4. **Guangzhou Xuancheng Internet Technology Co., Ltd.** (the "**General Partner**", together with the Limited Partners, collectively as the "**Existing Partners**") Registered address: Room 3201, No. 79 Wanbo Er Road, Nancun Town, Panyu District, Guangzhou Legal representative: Ting Li

5. **Guangzhou Xuanyi Internet Technology L.P.** (the "**Partnership**") Registered address: Room 3202, No. 79 Wanbo Er Road, Nancun Town, Panyu District, Guangzhou Executive Partner: Guangzhou Xuancheng Internet Technology Co., Ltd.

6. **Guangzhou Huanju Shidai Information Technology Co., Ltd.** ("***WFOE***") Registered address: 23/F, Building B-1, North Block of Wanda Plaza, No. 79 Wanbo Er Road, Nancun Town, Panyu District, Guangzhou
   Legal representative: Ting Li

The parties above shall be hereinafter respectively referred to as a "Party", collectively referred to as "Parties".

WHEREAS:

1. The Existing Partners are all the present partner of the Partnership, which holds 100% interests of the Partnership;

2. The Existing Partners intend to entrust the individual designated by the WFOE with the exercise of their voting rights in the Partnership and the WFOE is willing to designate such individual to accept such entrustment.

THEREFORE, the Parties, after friendly consultations, hereby agree as follows:

Article 1 Voting Right Entrustment

1.1 Each Limited Partner hereby irrevocably undertakes to sign a power of attorney in the form and substance as set forth in Annex 1 after execution of this Agreement to entrust the individual designated by the WFOE (hereinafter, the "**Entrusted Person**") to exercise on its behalf the following rights they, as the limited partner of the Partnership, are entitled to under the then effective articles of association of the Partnership (collectively, the "**Limited Partners Entrusted Rights**"):

(a) Proposing to convene and attending partners' meetings of the Partnership as the representative of the Limited Partners according to the articles of association of the Partnership;

(b) On behalf of the Limited Partners, exercising voting rights on all the issues needing to be discussed and resolved by the partners' meetings of the Partnership, including but not limited to the appointment of the Partnership's executive partner needing to be appointed and removed by the partners;

(c) Other Limited Partner's voting rights as specified in the articles of association of the Partnership (including any other Limited Partner's voting rights as specified in the amended articles of association);

(d) When the Existing Partners transfer the interests of the Partnership held by it, agrees to the transfer of assets of the Partnership, agrees to reduce capital commitments to the Company (including withdrawal from the Partnership), or accepts the WFOE or its designated party to subscribe the capital commitment of the Partnership in accordance with the Exclusive Option Agreement signed by the parties on the same date hereof, to sign relevant partnership interest transfer agreements, asset transfer agreements (if applicable), capital commitment reduction agreements, capital subscription agreements and other relevant documents on behalf of the Limited Partners, and handle government approval, registration and filing procedure which is required; and

(e) On behalf of each Limited Partner, sign all the other documents that need to be signed by each Limited Partner as the limited partner of the Partnership (including but not limited to the business change registration documents of the Partnership, documents with respect to admission, withdrawal, delisting, increase or decrease in the amount of capital commitments of any Partner, and documents related to the dissolution and liquidation of the Partnership).

The above authorization and entrustment are granted subject to the status of the Entrusted Person as a PRC citizen and the approval by the WFOE. Upon and only upon written notice of dismissing and replacing the Entrusted Person given by the WFOE to the Limited Partners, the Limited Partners shall promptly entrust another PRC citizen then designated by the WFOE to exercise the above Limited Partners Entrusted Rights, and once new entrustment is made, the original

entrustment shall be replaced. The Limited Partners shall not cancel the authorization and entrustment for the Entrusted Person otherwise.

1.2 The General Partner hereby irrevocably undertakes to sign a power of attorney in the form and substance as set forth in Annex 1 after execution of this Agreement to entrust the individual designated by the WFOE (hereinafter, the "**Entrusted Person**") to exercise on its behalf the following rights it, as the general partner and executive partner of the Partnership, are entitled to under the then effective articles of association of the Partnership (collectively, the "**General Partner Entrusted Rights**", together with the Limited Partners Entrusted Rights, the "**Entrusted Rights**"):

(a) Proposing to convene and attending partners' meetings of the Partnership as the representative of the General Partner according to the articles of association of the Partnership;

(b) On behalf of the General Partner, exercising voting rights on all the issues needing to be discussed and resolved by the partners' meetings of the Partnership, including but not limited to the appointment of the Partnership's executive partner needing to be appointed and removed by the partners;

(c) Other General Partner's voting rights and/or decision rights as specified in the articles of association of the Partnership (including rights of representing the Partnership, managing and operating the Partnership and executing partnership affairs based on the General Partner as the executive partner of the Partnership, and any other General Partner's voting rights as specified in the amended articles of association);

(d) When the Existing Partners transfer the interests of the Partnership held by it, agrees to the transfer of assets of the Partnership, agrees to reduce capital commitments to the Company (including withdrawal from the Partnership), or accepts the WFOE or its designated party to subscribe the capital commitment of the Partnership in accordance with the Exclusive Option Agreement signed by the parties on the same date hereof, to sign relevant partnership interest transfer agreements, asset transfer agreements (if applicable), capital commitment reduction agreements, capital subscription agreements and other relevant documents on behalf of the General Partner, and handle government approval, registration and filing procedure which is required; and

(e) On behalf of the General Partner, sign all the other documents that need to be signed by the General Partner as general partner of the Partnership (including but not limited to the business change registration documents of the Partnership, documents with respect to admission, withdrawal, delisting, increase or decrease in the amount of capital commitments of any Partner, and documents related to the dissolution and liquidation of the Partnership).

The above authorization and entrustment are granted subject to the status of the Entrusted Person as a PRC citizen and the approval by the WFOE. Upon and only upon written notice of dismissing

and replacing the Entrusted Person given by the WFOE to the General Partner, the General Partner shall promptly entrust another PRC citizen then designated by the WFOE to exercise the above General Partner Entrusted Rights, and once new entrustment is made, the original

entrustment shall be replaced. The General Partner shall not cancel the authorization and entrustment for the Entrusted Person otherwise.

1.3 The Entrusted Person shall perform the fiduciary obligations within the scope of authorization with due care and diligence and in compliance with laws. The Existing Partners acknowledge and assume relevant liabilities for any legal consequences of the Entrusted Person's exercise of the foregoing Entrusted Rights.

1.4 The Existing Partners hereby acknowledge that the Entrusted Person is not required to seek advice from the Existing Partners prior to the exercise of the foregoing Entrusted Rights. However, the Entrusted Person shall inform the Existing Partners in a timely manner of any resolution or any proposal on convening interim partners' meeting after such resolution or proposal is made.

Article 2 Right to Information

2.1 For the purpose of exercising the Entrusted Rights hereunder, the Entrusted Person is entitled to know the information with regard to the Partnership's operation, business, customers, finance, staff, etc., and shall have access to the relevant materials of the Partnership. The Partnership shall adequately cooperate with the Entrusted Person in this regard.

Article 3 Exercise of Entrusted Rights

3.1 The Existing Partners will provide adequate assistance to the exercise of the Entrusted Rights by the Entrusted Person, including timely execution of the resolutions of the partners' meeting of the Partnership adopted by the Entrusted Person or other related legal documents when necessary (e.g., when it is necessary for examination and approval of or registration or filing with governmental departments).

3.2 If at any time during the term of this Agreement, the grant or exercise of the Entrusted Rights hereunder is unenforceable for any reason (except for default of Existing Partners or the Partnership), the Parties shall immediately seek a most similar substitute for the unenforceable provision and, if necessary, enter into a supplementary agreement to amend or adjust the provisions herein, in order to ensure the realization of the purpose of this Agreement.

Article 4 Exemption and Compensation

4.1 The Parties acknowledge that the WFOE shall not be requested to be liable to or compensate (monetary or otherwise) other Parties or any third party due to exercise of the Entrusted Rights hereunder by the individuals designated by it in any circumstances.

4.2 The Existing Partners and the Partnership agree to indemnify and hold harmless the WFOE from and against all losses incurred or likely to be incurred by it due to exercise of the Entrusted Rights by the Entrusted Person designated by the WFOE, including without limitation, any loss resulting from any litigation, demand, arbitration or claim initiated or raised by any third party against it or from administrative investigation or penalty of governmental authorities (collectively, the "Losses"), PROVIDED THAT the above indemnity in respect of any Losses shall not be available to the WFOE to the extent that such Losses have been caused by the willful default or gross negligence on the part of the Entrusted Person.

Article 5 Representations and Warranties

5.1 The Existing Partners hereby represent and warrant that:

(b) Each Limited Partner is a PRC citizen with full capacity; the General Partner is a limited liability company legally registered and validly existing in accordance with the PRC laws. Each Existing Partners has complete and independent legal status and legal capacity to execute, deliver and perform this Agreement, and can independently act as a party to a litigation.

(b) The Partnership is a limited partnership legally registered and validly existing in accordance with the PRC Laws; it has complete and independent legal status and legal capacity to execute, deliver and perform this Agreement, and can independently act as a party to a litigation.

(c) Each Existing Partner has the full internal power and authorization to sign and deliver this Agreement and all other documents that they will sign related to the transactions described in this Agreement, and it has the full power and authorization to complete the transactions described in this Agreement. This Agreement, when duly executed and delivered, shall constitute a legal, valid and binding obligation enforceable against it in accordance with the terms of this Agreement.

(d) The Existing Partners are the recorded legal partner of the Partnership as of the effective date of this Agreement, and except for the rights under this Agreement, the Partnership Interests Pledge Agreement and the Exclusive Option Agreement entered into among the Existing Partners, the Partnership and the WFOE, the Entrusted Rights are free of any third-party right. Pursuant to this Agreement, the Entrusted Person may fully and sufficiently exercise the Entrusted Rights in accordance with the then effective articles of association of the Partnership.

(e) Without the consent of the WFOE, the Existing Partners shall not take any measures to advice, claim or request amendment, modification, termination or change the articles of association of the Partnership in any other forms.

(f) Without the consent of the WFOE, the General Partner and the Partnership shall not, and each Limited Partner shall not procure or agree the General Partner and/or the Partnership reach any ancillary agreement or supplemental agreement with specific partner in respect of the limited partnership agreement of the Partnership.

5.2 The Existing Partners hereby irrevocably represent and warrant that, once they know or should be aware that the Partnership interests held by them may be transferred to any third party other than the WFOE and/or through other entities and/or individuals designated by the WFOE due to applicable laws, judgments or awards of courts or arbitration institution, or for any other reason, they should immediately and without hesitation notify the WFOE.

5.3. Each of the WFOE and the Partnership hereby represents and warrants that:

(a) It is a limited liability company or limited partnership duly organized and validly existing under the PRC Law. It has the full and independent legal status and legal capacity to execute, deliver and perform this Agreement and may sue or be sued as an independent party.

(b) It has the full corporate power and authority to execute and deliver this Agreement and all other documents relating to the transaction contemplated hereby and to be executed by it. It also has the full power and authority to consummate the transaction contemplated hereby.

5.4 The Partnership further represents and warrants that:

(a) The Existing Partners are the recorded legal partners of the Partnership as of the effective date of this Agreement, and except for the rights under this Agreement, the Partnership Interests Pledge Agreement and the Exclusive Option Agreement entered into among the Existing Partners, the Partnership and the WFOE, the Entrusted Rights are free of any third-party right. Pursuant to this Agreement, the Entrusted Person may fully and sufficiently exercise the Entrusted Rights in accordance with the then effective articles of association of the Partnership.

5.5 The Partnership hereby irrevocably represents and warrants that, once it knows or should be aware that the Partnership interests held by the Existing Partners may be transferred to any third party other than the WFOE and/or through other entities and/or individuals designated by the WFOE due to applicable laws, judgments or awards of courts or arbitration institution, or for any other reason, it should immediately and without hesitation notify the WFOE.

Article 6 Term

6.1 Subject to the provisions of Articles 6.2 and 6.3 hereof, this Agreement shall become effective as of the date of the due execution by the Parties and the term of this Agreement shall be twenty (20) years; unless prematurely terminated by the Parties in writing or pursuant to Article 9.1 hereof. After the expiration of this Agreement, unless the WFOE informs other Parties 30 days in advance that this Agreement will not be renewed, this Agreement will be automatically renewed for one year after the expiration of the term, and so on.

6.2 If the Partnership or the WFOE, upon expiry of its duration, fails to handle the examination, approval and registration procedures concerning the extension of its duration, this Agreement shall be terminated.

6.3 In case that the Existing Partners transfer all of the equity interest held by it in the Partnership with the WFOE's prior consent, such Existing Partner shall cease to be a party to this Agreement since it has completed relevant assistant obligation, executed all the relevant and necessary documents, completed relevant internal procedure of the Partnership and governmental approval, registration, filing procedures (provided subject to Article 4, Article 5.1, Article 6, Article 7, Article 8, Article 9 and Article 10). However, the foregoing termination does not affect the binding effect on the legal transferee or heir of such Party under the circumstance that the partnership interest held by either Party has transferred in accordance with Article 10.10, and does not affect the obligations and covenants of other Parties under this Agreement.

Article 7 Notices

7.1 All the notices, request, requirement and other communications pursuant to this Agreement shall be delivered to the relevant Party in written form.

7.2 Abovesaid notices or other notices if given by facsimile transmission or e-mail, shall be deemed effectively given upon successful transmission; if given by person, shall be deemed effectively given upon delivery by person; if given by post, shall be deemed effectively given on the date after two (2) days from posting.

Article 8 Confidentiality

8.1 Regardless of whether this Agreement is terminated or not, each Party shall keep strictly confidential all the business secrets, proprietary information, customer information and other information of a confidential nature about the other Parties known by it during the execution and performance of this Agreement (collectively, the "**Confidential Information**"). The receiving Party shall not disclose any Confidential Information to any third party except with the prior written consent of the disclosing Party or in accordance with relevant laws or regulations or under requirements of the place where its affiliate is listed on a stock exchange. The receiving Party shall not use or indirectly use any Confidential Information other than for performing this Agreement.

8.2 The following information shall not be deemed part of the Confidential Information:

(a) any information already known by the receiving Party by legal means prior to disclosure, which is substantiated in writing;

(b) any information being part of public knowledge through no fault of the receiving Party; or

(c) any information rightfully received by the receiving Party from other sources after disclosure.

8.3 The receiving Party may disclose the Confidential Information to its relevant employees, agents or engaged professionals, but the receiving Party shall guarantee that they are in compliance with the relevant terms and conditions of this Agreement and assume any responsibility arising from any breach thereof by them.

8.4 Notwithstanding any other provision herein, the validity of this Article shall survive the termination of this Agreement.

Article 9 Defaulting Liability

9.1 The Parties agree and acknowledge that, if any of the Parties (the "**Defaulting Party**") materially breaches any provision herein or materially fails to perform or delays performance of any of the obligations hereunder, such breach, failure or delay shall constitute a default under this Agreement (a "**Default**"). In such event, any of the other Parties without default (the "**Non-defaulting Party**") shall have the right to require the Defaulting Party to rectify such Default or take remedial measures within a reasonable period. If the Defaulting Party fails to rectify such Default or take remedial measures within such reasonable period or within ten (10) days of the Non-defaulting Party notifying the Defaulting Party in writing and requiring the Default to be rectified, then:

(a) if the Existing Parner or the Partnership is the Defaulting Party, the WFOE shall be entitled to terminate this Agreement and require the Defaulting Party to indemnify all damages;

(b) if the WFOE is the Defaulting Party, the Non-defaulting Party shall be entitled to require the Defaulting Party to indemnify all damages, but the Non-defaulting Party shall not be entitled to any rights to terminate or cancel this Agreement in any situation unless otherwise provided by the mandatory provisions of the laws.

For the purpose of this Section 9.1, the Partnership and the Existing Partners further confirm and agree that their breach of Section 5 of this Agreement will constitute a material violation of this Agreement.

9.2 Notwithstanding any other provision herein, the validity of this Article shall survive the suspension or termination of this Agreement.

Article 10 Miscellaneous

10.1 This Agreement is written in Chinese and executed in five (5) originals, with one (1) original to be retained by the Partnership, one (1) original to be used for approval or registration with governmental authorities, remaining three (3) original to be retained by the WFOE.

10.2 The formation, validity and interpretation of, resolution of disputes in connection with, this Agreement, shall be governed by PRC Law.

10.3 Dispute Resolution

(a) Any dispute arising hereunder and in connection herewith shall be resolved through consultations among the Parties, and if the Parties fail to reach a mutual agreement, any Party may submit such dispute to Guangzhou Arbitration Commission for arbitration in accordance with its arbitration rules in effect at the time of applying for arbitration. The seat of arbitration shall be Guangzhou. The arbitral award shall be final and binding on the Parties. The costs of arbitration shall be borne by the losing Party, unless otherwise determined by the arbitration tribunal.

(b) During dispute resolution, the Parties shall continue to perform the terms of this Agreement other than those relating to disputes.

10.4 Any right, power or remedy conferred on any Party by any provision of this Agreement shall not be exclusive of any other right, power or remedy available to it at law and under the other provisions of this Agreement, and the exercise by such Party of any of its rights, powers and remedies shall not preclude the exercise of any other rights, powers and remedies it may have.

10.5 No failure or delay by a Party in exercising any of its rights, powers and remedies available to it hereunder or at law (hereinafter, the "**Party's Rights**") shall operate as a waiver thereof, nor shall the waiver of any single or partial exercise of the Party's Rights shall preclude such Party from exercising such rights in any other way and exercising the remaining part of the Party's Rights.

10.6 The headings contained herein shall be for reference only, and in no circumstances shall such headings be used in or affect the interpretation of the provisions hereof.

10.7 Each provision contained herein shall be severable and independent from each of other provisions, and if at any time any one or more provisions herein become invalid, illegal or unenforceable, the validity, legality or enforceability of the remaining provisions herein shall not be affected as a result thereof.

10.8 This Agreement, once executed, replaces any other legal documents previously signed by the parties on the same subject. Any amendment or supplement hereto shall be made in writing and shall become effective only upon due execution by the Parties hereto, except for the WFOE's transfer of its rights under Section 10.9 of this Agreement.

10.9 Without the WFOE's prior written consent, any other Party shall not transfer any of its rights and/or obligations hereunder to any third party. The Existing Partners and the Partnership hereby agree that the WFOE is entitled to transfer any of its rights and/or obligations hereunder to any third party upon written notice thereof to the other Parties, and there is no need to obtain consent from the other Parties for such transfer.

10.10 This Agreement shall be binding upon the respective successors and assigns. The Existing Partners assure to WFOE that they have made all proper arrangements and signed all necessary documents to ensure that when they bankrupts, liquidates or incurs other situations that may affect the exercise of their partners' rights, their legal transferees, successors, heirs, liquidators, bankruptcy administrators, creditors, and other persons who may obtain the Partnership's interests or related rights shall not affect or hinder the performance of this Agreement. For this purpose, (a) After the date hereof, upon request of the WFOE, each limited partner shall sign as soon as possible, and each Existing Partner and the Partnership will procure the spouse of the limited partner to sign as soon as possible, a marital property agreement in a form and substance to the satisfactory of the WFOE；(b) the Existing Partners and the Partnership should promptly sign all other documents required by the WFOE and take all other actions required by the WFOE (including but not limited to notarization of this Agreement).

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This page is the signature page of the Partner Voting Rights Proxy Agreement of Guangzhou Xuanyi Internet Technology L.P.

Existing Partner:

Ting Li
/s/ Ting Li

This page is the signature page of the Partner Voting Rights Proxy Agreement of Guangzhou Xuanyi Internet Technology L.P.

Existing Partner:

Lin Song
/s/ Lin Song

This page is the signature page of the Partner Voting Rights Proxy Agreement of Guangzhou Xuanyi Internet Technology L.P.

Existing Partner:

Di Fu
/s/ Di Fu

This page is the signature page of the Partner Voting Rights Proxy Agreement of Guangzhou Xuanyi Internet Technology L.P.

Partnership:

Guangzhou Xuanyi Internet Technology L.P. (seal)
/seal/ Guangzhou Xuanyi Internet Technology L.P.
Executive Partner:

Guangzhou Xuancheng Internet Technology Co., Ltd.
/seal/ Guangzhou Xuancheng Internet Technology Co., Ltd.
/s/ Ting Li

This page is the signature page of the Partner Voting Rights Proxy Agreement of Guangzhou Xuancheng Internet Technology L.P.

WFOE:
Guangzhou Huanju Shidai Information Technology Co., Ltd. (seal)
/seal/ Guangzhou Huanju Shidai Information Technology Co., Ltd.
/s/ Ting Li
Name: Ting Li
Title: Legal Representative

PARTNERSHIP INTEREST PLEDGE AGREEMENT

THIS PARTNERSHIP INTEREST PLEDGE AGREEMENT (this "**Agreement**") is entered into on December 9, 2020 ("**Execution Date**")

BY AND AMONG:

1. **Ting Li:**
   Identity Card Number: ***

2. **Lin Song:**
   Identity Card Number: ***

3. **Di Fu:** (together with Ting Li and Lin Song, collectively as the "**Limited Partners**")**:**
   Identity Card Number: ***

4. **Guangzhou Xuancheng Internet Technology Co., Ltd.** (the "**General Partner**", together with Limited Partners, the "**Pledgors**" and each a "**Pledgor**") Registered address: Room 3201, No. 79 Wanbo Er Road, Nancun Town, Panyu District, Guangzhou Legal representative: Ting Li

5. **Guangzhou Yueyi Internet Technology L.P.** (the "**Partnership**") Registered address: Room 3203, No. 79 Wanbo Er Road, Nancun Town, Panyu District, Guangzhou Executive Partner: Guangzhou Xuancheng Internet Technology Co., Ltd.

6. **Guangzhou Huanju Shidai Information Technology Co., Ltd.** (the "**Pledgee**") Registered address: 23/F, Building B-1, North Block of Wanda Plaza, No. 79 Wanbo Er Road, Nancun Town, Panyu District, Guangzhou Legal representative: Ting Li

In this Agreement, the aforementioned parties are referred to individually as a "**Party**" and collectively as the "**Parties**".

WHEREAS:

1. The Pledgors are the registered partners of the Partnership and lawfully hold all partnership interest in the Partnership ("**Partnership Interest**"). As of the Execution Date, the capital commitments, percentage of commitments and capital contribution to the Partnership set forth in Schedule 1 hereto.

2. The Parties hereto entered into a Partner Voting Rights Proxy Agreement ("**Proxy Agreement**") on December 9, 2020, pursuant to which the each of the Pledgors has irrevocably granted a general power of attorney to such persons as may then be appointed by the Pledgee to exercise its entire partner voting rights in the Partnership on behalf of the Pledgors.

3. The Partnership and the Pledgee entered into an Exclusive Service Agreement

("**Service Agreement**") on December 9, 2020, pursuant to which the Partnership has, on an exclusive basis, engaged the Pledgee to provide it with relevant services and agrees to pay relevant service fees to the Pledgee for such services.

4. The Parties hereto entered into an Exclusive Option Agreement ("**Option Agreement**") on December 9, 2020, pursuant to which the Pledgors and the Partnership shall, to the extent permitted by the PRC Laws, transfer, at the request of the Pledgee, all or part of their partnership interests in the Partnership or all or part of the assets of the Partnership respectively to the Pledgee and/or any entity and/or individual designated by it, or the Partnership shall decrease its capital and the Pledgee and/or any entity and/or individual designated by it shall subscribe for the newly increased registered capital of the Partnership.

5. As security for the performance by the Pledgors of their Contractual Obligations (as defined below) and their repayment of the Secured Indebtedness (as defined below), each Pledgor is willing to pledge all of its Partnership Interest to the Pledgee and create first priority pledge in favor of the Pledgee; and the Partnership has agreed to such partnership interest pledge arrangement.

NOW, THEREFORE, upon consensus through consultation, the Parties agree as follows:

ARTICLE I DEFINITIONS

1.1 Unless otherwise required by the context, the following terms shall have the following meanings in this Agreement:

"**Contractual Obligations**"	means all of the each Pledgor's contractual obligations under the Proxy Agreement and the Option Agreement; all of the Partnership's contractual obligations under the Proxy Agreement, the Service Agreement and the Option Agreement; and all of the contractual obligations of the each Pledgor and the Partnership under this Agreement.
"Secured Indebtedness"	means all direct, indirect or consequential losses and loss of projectable benefits suffered by the Pledgee as a result of any Event of Default (as defined below) of the Pledgors and/or the Partnership, and the basis for determining the amounts of such losses shall include, without limitation, reasonable commercial plans and profit forecasts of the Pledgee and all costs incurred by the Pledgee in connection with its enforcement of the Contractual Obligations of each Pledgor and/or the Partnership.
"Transaction Agreements"	means the Proxy Agreement, the Service Agreement and the Option Agreement.

"Event of Default"	means a breach by any Pledgor of any of its Contractual Obligations under the Proxy Agreement, the Option Agreement and/or this Agreement, and a breach by the Partnership of any of its Contractual Obligations under the Proxy Agreement, the Service Agreement, the Option Agreement and/or this Agreement.
"Pledged Interest"	means all of the Partnership Interest lawfully owned by the Pledgors as of the effectiveness of this Agreement and to be pledged hereunder to the Pledgee as security for the performance by the Pledgors and the Partnership of their respective Contractual Obligations and increased capital contribution amounts and dividends under Sections 2.6 and 2.7 hereof.
"PRC Laws"	means the then effective laws, administrative regulations, administrative rules, local regulations, judicial interpretations and other binding regulatory documents of the People's Republic of China.

1.2 In this Agreement, any reference to any PRC Law shall be deemed to include (i) a reference to such PRC Law as modified, amended, supplemented or reenacted, effective either before or after the date hereof; and (ii) a reference to any other decision, circular or rule made thereunder or effective as a result thereof.

1.3 Unless otherwise required by the context, a reference to an article, section, clause or paragraph herein shall be a reference to an article, section, clause or paragraph of this Agreement.

ARTICLE II INTEREST PLEDGE

2.1 Each Pledgor hereby agrees to pledge, in accordance with the terms hereof, its lawfully owned and rightfully disposable Pledged Interest to the Pledgee as security for the performance by such Pledgor of its Contractual Obligations and its repayment of the Secured Indebtedness. The Partnership hereby agrees for the Pledgors to so pledge the Pledged Interest to the Pledgee in accordance with the terms hereof.

2.2 Each Pledgor covenants that it will assume the responsibility of recording the interest pledge arrangement ("**Interest Pledge**") hereunder in the partner's register of the Partnership on the Execution Date. Each Pledgor further covenants that, after the Execution Date, it will use its best efforts and take all necessary measures to (i) register the Interest Pledge as soon as possible with the competent administrative authority for market regulation of the Partnership; and (ii) under the condition that the PRC Laws and relevant government departments or registration agencies have established relevant pledge registration systems, file pledge registration of the Interest Pledge with relevant government departments or registration agencies according to the requirements of the Pledgee.

2.3 During the validity term hereof, the Pledgee shall not be liable in whatsoever manner for any diminution in value of the Pledged Interest and the Pledgors shall have no right to seek any form of recourse or bring any claims against the Pledgee in connection therewith, except where such diminution arises out of any willful conduct of the Pledgee or its gross negligence having immediate causal link with such result.

2.4 Subject to Section 2.3 above, if the Pledged Interest is likely to suffer such a manifest value diminution as to impair the rights of the Pledgee, the Pledgee may at any time auction or sell the Pledged Interest on behalf of the Pledgor and may, as agreed with the Pledgors, apply the proceeds from such auction or sale towards early repayment of the Secured Indebtedness, or deposit (entirely at the cost of the Pledgee) such proceeds with a notary organ of the place of the Pledgee. In addition, upon request by the Pledgee, the Pledgors shall provide other property as security for the Secured Indebtedness.

2.5 Upon occurrence of any Event of Default, the Pledgee shall be entitled to dispose of the Pledged Interest in such manner as prescribed by Article IV hereof.

2.6 The Pledgors shall not increase the capital of the Partnership except with prior consent of the Pledgee. Any increase in the capital contribution made by the Pledgors to the registered capital of the Partnership as a result of any capital increase shall equally become part of the Pledged Interest, and the Pledgors shall register the pledge of the Partnership Interest corresponding to such capital contribution with the competent administrative authority for market regulation of the Partnership.

2.7 The Pledgors shall not receive any dividend or profit in respect of the Pledged Interest except with prior consent of the Pledgee. Any dividend or profit received by the Pledgors in respect of the Pledged Interest shall be deposited into an account designated by the Pledgee, monitored by the Pledgee and first applied towards repayment of the Secured Indebtedness.

2.8 Upon occurrence of an Event of Default, the Pledgee shall be entitled to dispose of any Pledged Interest of the Pledgors in accordance with the terms hereof.

ARTICLE III RELEASE OF PLEDGE

3.1 Upon full and complete performance by the Pledgors and the Partnership of all of their Contractual Obligations and full repayment of the Secured Indebtedness, the Pledgee shall, at the request of the Pledgors, release the Interest Pledge hereunder and cooperate with the Pledgors in relation to both the deregistration of the Interest Pledge in the partner's register of the Partnership and the deregistration of the Interest Pledge with the relevant administrative authority for market regulation; reasonable costs arising out of such release of the Interest Pledge shall be borne by the Pledgee.

ARTICLE IV DISPOSAL OF PLEDGED INTEREST

4.1 The Parties hereby agree that upon occurrence of any Event of Default, the Pledgee shall be entitled to exercise, upon written notice to the Pledgors, all of the remedies, rights and powers available to it under the PRC Laws, the Transaction Agreements and this Agreement, including, without limitation, the right to auction or sell the Pledged Interest for prior satisfaction of claims. The Pledgee shall not be held liable for any losses resulting from its reasonable exercise of such rights and powers.

The Pledgors further acknowledge and agree that its breach of Article IX hereof shall constitute its material breach of this Agreement; the Partnership further acknowledges and agrees that its breach of Article X hereof shall constitute its material breach of this Agreement.

4.2 The Pledgee shall be entitled to appoint, in writing, its counsels or other agents to exercise any and all of its foregoing rights and powers, and neither anyPledgor nor the Partnership shall object thereto.

4.3 The Pledgee shall have the right to fully deduct all reasonable costs incurred by it in connection with its exercise of any or all of its foregoing rights and powers from the proceeds obtained as a result of such exercise of rights and powers.

4.4 The proceeds obtained as a result of the exercise by the Pledgee of its rights and powers shall be applied in the following order of precedence:

(a) towards payment of all costs arising out of the disposal of the Pledged Interest and the exercise by the Pledgee of its rights and powers (including fees paid to its counsels and agents);

(b) towards payment of the taxes payable in connection with the disposal of the Pledged Interest; and

(c) towards repayment of the Secured Indebtedness to the Pledgee.

Any balance after the deduction of the foregoing payments shall either be returned by the Pledgee to the Pledgors or any other person who may be entitled to such balance under relevant laws and regulations or be deposited by the Pledgee with a notary organ of the place of the Pledgee (any costs arising out of such deposit shall be borne by the Pledgee).

4.5 The Pledgee shall have the right to exercise, at its option, concurrently or successively, any of its breach of contract remedies; the Pledgee shall not be required to first exercise other breach of contract remedies prior to the exercise of its right to auction or sell the Pledged Interest hereunder.

ARTICLE V COSTS AND EXPENSES

5.1 All actual costs and expenses arising in connection with the creation of the Interest Pledge hereunder, including, without limitation, the stamp duty, any other taxes and all legal costs, shall be borne by the Parties severally.

ARTICLE VI CONTINUING GUARANTEE AND NON-WAIVER

6.1 The Interest Pledge created hereunder shall constitute a continuing guarantee and shall remain valid until full performance of the Contractual Obligations or full repayment of the Secured Indebtedness, whichever occurs later. Neither any waiver or grace granted by the Pledgee with respect to any breach by any Pledgor nor any delay of the Pledgee in its exercise of any of its rights under the Transaction Agreements and this Agreement shall affect the right of the Pledgee under this Agreement, relevant PRC Laws and the Transaction Agreements to require at any time thereafter the Pledgors to strictly perform the Transaction Agreements and this Agreement or any right that may be available to the Pledgee as a result of any subsequent breach by the Pledgors of the Transaction Agreements and/or this Agreement.

ARTICLE VII REPRESENTATIONS AND WARRANTIES BY THE PLEDGOR

Each Pledgor represents and warrants to the Pledgee that:

7.1 Each Limited Partner is a PRC citizen with full capacity; the General Partner is a limited liability company legally registered and validly existing in accordance with the PRC laws with independent legal personality. Each Pledgor has full and independent legal status and capacity to execute, deliver and perform this Agreement and may sue or be sued as an independent party.

7.2 All reports, documents and information provided by it to the Pledgee prior to the effectiveness of this Agreement with respect to all matters pertaining to such Pledgor or required by this Agreement are true, correct, complete and not misleading in all material respects as of the effectiveness of this Agreement.

7.3 All reports, documents and information provided by it to the Pledgee subsequent to the effectiveness of this Agreement with respect to all matters pertaining to such Pledgor or required by this Agreement are true and valid in all material respects as of the time of provision of the same.

7.4 As of the effectiveness of this Agreement, such Pledgor is the sole lawful owner of the Pledged Interest free from any ongoing or potential dispute or any third party claim as to the ownership thereof; and such Pledgor has the right to dispose of the Pledged Interest or any part thereof.

7.5 Other than the security interest created on the Pledged Interest hereunder and the rights created under the Transaction Agreements, the Pledged Interest is free from any other security interests, third party rights or interests or any other restrictions.

7.6 The Pledged Interest may be lawfully pledged and assigned, and such Pledgor

has full rights and powers to pledge the Pledged Interest to the Pledgee in accordance with the terms hereof.

7.7 Once duly executed by such Pledgor, this Agreement will constitute lawful, valid and binding obligations of such Pledgor.

7.8 Other than the registration of the Interest Pledge with the relevant administrative authority for market regulation, any consents, permissions, waivers or authorizations by any third party or any approval, license or exemption from or any registration or filing formalities with any governmental body (if required by law), requisite in each case for the execution and performance of this Agreement and the creation of the Interest Pledge hereunder, have been obtained or completed and will remain fully valid during the validity term hereof.

7.9 The execution and performance by such Pledgor of this Agreement do not violate or conflict with any law applicable to such Pledgor, any agreement to which such Pledgor is a party or by which he is bound, any court judgment, any arbitral award, or any decision of any administrative authority.

7.10 The pledge hereunder constitutes a first priority security interest on the Pledged Interest.

7.11 All taxes and costs payable in connection with the acquisition of the Pledged Interest have been paid in full by such Pledgor.

7.12 There are no pending, or to the knowledge of such Pledgor, threatened, suits, legal proceedings or claims before any court or arbitral tribunal or by any governmental body or administrative authority against such Pledgor or its property or the Pledged Interest having a material or adverse effect on the financial condition of such Pledgor or its ability to perform its obligations and the guarantee liability hereunder.

7.13 Each Pledgor hereby warrants to the Pledgee that the foregoing representations and warranties will remain true and correct and be fully complied with under all circumstances at any time prior to the full performance of the Contractual Obligations or full repayment of the Secured Indebtedness.

ARTICLE VIII REPRESENTATIONS AND WARRANTIES BY THE PARTNERSHIP

The General Partner and the Partnership represent and warrant to the Pledgee that:

8.1 The Partnership is a limited liability Partnership duly registered and lawfully existing under the PRC Laws; and has full and independent legal status and capacity to execute, deliver and perform this Agreement and may sue or be sued as an independent party.

8.2 All reports, documents and information provided by it to the Pledgee prior to the effectiveness of this Agreement with respect to all matters pertaining to the

Pledged Interest or required by this Agreement are true, correct, complete and not misleading in all material respects as of the effectiveness of this Agreement.

8.3 All reports, documents and information provided by it to the Pledgee subsequent to the effectiveness of this Agreement with respect to all matters pertaining to the Pledged Interest or required by this Agreement are true and valid in all material respects as of the time of provision of the same.

8.4 Once duly executed by it, this Agreement will constitute lawful, valid and binding obligations of the Partnership.

8.5 It has full internal corporate power and authority to execute and deliver this Agreement and all other documents to be executed by it in connection with the transactions contemplated hereunder as well as full power and authority to consummate the transactions contemplated hereunder.

8.6 There are no pending, or to the knowledge of the Partnership, threatened, suits, legal proceedings or claims before any court or arbitral tribunal or by any governmental body or administrative authority against the Pledged Interest, the Partnership or its assets having a material or adverse effect on the financial condition of the Partnership or the ability of the Pledgors to perform its obligations and the guarantee liability hereunder.

8.7 The Partnership hereby agrees to be severally and jointly liable to the Pledgee for the representations and warranties made by the Pledgors under Sections 7.4, 7.5, 7.6, 7.8 and 7.10 hereof.

8.8 The Partnership hereby warrants to the Pledgee that the foregoing representations and warranties will remain true and correct and be fully complied with under all circumstances at any time prior to the full performance of the Contractual Obligations or full repayment of the Secured Indebtedness.

ARTICLE IX UNDERTAKINGS BY THE PLEDGORS

The Pledgors hereby agree and irrevocably undertake to the Pledgee that:

9.1 Without prior written consent of the Pledgee, the Pledgors will not create or permit to be created any new pledge or any other security interest on the Pledged Interest, and any pledge or any other security interest created on all or part of the Pledged Interest without prior written consent of the Pledgee shall be null and void.

9.2 Without prior written notice to and prior written consent of the Pledgee, (i) the Pledgors will not assign or otherwise dispose of the Pledged Interest or request the Partnership to decrease its capital, and any of such actions taken by the Pledgors without prior consent of the Pledgee shall be null and void; (ii) the Pledgors will not assist or permit other existing partners (as applicable) to take any of the foregoing actions without prior written consent of the Pledgee. The proceeds received by the Pledgors from the assignment or other disposal of the Pledged Interest shall be first applied towards early full repayment of the

Secured Indebtedness to the Pledgee or deposited with a third party to be agreed with the Pledgee.

9.3 Should there arise any suit, arbitration or other claims which are likely to have an adverse effect on the interests of the Pledgors or the Pledgee under the Transaction Agreements and this Agreement or on the Pledged Interest, the Pledgors warrant that it will notify the Pledgee in writing of the same as soon as possible and without delay and will, in accordance with the reasonable request of the Pledgee, take all necessary actions to ensure the Pledgee's pledge rights and interests in and to the Pledged Interest.

9.4 The Pledgors warrant that it shall complete the business term extension registration formalities of the Partnership within three (3) months prior to the expiry of the business term of the Partnership such that the validity of this Agreement shall be maintained.

9.5 The Pledgors shall not do or permit to be done any act or action likely to have an adverse effect on the interests of the Pledgee under the Transaction Agreements and this Agreement or on the Pledged Interest.

9.6 The Pledgors will use its best efforts and take all necessary measures to register the Interest Pledge hereunder as soon as possible with the relevant administrative authority for market regulation after the execution of this Agreement, and the Pledgors warrant, in accordance with the reasonable request of the Pledgee, to take all necessary actions and execute all necessary documents (including, without limitation, any supplement hereto) to ensure the Pledgee's pledge rights and interests in and to the Pledged Interest as well as the exercise and realization by the Pledgee of such rights and interests.

9.7 Should the exercise of the pledge rights hereunder result in an assignment of any Pledged Interest, the Pledgors warrant that it will take all actions to realize such assignment.

9.8 The Pledgors ensure that the partner's resolutions adopted, convening procedures of, the methods of voting at and the contents of the partners' meeting (as applicable) and board meetings of the Partnership held in connection with the execution of this Agreement and the creation and exercise of the pledge rights hereunder shall not violate laws, administrative regulations or the articles of association of the Partnership.

9.9 Once the Pledgors know or should have known any possible transfer of the Pledged Interest held by him to any third parties other than the Pledgee or any individual or entity designated by the Pledgee as a result of applicable PRC Laws or any judgment or award rendered by a court or arbitral body or for any other reasons, it shall notify the Pledgee immediately and without delay.

9.10 Without prior written consent of the Pledgee, the Pledgors shall not take any measure to advise, claim or request amendment, revision, termination or change the limited partnership agreement of the Partnership, and shall not procure or agree the General Partner and/or the Partnership reach any ancillary

agreement or supplemental agreement with the Pledgors in respect of the limited partnership agreement of the Partnership.

ARTICLE X UNDERTAKINGS BY THE GENERAL PARTNER AND THE PARTNERSHIP

The General Partner and the Partnership hereby severally and jointly agree and irrevocably undertake to the Pledgee that:

10.1 The General Partner and the Partnership will use every effort to assist with the obtainment of any consents, permissions, waivers or authorizations by any third party or any approval, license or exemption from any governmental body or the completion of any registration or filing formalities with any governmental body (if required by law), requisite in each case for the execution and performance of this Agreement and the creation of the Interest Pledge hereunder, and the maintenance of the same in full force and effect during the validity term hereof.

10.2 Without prior written consent of the Pledgee, the General Partner and the Partnership will not assist or permit the Pledgors to create any new pledge or any other security interest on the Pledged Interest.

10.3 Without prior written consent of the Pledgee, (i) the Partnership will not assist or permit the Pledgors to assign or otherwise dispose of the Pledged Interest, (ii) the General Partner and the Partnership will not assist or permit withdrawal from the Partnership by the Pledgors, delisting the Pledgors from the Partnership, reduce the capital commitment to the Partnership or dissolution of the Partnership. Without limiting the foregoing, once the abovesaid disposal, withdrawal, delisting, reduction of capital commitment or dissolution occurs, the General Partner and the Partnership shall notify the Pledgee when they know or should have known such circumstances.

10.4 Without the prior written consent of the Pledgee, the General Partner and the Partnership shall not make the Pledgor receive any revenue distribution or return of the Partnership Interest for the Pledged Interest. The revenue distribution or return of the Partnership Interests that the Pledgor is entitled to receive due to the Pledged Interest shall be deposited in the designated account of the Pledgee, and the General Partner and the Partnership shall notify the Pledgee such revenue distribution and the return of the Partnership Interest.

10.5 Should there arise any suit, arbitration or other claims which are likely to have an adverse effect on the Partnership, the Pledged Interest or the interests of the Pledgee under the Transaction Agreements and this Agreement, the Partnership warrants that it will notify the Pledgee in writing of the same as soon as possible and without delay and will, in accordance with the reasonable request of the Pledgee, take all necessary actions to ensure the Pledgee’s pledge rights and interests in and to the Pledged Interest.

10.6 The Partnership warrants that it shall complete its business term extension registration formalities within three (3) months prior to the expiry of its

business term such that the validity of this Agreement shall be maintained.

10.7 The Partnership shall not do or permit to be done any act, action or omission likely to have an adverse effect on the interests of the Pledgee under the Transaction Agreements and this Agreement or on the Pledged Interest.

10.8 The General Partner and the Partnership will, during the first month of each calendar quarter, submit to the Pledgee the financial statements of the Partnership for the preceding calendar quarter, including, without limitation, the balance sheet, the income statement and the cash flow statement.

10.9 The Partnership warrants, in accordance with the reasonable request of the Pledgee, to take all necessary actions and execute all necessary documents (including, without limitation, any supplement hereto) to ensure the Pledgee's pledge rights and interests in and to the Pledged Interest as well as the exercise and realization by the Pledgee of such rights and interests.

10.10 Should the exercise of the pledge rights hereunder result in an assignment of any Pledged Interest, the Partnership warrants that it will take all actions to realize such assignment.

10.11 The Partnership covenants that it will assist the Pledgors to register the Interest Pledge hereunder with the competent administrative authority for market regulation of the Partnership as soon as possible after the execution of this Agreement and provide all necessary cooperation to complete such registration in a timely manner.

10.12 Once the Partnership knows or should have known any possible transfer of the Pledged Interest held by the Pledgors to any third parties other than the Pledgee or any individual or entity designated by the Pledgee as a result of applicable PRC Laws or any judgment or award rendered by a court or arbitral body or for any other reasons, it shall notify the Pledgee immediately and without delay.

10.13 Without prior written consent of the Pledgee, the General Partner shall not take any measure to advise, claim or request amendment, revision, termination or change the limited partnership agreement of the Partnership, and the General Partner and/or the Partnership shall not reach any ancillary agreement or supplemental agreement with the Pledgors in respect of the limited partnership agreement of the Partnership.

ARTICLE XI FUNDAMENTAL CHANGES OF CIRCUMSTANCES

11.1 As a supplementary agreement and without contravening other provisions of the Transaction Agreements and this Agreement, if, at any time, in the opinion of the Pledgee, as a result of any promulgation of or amendment to any PRC Laws, regulations or rules, or any change in the interpretation or application of such laws, regulations or rules, or any change in relevant registration procedures, the maintenance of the validity of this Agreement and/or the disposal of the Pledged Interest in the manner prescribed hereby becomes illegal or contravenes such laws, regulations or rules, the Pledgors and the

Partnership shall, based on the Pledgee's written instructions and in accordance with its reasonable request, immediately take any actions and/or execute any agreements or other documents so as to:

(a) maintain the validity of this Agreement;

(b) facilitate the disposal of the Pledged Interest in the manner prescribed hereby; and/or

(c) maintain or realize the security created or purported to be created hereunder.

ARTICLE XII EFFECTIVENESS AND TERM OF AGREEMENT

12.1 This Agreement shall become effective after duly executed by the parties; and

12.2 The term of this Agreement shall end when the Contractual Obligations have been fully performed or the Secured Indebtedness have been fully repaid, whichever is later.

ARTICLE XIII NOTICES

13.1 Any notice, request, demand and other correspondences required by or made pursuant to this Agreement shall be made in writing and delivered to the relevant Parties.

13.2 Such notice or other correspondences shall be deemed delivered when it is transmitted if transmitted by fax or email; or upon delivery if delivered in person; or two (2) days after posting if delivered by mail.

ARTICLE XIV MISCELLANEOUS

14.1 The Pledgors and the Partnership agree that the Pledgee may, immediately upon notice to the Pledgors and the Partnership, assign its rights and/or obligations hereunder to any third party; provided that without prior written consent of the Pledgee, neither the Pledgors nor the Partnership may assign their respective rights, obligations or liabilities hereunder to any third party.

14.2 The sum of the Secured Indebtedness determined by the Pledgee in its discretion in connection with its exercise of its pledge rights to the Pledged Interest in accordance with the terms hereof shall constitute the conclusive evidence for the Secured Indebtedness hereunder.

14.3 This Agreement is made in Chinese in five (5) originals, of which one (1) copy shall be held by the Partnership, one (1) copy shall be used for governmental approval/registration purposes and the three (3) copies shall be kept by the Pledgee.

14.4 The entry into, effectiveness and interpretation of, and resolution of disputes

under, this Agreement shall be governed by the PRC Laws.

14.5 Dispute Resolution

(a) All disputes arising out of or in connection with this Agreement shall be first settled by the relevant Parties through amiable consultations; if such Parties fail to resolve the dispute through consultations, the dispute shall be submitted to China Guangzhou Arbitration Commission ("**CGAC**") for arbitration according to CGAC arbitration rules in effect at the time of applying for arbitration. The seat of arbitration shall be in Guangzhou. The arbitration award shall be final and binding on the relevant Parties. Except as otherwise required by the arbitration award, the arbitration fees shall be borne by the losing party. The losing party shall also indemnify for the attorneys' fee and other expenses incurred by the winning party.

(b) Pending the resolution of such dispute, the Parties shall continue to perform the remaining provisions of this Agreement other than the disputed matters.

14.6 No right, power or remedy empowered to any Party by any provision of this Agreement shall preclude any other right, power or remedy enjoyed by such Party in accordance with law or any other provisions hereof and no exercise by a Party of any of its rights, powers and remedies shall preclude its exercise of its other rights, powers and remedies.

14.7 No failure or delay by a Party in exercising any right, power or remedy under this Agreement or laws ("**Party's Rights**") shall result in a waiver of such rights; and no single or partial waiver by a Party of the Party's Rights shall preclude such Party from exercising such rights in any other way or exercising the remaining part of the Party's Rights.

14.8 The section headings herein are inserted for convenience of reference only and shall in no event be used in or affect the interpretation of the provisions hereof.

14.9 Each provision contained herein shall be severable and independent of any other provisions hereof, and if at any time any one or more provisions hereof become invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions hereof shall not be affected thereby.

14.10 (i) Once executed, this Agreement shall replace any other legal documents previously entered into by the Parties in respect of the same subject matter hereof. To clarify, despite the foregoing agreement, all parties irrevocably promise, agree and recognize to sign a simplified version of interest pledge agreement ("**Simplified Pledge Agreement**"), only for the purpose of the pledge registration of the Partnership's competent administrative department for industry and commerce. If the simplified pledge agreement is inconsistent with this agreement, the agreement is not as clear as this agreement, or the simplified pledge agreement does not cover matters, this agreement shall

prevail. (ii) Any amendments or supplements to this Agreement shall be made in writing. Except for the transfer of rights hereunder by the Pledgee according to Section 14.1 hereof, such amendments or supplements shall become effective only if they are duly signed by the Parties hereto.

14.11 This Agreement shall be binding upon the legal assignees or successors of the Parties. The successors or permitted assignees (if any) of the Pledgors and the Partnership shall continue to perform the respective obligations of the Pledgors and the Partnership hereunder. The Pledgors warrant to the Pledgee that he has made all appropriate arrangements and executed all necessary documents to ensure that, in the event of its bankruptcy, dissolution or occurrence of other circumstances that might affect exercise of its partner rights, his legal assignee, successor, heir, creditor, liquidator, bankruptcy administrator and other persons that might consequently acquire the Partnership Interest or relevant rights cannot affect or impede the performance of this Agreement. For this purpose, the Pledgors and the Partnership shall promptly sign all other documents and take all other actions (including, without limitation, notarization of this Agreement) as required by the Pledgee.

14.12 Concurrently with the execution of this Agreement, the Pledgors shall execute a power of attorney ("**Power of Attorney**") in the form of Schedule 2 hereto, entrusting any nominee of the Pledgee to execute, on its behalf in accordance with this Agreement, any and all legal documents as may be required in order for the Pledgee to exercise its rights hereunder. Such Power of Attorney shall be submitted to the Pledgee for custody and may be presented by the Pledgee to relevant governmental authorities whenever necessary.

[THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK. EXECUTION PAGE FOLLOWS]

Pledgor:

Ting Li
/s/ Ting Li

Pledgor:

Lin Song
/s/ Lin Song

Pledgor:

Di Fu
/s/ Di Fu

Pledgor:

Guangzhou Xuancheng Internet Technology Co., Ltd. (seal)
/seal/ Guangzhou Xuancheng Internet Technology Co., Ltd.
/s/ Ting Li
Name: Ting Li
Title: Legal Representative

Partnership:

Guangzhou Yueyi Internet Technology L.P. (seal)
/seal/ Guangzhou Yueyi Internet Technology L.P.
Executive Partner:
Guangzhou Xuancheng Internet Technology Co., Ltd.
/seal/ Guangzhou Xuancheng Internet Technology Co., Ltd.
/s/ Ting Li

Pledgee:

Guangzhou Huanju Shidai Information Technology Co., Ltd. (seal)
/seal/ Guangzhou Huanju Shidai Information Technology Co., Ltd.
/s/ Ting Li
Name: Ting Li
Title: Legal Representative

Exhibit 4.48

Exclusive Service Agreement

This Exclusive Service Agreement (this "***Agreement***") is made and entered into by and between the following parties on December 9, 2020:

(1) **Guangzhou Yueyi Internet Technology L.P.** ("***Party A***")
Registered address: Room 3203, No. 79 Wanbo Er Road, Nancun Town, Panyu District, Guangzhou
Legal representative: Guangzhou Xuancheng Internet Technology Co., Ltd.

(2) **Guangzhou Huanju Shidai Information Technology Co., Ltd.** ("***Party B***")
Registered address: 23/F, Building B-1, North Block of Wanda Plaza, No. 79 Wanbo Er Road, Nancun Town, Panyu District, Guangzhou
Legal representative: LI Ting

Each of Party A and Party B shall be hereinafter referred to as a "Party" respectively, and as the "Parties" collectively.

PREAMBLE

1. Party A is a limited partnership registered and validly existing in Guangzhou, China, which engages in enterprise management consulting services; software development; information technology consulting services; enterprise management services (except for business requires license); business information consulting;

2. Party B is a wholly-foreign-owned enterprise registered and validly existing in Guangzhou, China, which engages in software product development and production; computer technology development and technical services; information system integration services; information technology consulting services; software wholesale; software retail; computer retail; house leasing; computer wholesale; computer parts wholesale; technology import and export; business management consulting services; electronic, communication and automatic control technology research and development; retail of small accessories and small gifts; design services of animation and derivative products; retail of department stores (except retail of food and tobacco products); commodity wholesale trade (except for commodities involved in special management regulations and permits for foreign investment access); commodity retail trade (except for commodities involved in special management regulations and permits for foreign investment access); retail of textiles and knitwear; retail of electronic products; retail of stationery; retail of toys; retail of clothing; retail of luggage and bags; craftsmanship art retail (except cultural relics).

3. Party A needs Party B to provide services related to the Party A Business, and Party B agrees to provide such services to Party A.

NOW, THEREFORE, the Parties have reached the following agreements:

1. DEFINITIONS

1.1 Unless otherwise provided, in this Agreement:

Party A's Business means all business activities that Party A currently operates and operates at any time during the term of this Agreement.

Services means services exclusively provided by Party B to Party A with respect to the Party A's Business, which may include but without limitation:

(a) Approval of Party A to use the software related to the Party A's Business that Party B has legal rights;

(b) Providing economic information, computer technology, commercial and management consulting or advices for Party A;

(c) Providing business planning, design, marketing plan;

(d) Daily management, maintenance and update of hardware equipment and databases or software resources and customer resources;

(e) Providing comprehensive operation and solution plan in information technology/operation management required by Party A's business;

(f) Software development, maintenance, and update which the Party A's Business requires;

(g) Providing business training, support and assistance of relevant personnel of Party A;

(h) Other relevant services that are required to be provided by Party A from time to time.

Service Fee means all the fees Party A shall pay to Party B for the Services Party B provides subject to Section 3.

Annual Business Plan means according to this Agreement, the Party A's Business development plan and budget report for the next calendar year prepared by Party A before November 30 of each year, with the assistance of Party B.

Business Related Intellectual Property Rights means any and all intellectual property rights related to the Party A's business developed by Party A on the basis of the services provided by Party B under this agreement.

Confidential Information has the meaning assigned to it in Section 6.1.

Defaulting Party has the meaning assigned to it in Section 12.1.

Default has the meaning assigned to it in Section 12.1.

Such Party's Right has the meaning assigned to it in Section 14.5.

1.2 Any referring to any law or statutory provision under this Agreement shall be deemed to:

(a) also include referring to any revision, extension, combination and replacement related to such law or provision; and

(b) also include referring to orders, ordinances, instructions and other subordinate legislation promulgated in accordance with relevant law or provisions.

1.3 All references in this Agreement to designated "Sections" and other subdivisions are to the designated Sections and other subdivisions of the body of this Agreement unless explicitly stated otherwise

2. SERVICES

2.1 During the term of this Agreement, Party A hereby exclusively engages Party B to provide the Services, and Party B shall provide the Services to Party A diligently pursuant to the requirement of Party A's Business. Both Parties understand that, the actual Services provided by Party B shall be limited to the approved business scope of Party B; if the Services Party A requires exceed the approved business scope of Party B, Party B will apply for extension of its business scope under the maximum scope permitted by the laws, and will provide related Services after permission of such extension.

2.2 For the purpose of providing Services in accordance with this Agreement, Party B shall communicate with Party A and exchange various information related to the Party A's Business.

2.3 Notwithstanding any other provisions of this Agreement, Party B is entitled to appoint any third party to provide any or all of the Services under this Agreement, or perform any obligations under this Agreement on behalf of Party B. Party A hereby agrees that Party B has the right to transfer or assign the rights and obligations of Party B under this Agreement to any third party.

3. SERVICE FEE

3.1 The Party A shall pay Party B the Service Fee for the Services contemplated in this Agreement as following:

3.1.1 After mutual consents between both Parties, for the Services provided by Party B to Party A in each calendar year within the term of this agreement, Party A shall pay Party B the relevant Service Fee on an annual basis; and

3.1.2 With respect to the Service Fee incurred by the specific Services Party B provided as required by Party A from time to time, after mutual consents between both Parties, Party A shall pay the Service Fee separately.

3.2 Party B shall issue a payment notice and value-added tax invoice to Party A in a timely manner, and calculate on an annual basis. Party A shall pay the Service Fee to Party B within one (1) month upon the receipt of Party B's tax invoice.

3.3 Both Parties agree, without violating any mandatory requirement of any laws and regulations, the amount of the Service Fee and service scope as set forth in Section 3.1 and 3.2, may be confirmed and adjusted by both Parties in accordance with advices made by Party B from time to time.

3.4 The parties shall bear the taxes they shall pay and withhold the taxes (if any) in accordance with the applicable law.

4. PARTY A'S OBLIGATION

4.1 The Services provided by Party B is exclusive. During the term of this Agreement, without prior written consent of Party B, the Party A shall not enter into any agreement with any third party and accept any services identical or similar to the Services hereunder from any third party.

4.2 Party A shall provide the Annual Business Plan to Party B before November 30 of each year, to the extent that Party B could arrange Services plan and add necessary personnel and resources. If Party A requires personnel supplement temporarily, Party A shall negotiate with Party B with 15 days in advance to reach an agreement.

4.3 For better Services provided by Party B, Party A shall timely provide related materials that Party B requires.

4.4 Party A shall pay the Service Fee in a timely and sufficient manner in accordance with Section 3.

4.5 Party A should maintain its own good reputation, actively expand its business, and strive to maximize revenue.

4.6 During the term of this Agreement, Party A agrees to cooperate with Party B and Party B's parent company (including direct or indirect) to conduct related-party transaction audits and other audits, and provide Party B, its parent company, or its authorized auditors with information on Party A's operations, business, customers, finances, employees and other related information and materials, and agree that Party B's parent company shall disclose such information and materials in order to meet the regulatory requirements of the place where its securities are listed.

5. INTELLECTUAL PROPERTY RIGHTS

5.1 Party B shall have proprietary rights and interests in all rights, ownership, interests of the intellectual property rights it already has before entering into this Agreement, and created or arising out of providing of Services during the term of this Agreement.

5.2 Since the operation of Party A's Business depends on the Services provided by Party B under this Agreement, Party A agrees to the following arrangements regarding the Business Related Intellectual Property Rights developed by Party A on the basis of such Services:

(1) If the Business Related Intellectual Property Rights are developed by Party A entrusted by Party B, or obtained through cooperation between Party A and Party B, the ownership and the right to apply for related intellectual property rights shall belong to Party B.

(2) If the Business Related Intellectual Property Rights are independently developed and acquired by Party A, the ownership shall belong to Party A, provided that (A) Party A informs Party B of the details of the Business Related Intellectual Property Rights in a timely manner, and provides relevant information that Party B has reasonably requested; (B) If Party A wants to license or transfer such Business Related Intellectual Property Rights, Party A shall transfer to Party B or grant Party B an exclusive license prior to any third party, without violating the mandatory provisions of the laws of China, and Party B may use such Business Related Intellectual Property Rights within the scope of such transfer or license from Party A (but Party B has the right to decide whether to accept such transfer or license); Party A can only transfer or license the Business Related Intellectual Property Rights to a third party without offering more favorable conditions than which Party A offers to Party B (including but not limited to the transfer price or license fee) provided that Party B has waived the priority to purchase the ownership of the Business Related Intellectual Property Rights or the exclusive right to use the Business Related Intellectual Property Rights, and shall ensure that such third party fully complies with and performs the obligations of Party A under this Agreement; (C) Except for the circumstances mentioned in item (B) above, during the term of this Agreement, Party B has the right to purchase such Business Related Intellectual Property Rights; then Party A shall agree to Party B's such purchase request provided that there would be no violation of the mandatory provisions of the laws of China, and the purchase price shall be the lowest price allowed by the laws of China at that time.

5.3 If Party B is licensed to exclusively use the Business Related Intellectual Property Rights according to Section 5.2 (2) of this Agreement, such license shall be implemented in according with the following rules:

(1) Licensing period shall not be less than five (5) years (calculated from the effective date of relevant licensing agreement);

(2) The scope of license shall be the maximum scope as far as possible;

(3) Within the licensing period and scope of license, any other parties (include Party A) except Party B shall not use or license others to use the Business Related Intellectual Property Rights;

(4) Without prejudicing to Section 5.3 (3), Party A is entitled to, at its own discretion, license the Business Related Intellectual Property Rights to any other third parties;

(5) After expiration of licensing period, Party B is entitled to request the renewal of the license agreement and Party A shall agree to it. The terms of the license agreement shall remain unchanged, except for changes approved by Party B.

5.4 Notwithstanding Section 5.2 (2) above, if any Business Related Intellectual Property Rights described in such Section can be valid only after registration of ownership under applicable laws, then the application for registration of ownership shall be implemented in according with the following rules:

(1) Party A shall obtain prior written consent from Party B if Party A would apply for registration of ownership with regard to any Business Related Intellectual Property Rights described in such Section;

(2) Party A can only apply for registration of ownership on its own or transfer such right of applying for registration of ownership to a third party when Party B waives its right to purchase the right to apply for registration of ownership of the Business Related Intellectual Property Rights. In the case where Party A transfers the aforementioned right to apply for registration of ownership to a third party, Party A shall ensure that such third party will fully comply with and perform the obligations that Party A shall perform under this Agreement; meanwhile, the terms and conditions of the transfer (including but not limited to the transfer price) which Party A transfer the right to apply for registration of ownership to a third party shall not be more favorable than the terms and conditions proposed to Party B in accordance with Section 5.4 (3).

(3) During the term of this Agreement, Party B may request Party A to file an application for the registration of ownership of such Business Related Intellectual Property Rights at any time, and decide on its own whether to purchase the right to apply for such registration of ownership. Upon request of Party B, Party A shall transfer the right to apply for registration of ownership to Party B at that time, without violating the mandatory provisions of the laws of China, at the lowest price allowed by the laws of China; after Party B has obtained the right to apply for registration of ownership of the Business Related Intellectual Property Rights, filed the registration of ownership and completed the registration, Party B shall be the legal owner of such registration of ownership.

5.5 Both Parties respectively warrants to each other that they will compensate the other Party for any and all economic losses due to any infringement of the intellectual property rights of any third party.

6. CONFIDENTIALITY

6.1 Regardless of whether this Agreement is terminated or not, both parties shall strictly keep confidential the trade secrets, proprietary information, customer information and other confidential information of the other Party obtained during the execution and performance of this Agreement. Without the prior written consent from the disclosing Party, or mandatorily required to be disclosed to third party by relevant laws and regulations or the requirements of the listing place of a Party's related company, the receiving Party should not disclose any confidential information to any third party; unless for the purpose of performance of this Agreement, the receiving Party should not use or indirectly use any confidential information.

6.2 Confidential information shall not include information:

(a) is known to the Receiving Party prior to disclosure by the disclosing Party as demonstrated by documentary evidence;

(b) is or becomes available to the public other than as a result of the receiving Party's fault; or

(c) information obtained legally by the receiving Party from other sources after receiving confidential information.

6.3 The receiving Party may disclose confidential information to its relevant employees, agents or professionals engaged, provided the receiving Party shall ensure the abovementioned personnel be in compliance with the relevant terms and conditions of this Agreement and be liable for any responsibilities incurred by breach of the relevant terms and conditions of this Agreement by the abovementioned personnel.

6.4 Notwithstanding any other terms of this Agreement, this section shall still be valid and binding upon the termination of this Agreement.

7. REPRESENTATIONS AND WARRANTIES OF PARTY A

Party A represents and warrants to Party B as follows:

7.1 It is a limited liability company legally registered and validly existing in accordance with the PRC laws and has independent legal capacity; has complete and independent legal status and legal capacity to sign, deliver and perform this Agreement, and can independently act as a party to a litigation.

7.2 It has the full internal power and authorization to sign and deliver this Agreement and all other documents that it will sign related to the transactions described in this Agreement, and it has the full power and authorization to complete the transactions described in this Agreement. This Agreement is legally and appropriately signed and delivered by it. This Agreement constitutes the Party A's legal, valid and binding obligations, and shall be enforceable against it.

7.3 It shall promptly inform Party B of circumstances that have caused or may cause a material adverse effect on the Party A's Business and its operations, and shall use its best effort to prevent the occurrence of such circumstances and/or the expansion of losses.

7.4 Without the written consent of Party B, Party A will not, in any form, dispose of Party A's material assets, nor will it change Party A's existing equity structure.

7.5 Upon being effective of this Agreement, Party A has obtained all necessary business license, competent rights and qualification to conduct Party A's Business now engaged in the territory of China;

7.6 Once Party B submits a written request, Party A will use all accounts receivables and/or all other assets that are legally owned and can be disposed of at that time, in a manner permitted by law, as guarantee of payment obligation of the Service Fee set forth in Section 3 of this Agreement.

7.7 Without the written consent of Party B, Party A shall not enter into any other agreement or arrangement that conflicts with this Agreement or may damage Party B's rights and interests under this Agreement.

8. REPRESENTATIONS AND WARRANTIES OF PARTY B

Party B represents and warrants to Party A as follows:

8.1 It is a limited liability company legally registered and validly existing in accordance with the PRC laws and has independent legal capacity; has complete and independent legal status and legal capacity to sign, deliver and perform this Agreement, and can independently act as a party to a litigation.

8.2 It has the full internal power and authorization to sign and deliver this Agreement and all other documents that it will sign related to the transactions described in this Agreement, and it has the full power and authorization to complete the transactions described in this Agreement. This Agreement is legally and appropriately signed and delivered by it. This Agreement constitutes the Party B's legal, valid and binding obligations, and shall be enforceable against it.

9. TERM

9.1 This Agreement takes effect as of the date of execution. Unless otherwise provided in this Agreement, or this Agreement terminated by Party B in writing, the term of this Agreement shall be twenty (20) years. After the expiration of this Agreement, unless Party B informs Party A 30 days in advance that this Agreement will not be renewed, this Agreement will be automatically renewed for one year after the expiration of the term, and so on.

9.2 If Party A or Party B fails to complete the approval and registration procedures for extending the business term at the expiration of the business term, this Agreement shall be terminated on the date when the business term of Party A or B expires. Both Parties shall complete the approval and registration procedures for extending the business term within three months before the expiration of their respective business term, to the extent that the term of this Agreement could be extended.

9.3 After the termination of this Agreement, both Parties shall still abide by their obligations under Section 6 of this Agreement.

10. INDEMNIFICATION

The Party A shall indemnify and hold harmless Party B from all the losses including but not limited to any losses caused by any lawsuit, claims, arbitration, damages by any third party or governmental investigation and penalties against Party B arising from providing the Services. However, if the losses are caused by Party B's willful conduct or gross negligence, such losses shall not be included in the indemnification.

11. NOTICE

11.1 All the notices, request, requirement and other communications pursuant to this Agreement shall be delivered to the relevant Party in written form.

11.2 Abovesaid notices or other notices if given by facsimile transmission or e-mail, shall be deemed effectively given upon successful transmission; if given by person, shall be deemed effectively given upon delivery by person; if given by post, shall be deemed effectively given on the date after two (2) days from posting.

12. DEFAULT

12.1 Both Parties agree and confirm that, if any Party (“**Defaulting Party**”) materially violates any of the terms under this Agreement, or fails to perform, incompletely perform or delays the performance of any of the obligations under this Agreement, it shall constitute a breach of this Agreement (“**Default**”). The other Party has the right to request Defaulting Party to make amendments or remedies within reasonable period. If the Defaulting Party fails to make amendments or remedies within reasonable period or ten (10) days after the other Party sends a written notice to Party B and requests for amendments, and if Party A is the Defaulting Party, then Party B is entitled to decide at its own discretion: (1) to terminate this Agreement, and requires Defaulting Party to compensate all the losses; or (2) requires the mandatory performance of Defaulting Party 's obligations under this Agreement, and requires the Defaulting Party to compensate all the losses; if Party B is the Defaulting Party, then Party A is entitled to require the performance of the Defaulting Party 's obligations under this Agreement, and require the Defaulting Party to compensate all the losses.

12.2 Notwithstanding the foregoing Section 12.1, both Parties agree and confirm that, except as otherwise provided by law, Party A shall not unilaterally terminate this Agreement in any circumstances.

12.3 Notwithstanding any other terms of this Agreement, the validity of this Section 12 shall not be affected by the termination of this Agreement.

13. FORCE MAJEURE

If the performance of this Agreement by any Party is affected or any Party delays or fails to perform its obligation hereunder due to earthquake, typhoon, flood, fire, war, computer virus, design vulnerabilities

of instrumental software, hacker attack on internet, modification of governmental policy or laws, and other exceptional situation that cannot be overcome or avoided by the Parties and cannot be foreseen by the Party alleged to be affected by such force majeure, the Party being affected shall immediately notify the other Party by facsimile and provide proof of the details of the force majeure and the reasons why this Agreement cannot be implemented or the performance needs to be delayed. Such proof documents must be issued by a notary institution in the jurisdiction where the force majeure occurred. Based on the extent of the force majeure event's impact on the performance of this Agreement, the two Parties shall negotiate whether the performance of this Agreement should be partially waived or postponed. Neither Party shall be liable for compensation for the economic losses caused to both Parties by the force majeure event.

14. MISCELLANEOUS PROVISIONS

14.1 This Agreement is executed in the Chinese language. This Agreement may be executed in five (5) counterparts, which Party A keeps one (1) counterpart, one (1) counterpart for governmental approval or registration, and Party B keeps other three (3) counterparts.

14.2 This Agreement, including the execution, validity, performance, interpretation and dispute resolution of this Agreement, shall be governed by and construed in accordance with the laws of China

14.3 Dispute Resolution

14.3.1 The Parties shall firstly attempt to resolve any and all disputes arising out of or relating to this Agreement through friendly consultations. If a dispute is not resolved through friendly consultations, then each Party may submit the dispute to Guangzhou Arbitration Commission for arbitration in accordance with then effective arbitration rules of such commission. The arbitration shall be conducted in Guangzhou. The award of the arbitration tribunal shall be final and binding upon the Parties. The costs of arbitration shall be borne by the losing Party, unless otherwise determined by the arbitration tribunal.

14.3.2 When any dispute is under arbitration, except for the matters in dispute, the Parties shall continue to fulfil their respective obligations under this Agreement.

14.4 Any rights, powers and remedies granted to both Parties by any terms of this Agreement shall not exclude any other rights, powers or remedies that the Party is entitled to in accordance with the laws and other terms under this Agreement, and one Party's exercise of its rights, powers and remedies does not preclude such Party from exercising other rights, powers and remedies.

14.5 A Party's failure to exercise or delay in exercising any of its rights, powers and remedies ("**Such Party's Rights**") under this Agreement or the laws will not result in the waiver of such rights, and any single or partial waiver of Such Party's Rights will not exclude such Party's exercise of such rights in other manner and the exercise of other Such Party's Rights.

14.6 The titles of the sections and subsections of this Agreement are for convenience of reference only and are not to be considered in construing this Agreement.

14.7 Each provision of this Agreement shall be severable and independent. If any single or multiple provisions hereof become invalid, illegal or unenforceable in any aspect, the validity, legality and enforceability of the remaining provisions of this Agreement shall not be affected in any aspect.

14.8 This Agreement once executed shall supersede all prior agreements both Parties executed before, with respect to the subject matter hereof and thereof. Any amendment and supplements to this Agreement shall be made in writing, and only takes effect after the execution by all Parties hereunder, except for Party B's transfer of its rights under Section 14.9 of this Agreement.

14.9 Without the prior written consent of Party B, Party A has no right to transfer or assign any of its rights and obligations hereunder to any third party. Party A hereby agrees that Party B may transfer its rights and obligations under this Agreement to a third party, and that Party B only needs to send a written notice to the Party A of such transfer, and there is no need to obtain consent from the Party A for such transfer.

14.10 This Agreement shall be binding upon the respective successors, assigns, creditors and other person who may acquire the equity or relevant rights of the Parties.

14.11 The taxes applicable to the execution and performance of this Agreement shall be borne by the respective Party.

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This page is the signature page of the Exclusive Service Agreement of Guangzhou Yueyi Internet Technology L.P.

Party A:

Guangzhou Yueyi Internet Technology L.P. (seal)
/seal/ Guangzhou Yueyi Internet Technology L.P.
Executive Partner:
Guangzhou Xuancheng Internet Technology Co., Ltd. (seal)
/seal/ Guangzhou Xuancheng Internet Technology Co., Ltd.
/s/ Ting Li

This page is the signature page of the Exclusive Service Agreement of Guangzhou Yueyi Internet Technology L.P.

Party B:

Guangzhou Huanju Shidai Information Technology Co., Ltd. (seal)
/seal/ Guangzhou Huanju Shidai Information Technology Co., Ltd.
/s/ Ting Li
Name: Ting Li
Title: Legal Representative

Exclusive Option Agreement

This Exclusive Option Agreement (this "***Agreement***"), dated December 9, 2020, is entered into by and between:

1. **Ting Li:**
   Identity Card Number: ***

2. **Lin Song:**
   Identity Card Number: ***

3. **Di Fu:** (together with Ting Li and Lin Song, collectively as the"***Limited Partners***"**):**
   Identity Card Number: ***

4. **Guangzhou Xuancheng Internet Technology Co., Ltd. (**the "**General Partner**", together with the Limited Partners, collectively as "***Existing Partners***")
   Registered address: Room 3201, No. 79 Wanbo Er Road, Nancun Town, Panyu District, Guangzhou
   Legal representative: Ting Li

5. **Guangzhou Yueyi Internet Technology L.P.** (the "**Partnership**")
   Registered address: Room 3202, No. 79 Wanbo Er Road, Nancun Town, Panyu District, Guangzhou
   Executive Partner: Guangzhou Xuancheng Internet Technology Co., Ltd.

6. **Guangzhou Huanju Shidai Information Technology Co., Ltd.** ("***WFOE***")
   Registered address: 23/F, Building B-1, North Block of Wanda Plaza, No. 79 Wanbo Er Road, Nancun Town, Panyu District, Guangzhou
   Legal representative: Ting Li

The parties above shall be hereinafter individually referred to as a "Party"; collectively, the "Parties".

PREAMBLE

1. The Existing Partners are the registered partners of the Partnership and holds all the interests of the Partnership. As of the date hereof, the capital commitment and percentage of the capital commitment to the Partnership is shown as Exhibit A.

2. The Existing Partners intend to transfer all of their interests in the Partnership to the WFOE and/or its designated entities and/or individuals without violating the PRC Laws, and the WFOE intends to accept such transfer by itself or other entities and/or individuals appointed by it.

3. The Partnership intends to transfer all of the assets held by it to the WFOE and/or its designated entities and/or individuals without violating the PRC Laws, and the WFOE intends to accept such transfer by itself or other entities and/or individuals appointed by it.

4. The Partnership and the Existing Partners intend to reduce the capital commitment of the Partnership (including withdrawal from the Partnership), and the partners intend to accept the capital commitment by the WFOE and/or its designated entities and/or individuals without violating the PRC Laws, and the WFOE intends to subscribe such capital by itself or other entities and/or individuals appointed by it.

5. In order to fulfill the above-mentioned Partnership interests transfer or asset transfer, the Existing Partners and the Partnership agree to separately and exclusively grant irrevocable Partnership Interests Purchase Option (as defined below) and Assets Purchase Option (as defined below) to the WFOE. According to such Partnership Interests Purchase Option and Assets Purchase Option, subject to the PRC Laws, the Existing Partners or the Partnership shall, in accordance with the requirements of the WFOE, transfer the Option Partnership Interests or Partnership Assets (as defined below) to the WFOE and/or any other entity and/or individual designated by the WFOE in accordance with the provisions of this Agreement; in order to fulfill the above-mentioned capital commitment reduction of the Partnership and the capital subscription of the Partnership by the WFOE, the Existing Partners and the Partnership agree to grant an irrevocable Capital Subscription Option to the WFOE. According to such Capital Subscription Option, subject to the PRC Laws, the Partnership shall, in accordance with the requirements of the WFOE, reduce the capital commitment of the Partnership, and the Subscription Capital (as defined below) shall be subscribed by the WFOE and/or any other entity and/or individual designated by the WFOE in accordance with the provisions of this Agreement.

6. The Partnership agrees the Existing Partners to grant the WFOE the Partnership Interests Purchase Option (as defined below) pursuant to the terms and conditions of this Agreement.

7. The Existing Partners agrees the Partnership to grant the WFOE the Assets Purchase Option (as defined below) pursuant to the terms and conditions of this Agreement.

8. The Partnership and the Existing Partners agree to grant the WFOE the Capital Subscription Option (as defined below) pursuant to the terms and conditions of this Agreement.

NOW, THEREFORE, the Parties agree as follows through negotiations:

1. DEFINITIONS

1.1 Definitions. Unless otherwise provided, in this Agreement:

PRC Laws means the then effective laws, administrative regulations, local regulations, judicial interpretation and other binding regulatory documents of the People's Republic of China.

Partnership Interests Purchase Option means the option to purchase the interests of the Partnership granted by the Existing Partners to the WFOE pursuant to the terms and conditions of this Agreement.

Assets Purchase Option means the option to purchase the assets of the Partnership granted by the Partnership to the WFOE pursuant to the terms and conditions of this Agreement.

Capital Subscription Option means the option to request the partners reduce its capital commitment to the Partnership (the amount shall be part of or all of the Option Partnership Interests (as defined below)), and to subscribe Subscription Capital of the Partnership and join the Partnership by the WFOE or other entities and/or individuals appointed by it .

Option Partnership Interests means all the interests of the Partnership Capital Commitment (as defined below) held by the Existing Partners, namely the shares of 100% of the Partnership Capital Commitment.

Partnership Capital Commitment means as the date hereof, the capital commitment of the Partnership at the amount of RMB1,000,000, also include the increased capital commitment by any form of capital increase during the term of this Agreement.

Transfer Partnership Interests means when the WFOE exercises its Partnership Interests Purchase Option, it is entitled to require the Existing Partners to transfer the interests of the Partnership to it and/or its designated entity and/or individual in accordance with the provisions of Section 3 of this Agreement. The number of which may be all or part of the Option Partnership Interests, and the specific number shall be freely determined by the WFOE in accordance with the PRC laws and its own commercial considerations.

Transfer Assets means when the WFOE exercises its Assets Purchase Option, it is entitled to require the Partnership to transfer the assets of the Partnership to it and/or its designated entity and/or individual in accordance with the provisions of Section 3 of this Agreement. It may be all or part of the Partnership Assets, and shall be freely determined by the WFOE in accordance with the PRC laws and its own commercial considerations.

Subscription Capital means when the WFOE exercises its Capital Subscription Option before or after the reduction of capital commitment of the Partnership, the WFOE and/or its designated entity and/or individual is entitled to subscribe the capital of the Partnership in accordance with the provisions of Section 3 of this Agreement. The specific number of which shall be freely determined by the WFOE in accordance with the PRC laws and its own commercial considerations.

Exercise means the WFOE exercises its Partnership Interests Purchase Option, Assets Purchase Option and Capital Subscription Option .

Transfer Price means in each Exercise, all the considerations that need to be paid by the WFOE and/or its designated entity and/or individual to the Existing Partners or the Partnership in order to obtain the Transfer Partnership Interests or Transfer Assets.

Returned Interests means in each Exercise, all the considerations that the Partnership needs to pay to the Existing Partners in respect of the reduction of Partnership Capital Commitment.

Subscription Price means in each Exercise, all the considerations that need to be paid by the WFOE and/or its designated entity and/or individual to the Partnership for subscription of the Subscription Capital.

Business License means any approvals, permits, filings and registrations that the Partnership must hold in order to operate all its businesses legally and effectively, including but not limited to "Partnership Business License" and other relevant permits and licenses required by the PRC Laws then.

Partnership Assets means all the tangible and intangible assets the Partnership owned or has the right to dispose, including but not limited to any real estate, moveable properties, and intellectual properties such as trademarks, copyrights, patents, domain names, software use rights.

Material Contracts means the contracts Partnership as a party have material effects on the Partnership's business or assets, including but not limited to the Exclusive Service Agreemen signed by the Partnership and the WFOE simultaneously with this Agreement and other material contracts about the Partnership's business.

Exercise Notice has the meaning assigned to it in Section 3.9.

Confidential Information has the meaning assigned to it in Section 8.1.

Defaulting Party has the meaning assigned to it in Section 11.1.

Default has the meaning assigned to it in Section 11.1.

Non-defaulting Party has the meaning assigned to it in Section 11.1.

Such Party's Right has the meaning assigned to it in Section 12.5.

1.2 Any referring to any law or statutory provision under this Agreement shall be deemed to:

(a) also include referring to any revision, extension, combination and replacement related to such law or provision; and
(b) also include referring to orders, ordinances, instructions and other subordinate legislation promulgated in accordance with relevant law or provisions.

1.3 All references in this Agreement to designated "Sections" and other subdivisions are to the designated Sections and other subdivisions of the body of this Agreement unless explicitly stated otherwise

2. GRANT OF PARTNERSHIP INTERESTS PURCHASE OPTION, ASSETS PURCHASE OPTION AND CAPITAL SUBSCRIPTION OPTION

2.1 The Existing Partners hereby agree to exclusively grant an irrevocable Partnership Interests Purchase Option to the WFOE without any additional condition. According to such Share Purchase Option, subject to the PRC Laws, the WFOE is entitled to require the Existing Partners transfer the Option Partnership Interests to the WFOE and/or any other entity and/or individual designated by the WFOE at any time (including but not limited to when the WFOE, after its independent judgment, believes that the Existing Partners are at risk of transferring all or part of the Option Partnership Interests they hold to any third party in accordance with the requirements of the PRC Laws, other than to the WFOE and/or its designated entity and/or individual) in accordance with the provisions of this Agreement. The WFOE agrees to accept such Partnership Interests Purchase Option.

2.2 The Partnership hereby agrees the Existing Partners grant such Partnership Interests Purchase Option to the WFOE in accordance with the Section 2.1 above and other provisions of this Agreement.

2.3 The Partnership hereby agrees to exclusively grant an irrevocable Assets Purchase Option to the WFOE without any additional condition. According to such Assets Purchase Option, subject to the PRC Laws, the WFOE is entitled to require the Partnership transfer all of or part of the Partnership Assets to the WFOE and/or any other entity and/or individual designated by the WFOE at any time (including but not limited to when the WFOE, after its independent judgment, believes that the Existing Partners are at risk of transferring all or part of the Option Partnership Interests they hold to any third party in accordance with the requirements of the PRC Laws, other than to the WFOE and/or its designated entity and/or individual) in accordance with the provisions of this Agreement. The WFOE agrees to accept such Assets Purchase Option.

2.4 The Existing Partners hereby agree the Partnership grant such Assets Purchase Option to the WFOE in accordance with the Section 2.3 above and other provisions of this Agreement.

2.5 The Existing Partners and the Partnership hereby severally and jointly agree, to exclusively grant an irrevocable Capital Subscription Option to the WFOE without any additional condition. According to such Share Subscription Option, subject to the PRC Laws, the WFOE is entitled to require the partners reduce its capital commitment to the Partnership at any time (including but not limited to when the WFOE, after its independent judgment, believes that the Existing Partners are at risk of transferring all or part of the Option Partnership Interests they hold to any third party in accordance with the requirements of the PRC Laws, other than to the WFOE and/or its designated entity and/or individual) , and the WFOE and/or any other entity and/or individual designated by the WFOE is entitled to subscribe the Subscription Capital and join the Partnership in accordance with the provisions of this Agreement. The WFOE agrees to accept such Capital Subscription Option.

3. Exercise Methods

3.1 Subject to the terms and conditions of this Agreement, as permitted by the PRC Laws, the WFOE has absolute discretion to determine the specific time, method and frequency of Exercise.

3.2 Subject to the terms and conditions of this Agreement, the WFOE has the right to request the purchase of all or part of the Partnership’s interests from the Existing Partners by itself and/or through

other entities and/or individuals designated by the WFOE at any time without violating the PRC laws then effective.

3.3 Subject to the terms and conditions of this Agreement, the WFOE has the right to request the purchase of all or part of the Partnership's assets from the Partnership by itself and/or through other entities and/or individuals designated by the WFOE at any time without violating the PRC laws then effective.

3.4 Subject to the terms and conditions of this Agreement, the WFOE has the right to request the partners reduce their capital commitment of the Partnership, and to subscribe the Subscription Capital and join the Partnership by itself and/or through other entities and/or individuals designated by the WFOE at any time without violating the PRC laws then effective.

3.5 As for the Partnership Interests Purchase Option , at each Exercise, the WFOE has the right to decide the number of partnership interests that the Existing Partners should transfer to the WFOE and/or through other entities and/or individuals designated by the WFOE during such Exercise, and the Existing Partners shall respectively transfer the Transfer Partnership Interests to the WFOE and/or through other entities and/or individuals designated by the WFOE according to the number required by the WFOE. The WFOE and/or through other entities and/or individuals designated by the WFOE shall pay the Transfer Price to the Existing Partners who have transferred the Transfer Partnership Interests in respect of the Transfer Partnership Interests purchased in each Exercise.

3.6 As for the Assets Purchase Option, at each Exercise, the WFOE has the right to decide the specific Partnership Assets that the Partnership should transfer to the WFOE and/or through other entities and/or individuals designated by the WFOE during such Exercise, and the Partnership shall transfer the Transfer Assets to the WFOE and/or through other entities and/or individuals designated by the WFOE according to the number required by the WFOE. The WFOE and/or through other entities and/or individuals designated by the WFOE shall pay the Transfer Price to the Partnership in respect of the Transfer Assets purchased in each Exercise.

3.7 As for the Capital Subscription Option , at each Exercise, the Partnership shall confirm the amount of capital commitment which shall be reduced in such Exercise pursuant to the request of the WFOE, the WFOE has the right to decide the Existing Partners reduce their capital commitment to the Partnership, and the Partnership and the Existing Partners shall reduce capital commitment of the Partnership pursuant to the request of the WFOE; concurrently, the WFOE has the right to decide the number of the Subscription Capital to be subscribed by the WFOE and/or through other entities and/or individuals designated by the WFOE, and the Partnership shall accept the subscription of the Subscription Capital from the WFOE and/or through other entities and/or individuals designated by the WFOE according to the request of the WFOE. The Partnership shall pay the Returned Interests to the Partnership in respect of the capital commitment reduced in respect of the capital reduction in each Exercise. The WFOE and/or through other entities and/or individuals designated by the WFOE shall pay the Subscription Price to the Partnership in respect of the Subscription Capital subscribed in each Exercise.

3.8 At each Exercise, the WFOE could purchase the Transfer Partnership Interests, Transfer Assets or subscribe the Subscription Capital by itself, and could designate any third party to purchase all or part of the Transfer Partnership Interests, Transfer Assets or subscribe all or part of the Subscription Capital.

3.9 At each time the WFOE decide the Exercise, it shall delivery to the Existing Partners and/or the Partnership a Partnership Interests Purchase Option exercise notice, Assets Purchase Option exercise notice or Capital Subscription Option exercise notice (the "Exercise Notice", in the form respectively set forth in Exhibit B, Exhibit C and Exhibit D). Upon receipt of the Exercise Notice, the Existing Partners or the Partnership shall immediately transfer the Transfer Partnership Interests or Transfer Assets to the WFOE and/or through other entities and/or individuals designated by the WFOE in one time in accordance with the method described in Section 3.5 or 3.6 of this Agreement, or shall reduce the capital commitment of the Partnership in the manner described in Section 3.7, and the Subscription Capital shall be subscribed by the WFOE and/or through other entities and/or individuals designated by the WFOE.

4. TRANSFER PRICE, RETURNED CAPITAL AND SUBSCRIPTION PRICE

4.1 As for the Partnership Interests Purchase Option , at each Exercise, the total Transfer Price that the WFOE and/or through other entities and/or individuals designated by the WFOE should pay to the Existing Partners shall be the actual paid-in capital contribution corresponding to the relevant Transfer Partnership Interests in the Partnership's registered capital. If the minimum price allowed by the PRC Laws at that time is higher than the aforementioned actual paid-in capital, the minimum price allowed by the PRC Laws shall prevail. Under the premise of complying with the PRC Laws, the Existing Partners shall immediately return and gift it to the WFOE and/or its designated entity after receiving the Transfer Price.

4.2 As for the Assets Purchase Option, at each Exercise, the total Transfer Price that the WFOE and/or through other entities and/or individuals designated by the WFOE should pay to the Existing Partners shall be the net book value of the relevant assets. If the minimum price allowed by the PRC Laws at that time is higher than the aforementioned net book value, the minimum price allowed by the PRC Laws shall prevail. Under the premise of complying with the PRC Laws, the Existing Partners shall immediately return and gift it to the WFOE and/or its designated entity after receiving the Transfer Price.

4.3 As for the Share Subscription Option, at each Exercise, the Partnership shall pay the Returned Interests to the Existing Partners who have reduced their capital commitment to the Partnership. The amount of the Returned Interests shall be the reduced actual paid-up amount of the capital commitment by the partners. If the minimum price allowed by the PRC Laws at that time is higher than the aforementioned Returned Interests , the minimum price allowed by the PRC Laws shall prevail; and the total Subscription Price that WFOE and/or through other entities and/or individuals designated by the WFOE should pay to the Partnership for the subscription of Subscription Capital is the Returned Interests paid to the Existing Partners when the Partnership reduces its capital commitment and the registered capital that the Existing Partners have not paid to the Partnership at the time of capital reduction (if any), unless the WFOE and the Partnership agree otherwise. Under the premise of complying with the PRC

Laws, the Existing Partners shall immediately return and gift it to the WFOE and/or its designated entity after receiving the Returned Interests.

4.4 All taxes and fees arising from the Exercise of the Partnership Interests Purchase Option , Assets Purchase Option or Capital Subscription Option under this Agreement in accordance with applicable laws, shall be paid by each Party or withheld in accordance with the laws.

5. REPRESENTATIONS AND WARRANTIES

5.1 The Existing Partners represent and warrant as follows:

(a) Each Limited Partner is a PRC citizen with full capacity; the General Partner is a limited liability company legally registered and validly existing in accordance with the PRC laws. Each Existing Partners has complete and independent legal status and legal capacity to execute, deliver and perform this Agreement, and can independently act as a party to a litigation.

(b) The Partnership is a limited partnership legally registered and validly existing in accordance with the PRC Laws; it has complete and independent legal status and legal capacity to execute, deliver and perform this Agreement, and can independently act as a party to a litigation.

(c) Each Existing Partner has the full internal power and authorization to sign and deliver this Agreement and all other documents that they will sign related to the transactions described in this Agreement, and it has the full power and authorization to complete the transactions described in this Agreement.

(d) This Agreement constitutes the Existing Partners' legal, valid and binding obligations, and shall be enforceable against them.

(e) The Existing Partners are the registered legal owner of the Option Partnership Interests when this Agreement becomes effective. Except for the Partnership Interests Purchase Option , Capital Subscription Option , the pledge contemplated in the Partnership Interests Pledge Agreement by and among the Partnership, the WFOE and the Existing Partners dated [ ], 2020 and the entrustment contemplated in the Partner Voting Rights Proxy Agreement dated [ ], 2020 , there is no liens, pledges, claims and other security rights and third-party rights on the Option Partnership Interests. According to this Agreement, after the Exercise by the WFOE and/or through other entities and/or individuals designated by the WFOE, it can obtain good ownership of the Transfer Partnership Interests without any lien, pledge, claim, other security rights and third-party rights.

(f) Except for the Assets Purchase Option, there is no liens, pledges, claims and other security rights and third-party rights on the Partnership Assets. According to this Agreement, after the Exercise by the WFOE and/or through other entities and/or individuals designated by the

WFOE, it can obtain good ownership of the Partnership Assets without any lien, pledge, claim, other security rights and third-party rights.

5.2 The Partnership represents and warrants as follows:

(a) The Partnership is a limited partnership legally registered and validly existing in accordance with the PRC Laws; has complete and independent legal status and legal capacity to execute, deliver and perform this Agreement, and can independently act as a party to a litigation.

(b) The Partnership has the full internal power and authorization to sign and deliver this Agreement and all other documents that it will sign related to the transactions described in this Agreement, and it has the full power and authorization to complete the transactions described in this Agreement.

(c) This Agreement is legally and duly executed and delivered by the Partnership. This Agreement constitutes the Partnership's legal, valid and binding obligations, and shall be enforceable against it.

(d) Except for the Assets Purchase Option, there is no liens, pledges, claims and other security rights and third-party rights on the Partnership Assets. According to this Agreement, after the Exercise by the WFOE and/or through other entities and/or individuals designated by the WFOE, it can obtain good ownership of the Partnership Assets without any lien, pledge, claim, other security rights and third-party rights.

5.3 The WFOE represents and warrants as follows:

(a) The WFOE is a limited liability Partnership legally registered and validly existing in accordance with the PRC laws and has independent legal capacity; has complete and independent legal status and legal capacity to execute, deliver and perform this Agreement, and can independently act as a party to a litigation.

(b) The WFOE has the full internal power and authorization to sign and deliver this Agreement and all other documents that it will sign related to the transactions described in this Agreement, and it has the full power and authorization to complete the transactions described in this Agreement.

(c) This Agreement is legally and duly executed and delivered by the WFOE. This Agreement constitutes the WFOE's legal, valid and binding obligations, and shall be enforceable against it.

6. EXISTING PARTNERS' COVENANTS

The Existing Partners irrevocably undertake as follows:

6.1 During the term of this Agreement, without prior written consent of the WFOE:

(a) They shall not transfer or dispose of any Option Partnership Interests in any other way or set any security right or other third party rights on any Option Partnership Interests;

(b) They shall not increase or decrease the Partnership Capital Commitment, or cause the Partnership to merge with any other entity;

(c) They shall not dispose of or procure the Partnership's management to dispose of any material Partnership Assets (except those occur in the ordinary course of business);

(d) They shall not terminate or procure the Partnership's management to terminate any material agreement signed by the Partnership, or enter into any other agreement that conflicts with existing material agreements;

(e) They shall not appoint or remove any Partnership's executive partner or other Partnership's managers who should be appointed or removed by the Existing Partners;

(f) They shall not procure the Partnership to declare or actually distribute any distributable profits or dividends;

(g) They shall not take any actions (including any omissions) that will affect the effective existence of the Partnership; nor take any actions that may make the Partnership to be terminated, liquidated or dissolved;

(h) They shall not take any measure to advise, claim or request amendment, revision, termination or change the limited partnership agreement of the Partnership, and shall not procure or agree the General Partner and/or the Partnership reach any affiliated agreement or supplemental agreement with specific partner in respect of the limited partnership agreement of the Partnership; and

(i) They shall not take any actions (including any omissions) that make the Partnership lend or borrow loans, or provide guarantees or make other forms of guarantees, or undertake any substantial obligations outside of ordinary business activities.

6.2 During the term of this Agreement, they must use their best efforts to develop the Partnership's business and ensure the Partnership's operation is in compliance with the laws and regulations. They will not conduct any action or omission that may damage the Partnership's assets, goodwill or affect the validity of the Partnership's business licenses.

6.3 During the term of this Agreement, they shall promptly inform the WFOE of any situation that may have a material adverse effect on the Partnership's existence, business operations, financial conditions, assets or goodwill, and promptly take all measures agreed by the WFOE to eliminate such unfavorable situations or take effective remedial measures.

6.4 Once the WFOE issues the Exercise Notice:

(a) They shall immediately adopt shareholder decisions and take all other necessary actions to agree the Existing Partners or the Partnership to transfer all Transfer Partnership Interests or Transfer Assets to the WFOE and/or through other entities and/or individuals designated by the WFOE at the Transfer Price, or agree the reduction of the Partnership's capital, and accept the WFOE and/or through other entities and/or individuals designated by the WFOE to subscribe for the Subscription Capital of the Partnership and join the Partnership (depending on the situation);

(b) With respect to the Partnership Interests Purchase Option , they shall immediately sign an shares transfer agreement with the WFOE and/or through other entities and/or individuals designated by the WFOE, transfer all the Transfer Partnership Interests to the WFOE and/or through other entities and/or individuals designated by the WFOE at the Transfer Price, and provide the WFOE with the necessary support in accordance with the requirements of the WFOE and the provisions of laws and regulations (including providing and signing all relevant legal documents, and fulfilling all government approvals and registration procedures and assume all relevant obligations) so that the WFOE and/or through other entities and/or individuals designated by the WFOE can obtain all the Transfer Partnership Interests, and there should be no legal flaws in such Transfer Partnership Interests and there should be no security rights, third-party restrictions or any other restrictions on shares;

(c) With respect to the Capital Subscription Option, the Existing Partners shall immediately issue a resolution in a form and substance to the satisfactory of the WFOE, sign an admission agreement or capital commitment document (depending on situation) with the Partnership in a form and substance to the satisfactory of the WFOE, amend the limited partnership agreement of the Partnership (including the register of partners), assist and cooperate with the Partnership to implement relevant admission (if applicable), withdrawal (if applicable), capital commitment (if applicable) and Partnership Capital Commitment change procedure (if applicable) (including signing all relevant legal documents, and fulfilling all government approvals and registration procedures and assume all relevant obligations) so that the Partnership could complete the capital commitment reduction successfully, and the WFOE and/or through other entities and/or individuals designated by the WFOE could complete the subscription of the Subscription Capital.

6.5 If the Transfer Price received by the Existing Partners for the Transfer Partnership Interests held by them, the Returned Interests received as a result of the Partnership's capital commitment reduction, and/or the amounts received from distribution of the Partnership's remaining assets when the Partnership is terminated or liquidated, are higher than the capital contributions to the Partnership by them, or receives any form of profits distribution or dividends from the Partnership, then the Existing Partners agree and confirm that they will not be entitled to the income and profits distribution or dividends from the premium (after deduction of relevant taxes) without violating the PRC Laws, and such portion of the income and profits distribution or dividends should be attributed to the WFOE. The

Existing Partners shall instruct the relevant transferee or the Partnership to pay such portion of the proceeds to the bank account then designated by the WFOE.

6.6 They irrevocably agree to the Partnership's execution and performance of this Agreement, and provide the Partnership with all cooperation in the execution and performance of this Agreement, including but not limited to signing all necessary documents or documents required by the WFOE, and taking all necessary or actions required by the WFOE, and no action or omission will be taken to prevent the WFOE from claiming and realizing its rights under this Agreement.

6.7 Once they know or should be aware that the Option Partnership Interests they hold may be transferred to any third party other than the WFOE and/or through other entities and/or individuals designated by the WFOE due to applicable laws, judgments or awards of courts or arbitration institution, or for any other reason, they should immediately and without hesitation notify the WFOE.

7. EXISTING PARTNER AND PARTNERSHIP'S COVENANTS

7.1 The Existing Partner hereby further, together with the Partnership, irrevocably, severally and jointly undertake as follows:

(a) If the execution and performance of this Agreement and the granting of Partnership Interests Purchase Option, Assets Purchase Option or Capital Subscription Option under this Agreement require the consent, permission, waiver, authorization of any third party, or the approval, permission, exemption or approval of any government authorities, or the registration or filing procedures with any government authorities (if required by the Laws), the Partnership will use its best effort to assist in meeting the above conditions.

(b) Without prior written consent of the WFOE, it shall not assist or allow the Existing Partners transfer or dispose of any Option Partnership Interests in any other way or set any security right or other third party rights on any Option Partnership Interests.

(c) Without prior written consent of the WFOE, it shall not transfer or dispose of any material Partnership Assets (except those occur in the ordinary course of business) in any other way or set any security right or other third party rights on any Partnership Assets.

(d) The Partnership shall not carry out or allow any behavior or action that may adversely affect the interests of the WFOE under this Agreement, including but not limited to any behavior and action restricted by Section 6.1.

(e) Once it knows or should be aware that the Option Partnership Interests hold by the Existing Partners may be transferred to any third party other than the WFOE and/or through other entities and/or individuals designated by the WFOE due to applicable laws, judgments or

awards of courts or arbitration institution, or for any other reason, it should immediately and without hesitation notify the WFOE.

7.2 Once the WFOE issues the Exercise Notice:

(a) The Partnership shall immediately procure the Existing Partners to adopt necessary resolutions and take all other necessary actions to agree the Partnership to transfer all Transfer Assets to the WFOE and/or through other entities and/or individuals designated by the WFOE at the Transfer Price, or agree the reduction of the Partnership's capital, and accept the WFOE and/or through other entities and/or individuals designated by the WFOE to subscribe for all the Subscription Capital of the Partnership and join the Partnership (depending on the situation);

(b) With respect to the Assets Purchase Option, the Partnership shall immediately sign an assets transfer agreement with the WFOE and/or through other entities and/or individuals designated by the WFOE, transfer all the Transfer Assets to the WFOE and/or through other entities and/or individuals designated by the WFOE at the Transfer Price, and procure the Existing Partners to provide the WFOE with necessary support in accordance with the requirements of the WFOE and the provisions of laws and regulations (including providing and signing all relevant legal documents, and fulfilling all government approvals and registration procedures and assume all relevant obligations) so that the WFOE and/or through other entities and/or individuals designated by the WFOE can obtain all the Transfer Assets, and there should be no legal flaws in such Transfer Assets and there should be no security rights, third-party restrictions or any other restrictions on Partnership Assets;

(c) With respect to the Capital Subscription Option, the Partnership shall procure the Existing Partners immediately issue a resolution in a form and substance to the satisfactory of the WFOE, sign an admission agreement or capital commitment document (depending on situation) with the Partnership in a form and substance to the satisfactory of the WFOE, amend the limited partnership agreement of the Partnership (including the register of partners), assist and cooperate with the Partnership to implement relevant admission (if applicable), withdrawal (if applicable), capital commitment (if applicable) and Partnership Capital Commitment change procedure (including signing all relevant legal documents, and fulfilling all government approvals and registration procedures and assume all relevant obligations) so that the Partnership could complete the capital commitment reduction successfully, and the WFOE and/or through other entities and/or individuals designated by the WFOE could complete the subscription of the Subscription Capital and join the Partnership.

8. CONFIDENTIALITY

8.1 Regardless of whether this Agreement is terminated or not, both parties shall strictly keep confidential the trade secrets, proprietary information, customer information and other confidential information of the other Party obtained during the execution and performance of this Agreement. Without the prior written consent from the disclosing Party, or mandatorily required to be disclosed to third party by relevant laws and regulations or the requirements of the listing place of a Party's related Partnership,

the receiving Party should not disclose any confidential information to any third party; unless for the purpose of performance of this Agreement, the receiving Party should not use or indirectly use any confidential information.

8.2 Confidential information shall not include information:

(a) is known to the Receiving Party prior to disclosure by the disclosing Party as demonstrated by documentary evidence;

(b) is or becomes available to the public other than as a result of the receiving Party's fault; or

(c) information obtained legally by the receiving Party from other sources after receiving confidential information.

8.3 The receiving Party may disclose confidential information to its relevant employees, agents or professionals engaged, provided the receiving Party shall ensure the abovementioned personnel be in compliance with the relevant terms and conditions of this Agreement and be liable for any responsibilities incurred by breach of the relevant terms and conditions of this Agreement by the abovementioned personnel.

8.4 Notwithstanding any other terms of this Agreement, this section shall still be valid and binding upon the termination of this Agreement.

9. TERM

This Agreement takes effect as of the date of execution. Unless otherwise required by the WFOE, this Agreement will terminate after all the Option Partnership Interests and Partnership Assets are legally transferred to the WFOE and/or through other entities and/or individuals designated by the WFOE in accordance with this Agreement.

10. NOTICE

10.1 All the notices, request, requirement and other communications pursuant to this Agreement shall be delivered to the relevant Party in written form.

10.2 Abovesaid notices or other notices if given by facsimile transmission or e-mail, shall be deemed effectively given upon successful transmission; if given by person, shall be deemed effectively given upon delivery by person; if given by post, shall be deemed effectively given on the date after two (2) days from posting.

11. DEFAULT

11.1 Both Parties agree and confirm that, if any Party ("**Defaulting Party**") materially violates any of the terms under this Agreement, or fails to perform, incompletely perform or delays the performance

of any of the obligations under this Agreement, it shall constitute a breach of this Agreement ("**Default**"). Any Party of the other non-defaulting Party ("**Non-Defaulting Party**") has the right to request Defaulting Party to make amendments or remedies within reasonable period. If the Defaulting Party fails to make amendments or remedies within reasonable period or ten (10) days after the other Party sends a written notice to Party B and requests for amendments, then:

(a) if the Existing Partners or the Partnership is the Defaulting Party, the WFOE is entitled to terminate this Agreement, and requires the Defaulting Party to compensate all the losses;

(b) if the WFOE is the Defaulting Party, the Non-Defaulting Party is entitled to require the Defaulting Party to compensate all the losses, however, unless otherwise required by the Laws, it has no right to terminate or cancel this Agreement under any circumstances.

For the purpose of this Section 11.1, the Existing Partners further confirm and agree that their breach of Section 6 of this Agreement will constitute a material violation of this Agreement; the Partnership further confirms and agrees that its breach of Section 7 of this Agreement will constitute its material violation of this Agreement.

11.2 Notwithstanding any other terms of this Agreement, the validity of this Section shall not be affected by the termination of this Agreement.

12. MISCELLANEOUS PROVISIONS

12.1 This Agreement is executed in the Chinese language. This Agreement may be executed in five (5) counterparts, which the Partnership keeps one (1) counterpart, one (1) counterpart for governmental approval or registration, and the WFOE keeps other three (3) counterparts.

12.2 This Agreement, including the execution, validity, performance, interpretation and dispute resolution of this Agreement, shall be governed by and construed in accordance with the PRC Laws.

12.3 Dispute Resolution

(a) The Parties shall firstly attempt to resolve any and all disputes arising out of or relating to this Agreement through friendly consultations. If a dispute is not resolved through friendly consultations, then each Party may submit the dispute to Guangzhou Arbitration Commission for arbitration in accordance with then effective arbitration rules of such commission. The arbitration shall be conducted in Guangzhou. The award of the arbitration tribunal shall be final and binding upon the Parties. The costs of arbitration shall be borne by the losing Party, unless otherwise determined by the arbitration tribunal.

(b) When any dispute is under arbitration, except for the matters in dispute, the Parties shall continue to fulfil their respective obligations under this Agreement.

12.4 Any rights, powers and remedies granted to both Parties by any terms of this Agreement shall not exclude any other rights, powers or remedies that the Party is entitled to in accordance with the laws

and other terms under this Agreement, and one Party's exercise of its rights, powers and remedies does not preclude such Party from exercising other rights, powers and remedies.

12.5 A Party's failure to exercise or delay in exercising any of its rights, powers and remedies ("**Such Party's Rights**") under this Agreement or the laws will not result in the waiver of such rights, and any single or partial waiver of Such Party's Rights will not exclude such Party's exercise of such rights in other manner and the exercise of other Such Party's Rights.

12.6 The titles of the sections and subsections of this Agreement are for convenience of reference only and are not to be considered in construing this Agreement.

12.7 Each provision of this Agreement shall be severable and independent. If any single or multiple provisions hereof become invalid, illegal or unenforceable in any aspect, the validity, legality and enforceability of the remaining provisions of this Agreement shall not be affected in any aspect.

12.8 This Agreement once executed shall supersede all prior agreements both Parties executed before, with respect to the subject matter hereof and thereof. Any amendment and supplements to this Agreement shall be made in writing, and only takes effect after the execution by all Parties hereunder, except for the WFOE's transfer of its rights under Section 12.9 of this Agreement.

12.9 Without the prior written consent of the WFOE, the other Parties have no right to transfer or assign any of its rights and obligations hereunder to any third party. The other Parties hereby agree that the WFOE may transfer its rights and obligations under this Agreement to a third party, and that the WFOE only needs to send a written notice to the other Parties of such transfer, and there is no need to obtain consent from the other Parties for such transfer.

12.10 This Agreement shall be binding upon the respective successors and assigns. The Existing Partners assure to WFOE that they have made all proper arrangements and signed all necessary documents to ensure that when they dies, loses capacity, bankrupts, liquidates or incurs other situations that may affect the exercise of their shareholders' rights, their legal transferees, successors, heirs, liquidators, bankruptcy administrators, creditors, and other persons who may obtain the Partnership's shares or related rights shall not affect or hinder the performance of this Agreement. For this purpose, (a) After the date hereof, upon request of the WFOE, each limited partner shall sign as soon as possible, and each Existing Partner and the Partnership will procure the spouse of the limited partner to sign as soon as possible, a marital property agreement in a form and substance to the satisfactory of the WFOE ; (b) the Existing Partners and the Partnership should promptly sign all other documents required by the WFOE and take all other actions required by the WFOE (including but not limited to notarization of this Agreement).

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This page is the signature page of the Exclusive Option Agreement of Guangzhou Yueyi Internet Technology L.P.

Existing Partner:

Ting Li
/s/ Ting Li

This page is the signature page of the Exclusive Option Agreement of Guangzhou Yueyi Internet Technology L.P.

Existing Partner:

Lin Song
/s/ Lin Song

This page is the signature page of the Exclusive Option Agreement of Guangzhou Yueyi Internet Technology L.P.

Existing Partner:

Di Fu
/s/ Di Fu

This page is the signature page of the Exclusive Option Agreement of Guangzhou Yueyi Internet Technology L.P.

Existing Partner:

Guangzhou Xuancheng Internet Technology Co., Ltd. (seal)
/seal/ Guangzhou Xuancheng Internet Technology Co., Ltd.
/s/ Ting Li
Name: Ting Li
Title: Legal Representative

This page is the signature page of the Exclusive Option Agreement of Guangzhou Yueyi Internet Technology L.P.

Partnership:

Guangzhou Yueyi Internet Technology L.P. (seal)
/seal/ Guangzhou Yueyi Internet Technology L.P.
Executive Partner:
Guangzhou Xuancheng Internet Technology Co., Ltd.
/seal/ Guangzhou Xuancheng Internet Technology Co., Ltd.
/s/ Ting Li

This page is the signature page of the Exclusive Option Agreement of Guangzhou Yueyi Internet Technology Co., Ltd.

WFOE:

Guangzhou Huanju Shidai Information Technology Co., Ltd. (seal)
/seal/ Guangzhou Huanju Shidai Information Technology Co., Ltd.
/s/ Ting Li
Name: Ting Li
Title: Legal Representative

Exhibit 4.50

Partner Voting Rights Proxy Agreement

This Partner Voting Rights Proxy Agreement (this "**Agreement**") dated December 9, 2020, is signed by and among:

1. **Ting Li:**
Identity Card Number: ***

2. **Lin Song:**
Identity Card Number: ***

3. **Di Fu:** (together with Ting Li and Lin Song, collectively as the"**Limited Partners**"**):**
Identity Card Number: ***

4. **Guangzhou Xuancheng Internet Technology Co., Ltd.** (the "**General Partner**", together with the Limited Partners, collectively as the "**Existing Partners**")
Registered address: Room 3201, No. 79 Wanbo Er Road, Nancun Town, Panyu District, Guangzhou
Legal representative: Ting Li **Guangzhou Shangying Internet Technology Co., Ltd.** ("***Partnership***")
Registered address: 4/F, 5/F, 6/F, 13/F, 14/F, 15/F, 16/F, Jisheng Business Center, No. 278 Xingtai Road, Shiqiao Street, Panyu District, Guangzhou
Legal representative: Wenxian Zhong

5. **Guangzhou Yueyi Internet Technology L.P.** (the "**Partnership**")
Registered address: Room 3203, No. 79 Wanbo Er Road, Nancun Town, Panyu District, Guangzhou
Executive Partner: Guangzhou Xuancheng Internet Technology Co., Ltd.

6. **Guangzhou Huanju Shidai Information Technology Co., Ltd.** ("***WFOE***")
Registered address: 23/F, Building B-1, North Block of Wanda Plaza, No. 79 Wanbo Er Road, Nancun Town, Panyu District, Guangzhou
Legal representative: Ting Li

The parties above shall be hereinafter respectively referred to as a "Party", collectively referred to as "Parties".

WHEREAS:

1. The Existing Partners are all the present partner of the Partnership, which holds 100% interests of the Partnership;

2. The Existing Partners intend to entrust the individual designated by the WFOE with the exercise of their voting rights in the Partnership and the WFOE is willing to designate such individual to accept such entrustment.

THEREFORE, the Parties, after friendly consultations, hereby agree as follows:

Article 1 Voting Right Entrustment

1.1 Each Limited Partner hereby irrevocably undertakes to sign a power of attorney in the form and substance as set forth in Annex 1 after execution of this Agreement to entrust the individual designated by the WFOE (hereinafter, the "**Entrusted Person**") to exercise on its behalf the following rights they, as the limited partner of the Partnership, are entitled to under the then effective articles of association of the Partnership (collectively, the "**Limited Partners Entrusted Rights**"):

(a) Proposing to convene and attending partners' meetings of the Partnership as the representative of the Limited Partners according to the articles of association of the Partnership;

(b) On behalf of the Limited Partners, exercising voting rights on all the issues needing to be discussed and resolved by the partners' meetings of the Partnership, including but not limited to the appointment of the Partnership's executive partner needing to be appointed and removed by the partners;

(c) Other Limited Partner's voting rights as specified in the articles of association of the Partnership (including any other Limited Partner's voting rights as specified in the amended articles of association);

(d) When the Existing Partners transfer the interests of the Partnership held by it, agrees to the transfer of assets of the Partnership, agrees to reduce capital commitments to the Company (including withdrawal from the Partnership), or accepts the WFOE or its designated party to subscribe the capital commitment of the Partnership in accordance with the Exclusive Option Agreement signed by the parties on the same date hereof, to sign relevant partnership interest transfer agreements, asset transfer agreements (if applicable), capital commitment reduction agreements, capital subscription agreements and other relevant documents on behalf of the Limited Partners, and handle government approval, registration and filing procedure which is required; and

(e) On behalf of each Limited Partner, sign all the other documents that need to be signed by each Limited Partner as the limited partner of the Partnership (including but not limited to the business change registration documents of the Partnership, documents with respect to admission, withdrawal, delisting, increase or decrease in the amount of capital commitments of any Partner, and documents related to the dissolution and liquidation of the Partnership).

The above authorization and entrustment are granted subject to the status of the Entrusted Person as a PRC citizen and the approval by the WFOE. Upon and only upon written notice of dismissing and replacing the Entrusted Person given by the WFOE to the Limited Partners, the Limited Partners shall promptly entrust another PRC citizen then designated by the WFOE to exercise the above Limited Partners Entrusted Rights, and once new entrustment is made, the original entrustment shall be replaced. The Limited Partners shall not cancel the authorization and entrustment for the Entrusted Person otherwise.

1.2 The General Partner hereby irrevocably undertakes to sign a power of attorney in the form and substance as set forth in Annex 1 after execution of this Agreement to entrust the individual designated by the WFOE (hereinafter, the "**Entrusted Person**") to exercise on its behalf the following rights it, as the general partner and executive partner of the Partnership, are entitled to under the then effective articles of association of the Partnership (collectively, the "**General Partner Entrusted Rights**", together with the Limited Partners Entrusted Rights, the "**Entrusted Rights**"):

(a) Proposing to convene and attending partners' meetings of the Partnership as the representative of the General Partner according to the articles of association of the Partnership;

(b) On behalf of the General Partner, exercising voting rights on all the issues needing to be discussed and resolved by the partners' meetings of the Partnership, including but not limited to the appointment of the Partnership's executive partner needing to be appointed and removed by the partners;

(c) Other General Partner's voting rights and/or decision rights as specified in the articles of association of the Partnership (including rights of representing the Partnership, managing and operating the Partnership and executing partnership affairs based on the General Partner as the executive partner of the Partnership, and any other General Partner's voting rights as specified in the amended articles of association);

(d) When the Existing Partners transfer the interests of the Partnership held by it, agrees to the transfer of assets of the Partnership, agrees to reduce capital commitments to the Company (including withdrawal from the Partnership), or accepts the WFOE or its designated party to subscribe the capital commitment of the Partnership in accordance with the Exclusive Option Agreement signed by the parties on the same date hereof, to sign relevant partnership interest transfer agreements, asset transfer agreements (if applicable), capital commitment reduction agreements, capital subscription agreements and other relevant documents on behalf of the General Partner, and handle government approval, registration and filing procedure which is required; and

(e) On behalf of the General Partner, sign all the other documents that need to be signed by the General Partner as general partner of the Partnership (including but not limited to the business change registration documents of the Partnership, documents with respect to admission, withdrawal, delisting, increase or decrease in the amount of capital commitments of any Partner, and documents related to the dissolution and liquidation of the Partnership).

The above authorization and entrustment are granted subject to the status of the Entrusted Person as a PRC citizen and the approval by the WFOE. Upon and only upon written notice of dismissing and replacing the Entrusted Person given by the WFOE to the General Partner, the General Partner shall promptly entrust another PRC citizen then designated by the WFOE to exercise the above General Partner Entrusted Rights, and once new entrustment is made, the original

entrustment shall be replaced. The General Partner shall not cancel the authorization and entrustment for the Entrusted Person otherwise.

1.3 The Entrusted Person shall perform the fiduciary obligations within the scope of authorization with due care and diligence and in compliance with laws. The Existing Partners acknowledge and assume relevant liabilities for any legal consequences of the Entrusted Person's exercise of the foregoing Entrusted Rights.

1.4 The Existing Partners hereby acknowledge that the Entrusted Person is not required to seek advice from the Existing Partners prior to the exercise of the foregoing Entrusted Rights. However, the Entrusted Person shall inform the Existing Partners in a timely manner of any resolution or any proposal on convening interim partners' meeting after such resolution or proposal is made.

Article 2 Right to Information

2.1 For the purpose of exercising the Entrusted Rights hereunder, the Entrusted Person is entitled to know the information with regard to the Partnership's operation, business, customers, finance, staff, etc., and shall have access to the relevant materials of the Partnership. The Partnership shall adequately cooperate with the Entrusted Person in this regard.

Article 3 Exercise of Entrusted Rights

3.1 The Existing Partners will provide adequate assistance to the exercise of the Entrusted Rights by the Entrusted Person, including timely execution of the resolutions of the partners' meeting of the Partnership adopted by the Entrusted Person or other related legal documents when necessary (e.g., when it is necessary for examination and approval of or registration or filing with governmental departments).

3.2 If at any time during the term of this Agreement, the grant or exercise of the Entrusted Rights hereunder is unenforceable for any reason (except for default of Existing Partners or the Partnership), the Parties shall immediately seek a most similar substitute for the unenforceable provision and, if necessary, enter into a supplementary agreement to amend or adjust the provisions herein, in order to ensure the realization of the purpose of this Agreement.

Article 4 Exemption and Compensation

4.1 The Parties acknowledge that the WFOE shall not be requested to be liable to or compensate (monetary or otherwise) other Parties or any third party due to exercise of the Entrusted Rights hereunder by the individuals designated by it in any circumstances.

4.2 The Existing Partners and the Partnership agree to indemnify and hold harmless the WFOE from and against all losses incurred or likely to be incurred by it due to exercise of the Entrusted Rights by the Entrusted Person designated by the WFOE, including without limitation, any loss resulting from any litigation, demand, arbitration or claim initiated or raised by any third party against it or from administrative investigation or penalty of governmental authorities (collectively, the "Losses"), PROVIDED THAT the above indemnity in respect of any Losses shall not be available to the WFOE to the extent that such Losses have been caused by the willful default or gross negligence on the part of the Entrusted Person.

Article 5 Representations and Warranties

5.1 The Existing Partners hereby represent and warrant that:

(b) Each Limited Partner is a PRC citizen with full capacity; the General Partner is a limited liability company legally registered and validly existing in accordance with the PRC laws. Each Existing Partners has complete and independent legal status and legal capacity to execute, deliver and perform this Agreement, and can independently act as a party to a litigation.

(b) The Partnership is a limited partnership legally registered and validly existing in accordance with the PRC Laws; it has complete and independent legal status and legal capacity to execute, deliver and perform this Agreement, and can independently act as a party to a litigation.

(c) Each Existing Partner has the full internal power and authorization to sign and deliver this Agreement and all other documents that they will sign related to the transactions described in this Agreement, and it has the full power and authorization to complete the transactions described in this Agreement. This Agreement, when duly executed and delivered, shall constitute a legal, valid and binding obligation enforceable against it in accordance with the terms of this Agreement.

(d) The Existing Partners are the recorded legal partner of the Partnership as of the effective date of this Agreement, and except for the rights under this Agreement, the Partnership Interests Pledge Agreement and the Exclusive Option Agreement entered into among the Existing Partners, the Partnership and the WFOE, the Entrusted Rights are free of any third-party right. Pursuant to this Agreement, the Entrusted Person may fully and sufficiently exercise the Entrusted Rights in accordance with the then effective articles of association of the Partnership.

(e) Without the consent of the WFOE, the Existing Partners shall not take any measures to advice, claim or request amendment, modification, termination or change the articles of association of the Partnership in any other forms.

(f) Without the consent of the WFOE, the General Partner and the Partnership shall not, and each Limited Partner shall not procure or agree the General Partner and/or the Partnership reach

any ancillary agreement or supplemental agreement with specific partner in respect of the limited partnership agreement of the Partnership.

5.2 The Existing Partners hereby irrevocably represent and warrant that, once they know or should be aware that the Partnership interests held by them may be transferred to any third party other than the WFOE and/or through other entities and/or individuals designated by the WFOE due to applicable laws, judgments or awards of courts or arbitration institution, or for any other reason, they should immediately and without hesitation notify the WFOE.

5.3. Each of the WFOE and the Partnership hereby represents and warrants that:

(a) It is a limited liability company or limited partnership duly organized and validly existing under the PRC Law. It has the full and independent legal status and legal capacity to execute, deliver and perform this Agreement and may sue or be sued as an independent party.

(b) It has the full corporate power and authority to execute and deliver this Agreement and all other documents relating to the transaction contemplated hereby and to be executed by it. It also has the full power and authority to consummate the transaction contemplated hereby.

5.4 The Partnership further represents and warrants that:

(a) The Existing Partners are the recorded legal partners of the Partnership as of the effective date of this Agreement, and except for the rights under this Agreement, the Partnership Interests Pledge Agreement and the Exclusive Option Agreement entered into among the Existing Partners, the Partnership and the WFOE, the Entrusted Rights are free of any third-party right. Pursuant to this Agreement, the Entrusted Person may fully and sufficiently exercise the Entrusted Rights in accordance with the then effective articles of association of the Partnership.

5.5 The Partnership hereby irrevocably represents and warrants that, once it knows or should be aware that the Partnership interests held by the Existing Partners may be transferred to any third party other than the WFOE and/or through other entities and/or individuals designated by the WFOE due to applicable laws, judgments or awards of courts or arbitration institution, or for any other reason, it should immediately and without hesitation notify the WFOE.

Article 6 Term

6.1 Subject to the provisions of Articles 6.2 and 6.3 hereof, this Agreement shall become effective as of the date of the due execution by the Parties and the term of this Agreement shall be twenty (20) years; unless prematurely terminated by the Parties in writing or pursuant to Article 9.1 hereof. After the expiration of this Agreement, unless the WFOE informs other Parties 30 days in advance that this Agreement will not be renewed, this Agreement will be automatically renewed for one year after the expiration of the term, and so on.

6.2 If the Partnership or the WFOE, upon expiry of its duration, fails to handle the examination, approval and registration procedures concerning the extension of its duration, this Agreement shall be terminated.

6.3 In case that the Existing Partners transfer all of the equity interest held by it in the Partnership with the WFOE's prior consent, such Existing Partner shall cease to be a party to this Agreement since it has completed relevant assistant obligation, executed all the relevant and necessary documents, completed relevant internal procedure of the Partnership and governmental approval, registration, filing procedures (provided subject to Article 4, Article 5.1, Article 6, Article 7, Article 8, Article 9 and Article 10). However, the foregoing termination does not affect the binding effect on the legal transferee or heir of such Party under the circumstance that the partnership interest held by either Party has transferred in accordance with Article 10.10, and does not affect the obligations and covenants of other Parties under this Agreement.

Article 7 Notices

7.1 All the notices, request, requirement and other communications pursuant to this Agreement shall be delivered to the relevant Party in written form.

7.2 Abovesaid notices or other notices if given by facsimile transmission or e-mail, shall be deemed effectively given upon successful transmission; if given by person, shall be deemed effectively given upon delivery by person; if given by post, shall be deemed effectively given on the date after two (2) days from posting.

Article 8 Confidentiality

8.1 Regardless of whether this Agreement is terminated or not, each Party shall keep strictly confidential all the business secrets, proprietary information, customer information and other information of a confidential nature about the other Parties known by it during the execution and performance of this Agreement (collectively, the "**Confidential Information**"). The receiving Party shall not disclose any Confidential Information to any third party except with the prior written consent of the disclosing Party or in accordance with relevant laws or regulations or under requirements of the place where its affiliate is listed on a stock exchange. The receiving Party shall not use or indirectly use any Confidential Information other than for performing this Agreement.

8.2 The following information shall not be deemed part of the Confidential Information:

(a) any information already known by the receiving Party by legal means prior to disclosure, which is substantiated in writing;

(b) any information being part of public knowledge through no fault of the receiving Party; or

(c) any information rightfully received by the receiving Party from other sources after disclosure.

8.3 The receiving Party may disclose the Confidential Information to its relevant employees, agents or engaged professionals, but the receiving Party shall guarantee that they are in compliance with the relevant terms and conditions of this Agreement and assume any responsibility arising from any breach thereof by them.

8.4 Notwithstanding any other provision herein, the validity of this Article shall survive the termination of this Agreement.

Article 9 Defaulting Liability

9.1 The Parties agree and acknowledge that, if any of the Parties (the "**Defaulting Party**") materially breaches any provision herein or materially fails to perform or delays performance of any of the obligations hereunder, such breach, failure or delay shall constitute a default under this Agreement (a "**Default**"). In such event, any of the other Parties without default (the "**Non-defaulting Party**") shall have the right to require the Defaulting Party to rectify such Default or take remedial measures within a reasonable period. If the Defaulting Party fails to rectify such Default or take remedial measures within such reasonable period or within ten (10) days of the Non-defaulting Party notifying the Defaulting Party in writing and requiring the Default to be rectified, then:

(a) if the Existing Parner or the Partnership is the Defaulting Party, the WFOE shall be entitled to terminate this Agreement and require the Defaulting Party to indemnify all damages;

(b) if the WFOE is the Defaulting Party, the Non-defaulting Party shall be entitled to require the Defaulting Party to indemnify all damages, but the Non-defaulting Party shall not be entitled to any rights to terminate or cancel this Agreement in any situation unless otherwise provided by the mandatory provisions of the laws.

For the purpose of this Section 9.1, the Partnership and the Existing Partners further confirm and agree that their breach of Section 5 of this Agreement will constitute a material violation of this Agreement.

9.2 Notwithstanding any other provision herein, the validity of this Article shall survive the suspension or termination of this Agreement.

Article 10 Miscellaneous

10.1 This Agreement is written in Chinese and executed in five (5) originals, with one (1) original to be retained by the Partnership, one (1) original to be used for approval or registration with governmental authorities, remaining three (3) original to be retained by the WFOE.

10.2 The formation, validity and interpretation of, resolution of disputes in connection with, this Agreement, shall be governed by PRC Law.

10.3 Dispute Resolution

(a) Any dispute arising hereunder and in connection herewith shall be resolved through consultations among the Parties, and if the Parties fail to reach a mutual agreement, any Party may submit such dispute to Guangzhou Arbitration Commission for arbitration in accordance with its arbitration rules in effect at the time of applying for arbitration. The seat of arbitration shall be Guangzhou. The arbitral award shall be final and binding on the Parties. The costs of arbitration shall be borne by the losing Party, unless otherwise determined by the arbitration tribunal.

(b) During dispute resolution, the Parties shall continue to perform the terms of this Agreement other than those relating to disputes.

10.4 Any right, power or remedy conferred on any Party by any provision of this Agreement shall not be exclusive of any other right, power or remedy available to it at law and under the other provisions of this Agreement, and the exercise by such Party of any of its rights, powers and remedies shall not preclude the exercise of any other rights, powers and remedies it may have.

10.5 No failure or delay by a Party in exercising any of its rights, powers and remedies available to it hereunder or at law (hereinafter, the "**Party's Rights**") shall operate as a waiver thereof, nor shall the waiver of any single or partial exercise of the Party's Rights shall preclude such Party from exercising such rights in any other way and exercising the remaining part of the Party's Rights.

10.6 The headings contained herein shall be for reference only, and in no circumstances shall such headings be used in or affect the interpretation of the provisions hereof.

10.7 Each provision contained herein shall be severable and independent from each of other provisions, and if at any time any one or more provisions herein become invalid, illegal or unenforceable, the validity, legality or enforceability of the remaining provisions herein shall not be affected as a result thereof.

10.8 This Agreement, once executed, replaces any other legal documents previously signed by the parties on the same subject. Any amendment or supplement hereto shall be made in writing and shall become effective only upon due execution by the Parties hereto, except for the WFOE's transfer of its rights under Section 10.9 of this Agreement.

10.9 Without the WFOE's prior written consent, any other Party shall not transfer any of its rights and/or obligations hereunder to any third party. The Existing Partners and the Partnership hereby agree that the WFOE is entitled to transfer any of its rights and/or obligations hereunder to any third party upon written notice thereof to the other Parties, and there is no need to obtain consent from the other Parties for such transfer.

10.10 This Agreement shall be binding upon the respective successors and assigns. The Existing Partners assure to WFOE that they have made all proper arrangements and signed all necessary documents to ensure that when they bankrupts, liquidates or incurs other situations that may affect the exercise of their partners' rights, their legal transferees, successors, heirs, liquidators, bankruptcy administrators, creditors, and other persons who may obtain the Partnership's interests or related rights shall not affect or hinder the performance of this Agreement. For this purpose, (a) After the date hereof, upon request of the WFOE, each limited partner shall sign as soon as possible, and each Existing Partner and the Partnership will procure the spouse of the limited partner to sign as soon as possible, a marital property agreement in a form and substance to the satisfactory of the WFOE；(b) the Existing Partners and the Partnership should promptly sign all other documents required by the WFOE and take all other actions required by the WFOE (including but not limited to notarization of this Agreement).

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This page is the signature page of the Partner Voting Rights Proxy Agreement of Guangzhou Yueyi Internet Technology L.P.

Existing Partner:

Ting Li
/s/ Ting Li

This page is the signature page of the Partner Voting Rights Proxy Agreement of Guangzhou Yueyi Internet Technology L.P.

Existing Partner:

Lin Song
/s/ Lin Song

This page is the signature page of the Partner Voting Rights Proxy Agreement of Guangzhou Yueyi Internet Technology L.P.

Existing Partner:

Di Fu
/s/ Di Fu

This page is the signature page of the Partner Voting Rights Proxy Agreement of Guangzhou Yueyi Internet Technology L.P.

Partnership:

Guangzhou Xuanyi Internet Technology L.P. (seal)
/seal/ Guangzhou Xuanyi Internet Technology L.P.
Executive Partner:

Guangzhou Xuancheng Internet Technology Co., Ltd.
/seal/ Guangzhou Xuancheng Internet Technology Co., Ltd.
/s/ Ting Li

This page is the signature page of the Partner Voting Rights Proxy Agreement of Guangzhou Yueyi Internet Technology L.P.

WFOE:
Guangzhou Huanju Shidai Information Technology Co., Ltd. (seal)
/seal/ Guangzhou Huanju Shidai Information Technology Co., Ltd.
/s/ Ting Li
Name: Ting Li
Title: Legal Representative

Exhibit 4.105

CONFIDENTIAL

AMENDED AND RESTATED SHARE PURCHASE AGREEMENT

by and between

BAIDU (HONG KONG) LIMITED
MOON SPV LIMITED
JOYY INC.
FUNSTAGE TECHNOLOGY LTD.
TOPSTAGE TECHNOLOGY LTD.
广州华多网络科技有限公司
广州欢聚时代信息科技有限公司
RUNDERFO INC.
AND
SOLELY FOR THE PURPOSES OF Section 4.3, Section 5.4, Section 6.3, Section 6.4, Section 6.5, Section 6.9 and Article VIII,
MR. DAVID XUELING LI

DATED November 16, 2020

and

AMENDED AND RESTATED February 7, 2021

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THIS SHARE PURCHASE AGREEMENT (as amended, restated, supplemented or modified through the date hereof, this "Agreement") was originally entered into on November 16, 2020 and is amended and restated on this February 7, 2021

BY AND BETWEEN:

(1) Baidu (Hong Kong) Limited, a company incorporated with limited liability under the laws of Hong Kong and a wholly-owned subsidiary of the Buyer Parent (the "HK Buyer");

(2) Moon SPV Limited, a company incorporated with limited liability under the laws of the Cayman Islands (the "Buyer" and, together with the HK Buyer, the "Buyer Parties");

(3) JOYY Inc., a company incorporated with limited liability under the laws of the Cayman Islands (the "Seller Parent");

(4) Funstage Technology Ltd., a company incorporated with limited liability under the laws of the British Virgin Islands and an indirect wholly-owned subsidiary of the Seller Parent (the "Seller");

(5) Topstage Technology Ltd., a company incorporated with limited liability under the laws of the British Virgin Islands (the "New WFOE Holdco");

(6) 广州华多网络科技有限公司, a company incorporated with limited liability under the laws of the People's Republic of China ("Guangzhou Huaduo");

(7) 广州市锐橙网络科技有限公司, a company incorporated with limited liability under the laws of the People's Republic of China ("Guangzhou Ruicheng");

(8) 广州欢聚时代信息科技有限公司, a company incorporated with limited liability under the laws of the People's Republic of China (together with the Seller Parent, the Seller, the New WFOE Holdco, Guangzhou Huaduo and Guangzhou Ruicheng, the "Seller Parties");

(9) Runderfo Inc., a company incorporated with limited liability under the laws of the Cayman Islands (the "Target Company"); and

(10) solely for the purposes of Section 4.3, Section 5.4, Section 6.3, Section 6.4, Section 6.5, Section 6.9 and Article VIII, Mr. David Xueling Li, the chairman and chief executive officer of the Seller Parent ("Mr. Li").

The parties listed above are each referred to herein as a "Party," and collectively as the "Parties."

W I T N E S S E T H:

WHEREAS, the Parties entered into a share purchase agreement dated November 16, 2020, pursuant to which the Buyer Parties agreed to acquire from the Seller Parties, and the Seller Parties agreed to sell to the Buyer Parties, the Target Business and the Contributed Assets on the terms and subject to the conditions set forth therein (the "Original Share Purchase Agreement");

WHEREAS, the Parties wish to amend and restate the Original Share Purchase Agreement in its entirety by entering into this Agreement; and

WHEREAS, Mr. Li, the Seller Parties and certain Affiliates thereof intend to deliver or cause to be delivered to the Buyer Parties and certain Affiliates thereof the Non-Compete Undertaking (defined below) on the Closing Date.

NOW, THEREFORE, in consideration of the foregoing recitals and the mutual promises hereinafter set forth, the Parties agree that the Original Share Purchase Agreement shall be amended and restated in its entirety to read as follows:

ARTICLE I

INTERPRETATION

Section 1.1 Definitions. As used in this Agreement, the following terms shall have the following respective meanings:

"ABAC Laws" shall have the meaning set forth in Section 4.1(p)(i).

"Acceptable Tax Evidence" means (i) written evidence reasonably acceptable to the Buyer that the taxes in connection with the sale and purchase of the Sale Shares have been paid in full, e.g., a receipt of payment (完税证明including a中华人民共和国税收缴款书) issued by the Relevant PRC Tax Authority, or (ii) written evidence that the Seller Parties have received definitive confirmation from the Relevant PRC Tax Authority that the Seller Parties are not required to pay any taxes in connection with the sale and purchase of the Sale Shares.

"Accounting Firm" shall have the meaning set forth in Section 2.6(c)(iii).

"Acquisition Proposal" means any offer, proposal or indication of interest (other than an offer, proposal or indication of interest by any Buyer Party) contemplating or otherwise relating to any (a) merger, consolidation, share exchange, business combination, issuance of securities, direct or indirect acquisition of securities, recapitalization, tender offer, exchange offer or other similar transaction involving, or (b) sale, lease, license, exchange, transfer, acquisition or disposition of, any portion of the Target Business or of the Contributed Assets.

"Action" means any action, suit, litigation, arbitration, investigation, claim or proceeding by or before any Governmental Authority or tribunal.

"Affiliate" of a Person means (a) in the case of a Person other than a natural person, any other Person that directly or indirectly Controls, is Controlled by or is under common Control with such Person and (b) in the case of a natural person, any other Person that is directly or indirectly Controlled by such Person or is a Relative of such Person. For purposes of this Agreement, (i) the Target Group Companies shall be deemed Affiliates of the Seller Parties prior to the Closing, and (ii) the Target Group Companies (other than the New WFOE Holdco and its Subsidiaries from and after the Closing) shall be deemed Affiliates of the Buyer Parties from and after the Closing.

"Agreed Exchange Rate" means a USD:RMB exchange rate derived from the arithmetic mean of the USD:RMB central parity rates on the interbank foreign exchange market published by the People's Bank of China on its website for the ten (10) weekdays immediately preceding the tenth (10th) Business Day immediately preceding the Closing Date.

"Agreed OP Exchange Rate" shall have the meaning set forth in Section 6.12(a)(i).

"Agreed Restructuring Amount" means the aggregate amount, as confirmed by the Buyer and the Seller in writing prior to the Closing, of payments to be made by or on behalf of the Buyer Parties or their Affiliates to the Seller Parties or their designees on or prior to the Closing pursuant to the Restructuring Plan.

"Agreement" shall have the meaning set forth in the Preamble.

"Anti-Money Laundering Laws" shall have the meaning set forth in Section 4.1(p)(iii).

"Authorization" shall have the meaning set forth in Section 4.1(d).

"AVSP License" means the Audio-Visual Service Provider License issued by NRTA to Guangzhou Jinhong on or around February 28, 2018.

"Balance Sheet Date" shall have the meaning set forth in Section 4.1(k)(i).

"Business Day" means any day other than Saturday, Sunday or another day on which commercial banks located in the Cayman Islands, the British Virgin Islands, New York City, the PRC or Hong Kong are authorized or required by Law or executive order to be closed.

"Buyer" shall have the meaning set forth in the Preamble.

"Buyer Fundamental Representations" means the representations and warranties set forth in Section 4.2(a), Section 4.2(b), Section 4.2(c), and Section 4.2(d).

"Buyer Parent" means Baidu, Inc., a company incorporated with limited liability under the laws of the Cayman Islands.

"Buyer Parties" shall have the meaning set forth in the Preamble.

"Buyer Releasing Parties" shall have the meaning set forth in Section 6.3(b).

"Buyer Sale Shares" means (i) all of the issued and outstanding share capital of the Target Company, or (ii) upon occurrence of the Offshore Sale Toggle Event, seventeen percent (17%) of the issued and outstanding share capital of the Target Company.

"Capitalization Table" means the capitalization table and the organizational chart setting out the capitalization of each of the Target Group Companies on a fully diluted basis as of the date hereof and as of immediately prior to the Closing upon the completion of the Restructuring, as attached hereto as Exhibit E (subject to any changes with respect to the PRC domestic enterprises therein made in accordance with the Restructuring Plan).

"Circular 7" means Circular No. 7 on Several Issues of Enterprise Income Tax on Income Arising from Indirect Transfers of Property by Non-resident Enterprises (SAT Bulletin [2015] No. 7) (关于非居民企业间接转让财产企业所得税若干问题的公告(国家税务总局公告2015年第7号)) , dated and effective as of February 3, 2015, including any amendment, implementing rules, or official interpretation thereof or any replacement, successor or alternative legislation having the same subject matter thereof.

"Claim Notice" shall have the meaning set forth in Section 8.3(a).

"Closing" shall have the meaning set forth in Section 2.4(a).

"Closing Cash" shall have the meaning set forth in Section 2.6(a)(i) .

"Closing Date" means the date on which the Closing occurs.

"Closing Indebtedness" shall have the meaning set forth in Section 2.6(a)(ii) .

"Closing Net Working Capital" shall have the meaning set forth in Section 2.6(a)(iii) .

"Company Fundamental Representations" means the representations and warranties set forth in Section 4.1(a), Section 4.1(b), Section 4.1(c), Section 4.1(d), Section 4.1(e), Section 4.1(f), Section 4.1(g)(i), and Section 4.1(h).

"Confidential Information" shall have the meaning set forth in Section 9.10(a).

"Consideration" shall have the meaning set forth in Section 2.2.

"Contemplated Transactions" means the transactions contemplated by the Transaction Documents.

"Contract" means, as to any Person, a contract, agreement, indenture, note, bond, loan, instrument, lease, mortgage, franchise, license, commitment, purchase order, and other legally binding arrangement, whether written or oral.

"Contributed Assets" means all assets, businesses, rights, Permits, Intellectual Property, Information Technology and data that are already owned by the Target Group Companies or are to be contributed or otherwise transferred by the relevant Seller Parties or their Affiliates to the Target Group Companies in accordance with the Restructuring Plan.

"Control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management of a Person, whether through the ownership of voting securities, by contract, credit arrangement or proxy, as trustee, executor or agent or otherwise. For purposes of this definition, a Person shall be deemed to Control another Person if such first Person, directly or indirectly, owns or holds more than fifty percent (50%) of the voting Equity Securities in such other Person, or if such first Person, directly or indirectly, is entitled to appoint a majority of the board of directors, managing partner or other similar governing body or position of such other Person. The terms "Controlled" and "Controls" shall have meanings correlative to the foregoing.

"Determination Time" shall have the meaning set forth in Section 2.6(a)(iv).

"Disclosure Materials" means (i) the Disclosure Schedule, and (ii) the Seller Parent SEC Documents filed with or furnished to the SEC between January 1, 2019 and the date hereof but excluding statements in any "Risk Factors" section or similar cautionary, predictive or forward-looking disclosure in such Seller Parent SEC Documents.

"Disclosure Schedule" means the disclosure schedule attached hereto as Exhibit A.

"Encumbrance" means (a) any mortgage, charge (whether fixed or floating), pledge, lien, hypothecation, assignment, deed of trust, title retention, security interest or other encumbrance of any kind securing, or conferring any priority of payment in respect of, any obligation of any Person, including any right granted by a transaction which, in legal terms, is not the granting of security but which has an economic or financial effect similar to the granting of security under applicable Law, (b) any proxy, power of attorney, voting trust agreement, interest, option, right of first offer, negotiation or refusal or transfer restriction in favor of any Person and (c) any adverse claim as to title, possession or use.

"Equity Securities" means, with respect to any Person, such Person's capital stock, membership interests, partnership interests, registered capital, joint venture or other ownership interests or any options, warrants or other securities that are directly or indirectly convertible into, or exercisable or exchangeable for, such capital stock, membership interests, partnership interests, registered capital, joint venture or other ownership interests (whether or not such derivative securities are issued by such Person).

"Exchange Act" means the Securities Exchange Act of 1934, as amended, or any successor statute, and the rules and regulations promulgated thereunder.

"Excluded Businesses" means all the assets, businesses, rights, Permits, Intellectual Property, Information Technology and data of any Seller Party or its Affiliates other than the Target Business.

"Existing Escrow Account" means the "Escrow Account" as defined in the Existing Escrow Agreement.

"Existing Escrow Agent" means Citibank, N.A., Hong Kong Branch.

"Existing Escrow Agreement" means the Escrow Agreement, dated October 27, 2020, by and between Baidu Holdings Limited, Duowan Entertainment Corporation and the Existing Escrow Agent, as amended.

"Existing Escrow Amount" means an amount in U.S. Dollar cash equal to US$80,000,000, being the amount deposited by an Affiliate of the HK Buyer and existing in the Existing Escrow Account as of the date of this Agreement.

"FCPA" shall have the meaning set forth in Section 4.1(p)(i).

"Final Closing Statement" shall have the meaning set forth in Section 2.6(c)(iv).

"Financial Statements" shall have the meaning set forth in Section 4.1(k)(i).

"First Tranche Consideration" means an amount in U.S. Dollar cash equal to US$2,000,000,000, as adjusted pursuant to the terms and conditions herein.

"Fourth Tranche Consideration" means an amount in U.S. Dollar cash equal to US$300,000,000, as may be adjusted pursuant to the terms and conditions herein.

"Fourth Tranche Consideration Deposit Amount" means the RMB equivalent of the Fourth Tranche Consideration, calculated at the Agreed Exchange Rate.

"Governmental Authority" means any government or political subdivision thereof, whether on a federal, central, state, provincial, municipal or local level and whether executive, legislative or judicial in nature, including any agency, authority, board, bureau, commission, court, department or other instrumentality thereof and any governing body of any securities exchange.

"Guangzhou Huaduo" shall have the meaning set forth in the Preamble.

"Guangzhou Jinhong" means 广州津虹网络传媒有限公司, a company incorporated with limited liability under the laws of the PRC.

"Guangzhou Ruicheng" shall have the meaning set forth in the Preamble.

"Guangzhou Yiling" means 广州奕凌网络科技有限公司, a company incorporated with limited liability under the laws of the PRC.

"HK Buyer" shall have the meaning set forth in the Preamble.

"HK Buyer Sale Shares" means (i) one hundred percent (100%) of the issued and outstanding share capital of the WFOE owned by the New WFOE Holdco, being eight-three percent (83%) of the issued and outstanding share capital of the WFOE, or (ii) upon occurrence of the Offshore Sale Toggle Event, eight-three percent (83%) of the issued and outstanding share capital of the Target Company.

"HK Company" means Goldenage Technology Investment Group Limited, a company with limited liability incorporated in Hong Kong.

"HKIAC" shall have the meaning set forth in Section 9.1.

"Hong Kong" means the Hong Kong Special Administrative Region of the People's Republic of China.

"Host" means individual users of live streaming platforms who conduct live streaming activities on such platforms (including, but not limited to via personal computers, mobile devices, websites and other new social media platforms).

"Huya Non-Compete Undertaking" means the Non-Compete Agreement (不竞争协议) entered into by and between Guangzhou Huaduo and Guangzhou Huya Information

Technology Co., Ltd. (广州虎牙信息科技有限公司) on March 8, 2018, and the supplemental agreement thereto entered into by the same parties on the same date.

"Initial Necessary Assets Disclosure" shall have the meaning set forth in Section 4.1(i)(iii).

"In-Scope Assets" shall have the meaning set forth in Section 6.2.

"In-Scope Employees" shall have the meaning set forth in Section 6.2.

"In-Scope Products" means the items set forth in Part 2 of Appendix B-7 to the Restructuring Plan.

"Indebtedness" means, as of any time with respect to any Person, without duplication, all obligations (including all obligations in respect of principal, accrued interest, penalties, breakage costs, consent payments, fees and premiums (including redemption premiums)) (a) for borrowed money and related interest payables, (b) evidenced by notes, bonds or debentures, (c) under capital leases, (d) for unpaid purchase price obligations in respect of any merger, acquisition, investment or purchase of fixed assets or other long-term assets, and (e) in the nature of guarantees of the obligations described in clauses (a) through (d) above of any other Person.

"Indemnified Party" shall have the meaning set forth in Section 8.2(d).

"Indemnifying Party" shall have the meaning set forth in Section 8.2(d).

"Indemnity Notice" shall have the meaning set forth in Section 8.5.

"Information Technology" means all computer systems, telecommunication systems, software (and the tangible media on which it is stored) and hardware including source and object code, cabling, routers, switched, racks, servers, PCs, laptops, terminals, scanners, printers, all associated peripherals and all other information technology assets, including all documentation relating to the foregoing, (a) owned or used by any of the Target Group Companies or (b) licensed or leased to any of the Target Group Companies.

"Intellectual Property" means any and all (a) patents (including all reissues, divisionals, provisionals, continuations, continuations in part, re-examinations, renewals and extensions thereof), patent applications, and other patent rights, (b) trademarks, service marks, tradenames, brand names, logos, slogans, trade dress, design rights, and other similar designations of source or origin, together with all goodwill associated with any of the foregoing and applications, registrations and renewals in connection therewith, (c) copyrights, mask works, and copyrightable works, and all applications, registrations for and renewals in connection therewith, (d) internet domain names, web addresses, web pages, websites and related content, accounts with social media companies and the content found thereon and related thereto, and uniform resource locators, (e) proprietary computer software, including source code, object code and supporting documentation for such computer software, (f) trade secrets and proprietary information, including confidential business information, technical data, customer lists, data collections, methods and inventions (whether or not patentable and where or not reduced to practice), (g) copies and tangible embodiments of any of the foregoing and

(h) all other intellectual property, whether or not registrable, in each case, under any Law or statutory provision or common law doctrine in any country.

"Key Hosts" means, collectively, Key Hosts Category I, Key Hosts Category II and Key Hosts Category III.

"Key Hosts and Talent Agencies Contracts" means, collectively, the contracts with Key Hosts and Key Talent Agencies.

"Key Hosts Category I" means the top Hosts in terms of remuneration and compensation provided by the Seller Parties and their Affiliates to such Host that in aggregate account for no less than twenty percent (20%) of the total remuneration and compensation provided by the Seller Parties and their Affiliates to the Hosts in connection with the Target Business during the period from January 1, 2020 to June 30, 2020.

"Key Hosts Category II" means the top Hosts (excluding Key Hosts Category I) in terms of remuneration and compensation provided by the Seller Parties and their Affiliates to such Host that in aggregate account for no less than fifty percent (50%) of the total remuneration and compensation provided by the Seller Parties and their Affiliates to the Hosts in connection with the Target Business during the period from January 1, 2020 to June 30, 2020.

"Key Hosts Category III" means the top Hosts (excluding Key Hosts Category I and Key Hosts Category II) in terms of remuneration and compensation provided by the Seller Parties and their Affiliates to such Host that in aggregate account for no less than ninety percent (90%) of the total remuneration and compensation provided by the Seller Parties and their Affiliates to the Hosts in connection with the Target Business during the period from January 1, 2020 to June 30, 2020.

"Key Talent Agencies" means, collectively, Key Talent Agencies Category I, Key Talent Agencies Category II and Key Talent Agencies Category III.

"Key Talent Agencies Category I" means the top Talent Agencies in terms of remuneration and compensation provided by the Seller Parties and their Affiliates to such Talent Agency that in aggregate accounts for no less than twenty percent (20%) of the total remuneration and compensation provided by the Seller Parties and their Affiliates to the Talent Agencies in connection with the Target Business during the period from January 1, 2020 to June 30, 2020.

"Key Talent Agencies Category II" means the top Talent Agencies (excluding Key Talent Agencies Category I) in terms of remuneration and compensation provided by the Seller Parties and their Affiliates to such Talent Agency that in aggregate accounts for no less than fifty percent (50%) of the total remuneration and compensation provided by the Seller Parties and their Affiliates to the Talent Agencies in connection with the Target Business during the period from January 1, 2020 to June 30, 2020.

"Key Talent Agencies Category III" means the top Talent Agencies (excluding Key Talent Agencies Category I and Key Talent Agencies Category II) in terms of remuneration and compensation provided by the Seller Parties and their Affiliates to such Talent Agency that in aggregate accounts for no less than ninety percent (90%) of the total

remuneration and compensation provided by the Seller Parties and their Affiliates to the Talent Agencies in connection with the Target Business during the period from January 1, 2020 to June 30, 2020.

"Law" or "Laws" means all applicable laws, regulations, rules and Orders of any Governmental Authority, securities exchange or other self-regulating body, including any common or customary law, constitution, code, ordinance, statute or other legislative measure and any regulation, rule, treaty, Order, decree or judgment.

"Leased Real Property" shall have the meaning set forth in Section 4.1(q).

"Leases" means all leases, subleases, licenses, concessions and other agreements, including all amendments, extensions, renewals, guarantees and other agreements with respect thereto, pursuant to which any Target Group Company or any Seller Party holds any Leased Real Property.

"Liabilities" means any and all debts, liabilities, commitments and obligations of any kind, whether fixed, contingent or absolute, matured or unmatured, liquidated or unliquidated, accrued or not accrued, asserted or not asserted, known or unknown, determined, determinable or otherwise, and whenever or however arising (including whether arising out of any contract or tort based on negligence or strict liability).

"Licensed Intellectual Property" means all Intellectual Property owned by any Person other than a Target Group Company and licensed or sublicensed to any Target Group Company, or any Seller Party for use in the Target Business, or for which any Target Group Company, or any Seller Party for use in the Target Business, has obtained a covenant not to be sued.

"Long Stop Date" means the date falling six (6) months after the date hereof; provided that if as of such date (x) the condition set forth in the second sentence of Section 3.1(a) has not been satisfied and the relevant Parties are not then in material breach of their respective obligations under Section 5.7, and (y) all other conditions set forth in ARTICLE III have been satisfied or waived, or are not satisfied but remain capable of being satisfied, the Long Stop Date shall automatically be extended once to the date falling nine (9) months after the date hereof.

"Losses" shall have the meaning set forth in Section 8.2(a).

"Material Adverse Effect" means any event, fact, circumstance or occurrence that, individually or in the aggregate, results in or would reasonably be expected to result in a material adverse change in or a material adverse effect on (a) the condition, assets, liabilities, results of operations, business or prospects of the Target Business, the Contributed Assets and the Target Group Companies, taken as a whole, or (b) the ability of any of the Seller Parties and Target Group Companies to consummate the Contemplated Transactions; provided that in determining whether a Material Adverse Effect has occurred, there shall be excluded any effect on the Target Business, the Contributed Assets or the Target Group Companies to the extent arising out of (i) any action required to be taken pursuant to the terms of this Agreement or another Transaction Document, or taken at the specific written request of any Buyer Party, (ii) changes in general economic and market conditions (including general capital market conditions) affecting the industry in which the Target Business or the Target Group Companies

operates, to the extent that such changes do not have a unique or disproportionate impact on the Target Business or the Target Group Companies, (iii) any occurrence, continuation or escalation of natural disaster, pandemic, hostilities of war or any act of terrorism, (iv) changes in Laws (or the application or interpretation thereof) or the US GAAP, or (v) any change in the Seller Parent's stock price or trading volume, in and of itself and excluding the underlying circumstances or reasons for such change; except, in the case of clause (ii), (iii) or (iv), to the extent having a materially disproportionate effect on the Target Business, the Contributed Assets or the Target Group Companies relative to other participants that are in the same industry as the Target Business (in which case the incremental materially disproportionate impact or impacts may be taken into account in determining whether there has been a Material Adverse Effect).

"Material Contract" shall have the meaning set forth in Section 4.1(n)(i).

"MOFCOM" means the Ministry of Commerce of the PRC (中华人民共和国商务部) or its competent local counterparts.

"Mr. Li" shall have the meaning set forth in the Preamble.

"New WFOE Holdco" shall have the meaning set forth in the Preamble.

"Non-Compete Undertaking" means the Non-Compete Undertaking in substantially the form attached hereto as Exhibit C, to be entered into on the Closing Date by and between the parties named therein.

"Non-Compete Undertaking Provisions" shall have the meaning set forth in Section 6.9.

"Notice of Disagreement" shall have the meaning set forth in Section 2.6(c)(ii).

"NRTA" means the National Radio and Television Administration of the PRC (中华人民共和国国家广播电视总局) or its local counterparts.

"ODI Approvals" means all overseas direct investment approvals, consents, authorizations and registrations required under all applicable Laws by (i) the National Development and Reform Commission of the PRC or its local counterparts; (ii) the Ministry of Commerce of the PRC or its local counterparts; and (iii) the State Administration for Foreign Exchange or its local branches (including through the relevant foreign exchange banks), in each case, relating to the investment in the Target Group Companies by the applicable Buyer Parties (or their Affiliates) contemplated hereunder.

"Offshore Sale Toggle Event" shall have the meaning set forth in Section 2.3(b).

"OP Accounting Firm" shall have the meaning set forth in Section 6.12(b).

"OP Benchmark" shall have the meaning set forth in Section 6.12(a)(ii).

"OP Deviation" shall have the meaning set forth in Section 6.12(a)(iii).

"Operating Profits" shall have the meaning set forth in Section 6.12(a)(vi).

"Order" means any order, ruling, decision, verdict, decree, writ, subpoena, mandate, command, directive, consent, approval, award, judgment, injunction or other similar determination or finding by, before or under the supervision of any Governmental Authority.

"Ordinary Shares" means the ordinary shares, par value US$1.00 per share, in the share capital of the Target Company.

"Original Share Purchase Agreement" shall have the meaning set forth in the Recitals.

"Owned Intellectual Property" means all Intellectual Property owned, co-owned or purported to be owned or co-owned by the Target Group Companies, or the Seller Parties (or their Affiliates) for use in the Target Business.

"Party" and "Parties" shall have the meaning set forth in the Preamble.

"Permits" shall have the meaning set forth in Section 4.1(j).

"Person" means any natural person, firm, partnership, association, corporation, company, trust, public body or government or other entity of any kind or nature. A reference to any "Person" shall, where the context permits, include such Person's executors, administrators, legal representatives and permitted successors and assigns.

"Post 2021 Adjustment Fourth Tranche Consideration" shall have the meaning set forth in Section 6.12(d).

"Post 2022 Adjustment Fourth Tranche Consideration" shall have the meaning set forth in Section 6.12(e).

"PRC" means the People's Republic of China, but for purposes of this Agreement, excluding Hong Kong, the Macau Special Administrative Region and Taiwan.

"Pre-Closing Balance Sheet" shall have the meaning set forth in Section 2.6(a)(v).

"Pre-Closing Cash" shall have the meaning set forth in Section 2.6(a)(vi).

"Pre-Closing Indebtedness" shall have the meaning set forth in Section 2.6(a)(vii).

"Pre-Closing Net Working Capital" shall have the meaning set forth in Section 2.6(a)(viii).

"Preliminary Closing Statement" shall have the meaning set forth in Section 2.6(c)(i).

"Profit Adjustment Statement" shall have the meaning set forth in Section 6.12(b).

"Profit Adjustment Statement Deadline" shall have the meaning set forth in Section 6.12(b).

"Relative" of a natural person means such Person's spouse, parents, children and siblings, whether by blood, marriage or adoption.

"Relevant Action or Inquiry" shall have the meaning set forth in Section 6.11(a).

"Relevant PRC Tax Authority" shall have the meaning set forth in Section 6.1(b).

"Reporting Agent" shall have the meaning set forth in Section 6.1(b).

"Representatives" shall have the meaning set forth in Section 4.1(p)(i).

"Restructuring" means, collectively, all transactions expressly contemplated by the Restructuring Plan.

"Restructuring Documents" means any agreements, documents or certificates delivered pursuant to the Restructuring Plan or otherwise in connection with the Restructuring.

"Restructuring Plan" means the Restructuring Plan attached hereto as Exhibit B.

"RMB Escrow Account" shall have the meaning set forth in Section 5.9(b).

"RMB Escrow Agent" shall have the meaning set forth in Section 5.9(b).

"RMB Escrow Agreement" shall have the meaning set forth in Section 5.9(b).

"Rulings" shall have the meaning set forth in Section 4.1(r)(vii).

"Sale Shares" means, collectively and without duplication, the Buyer Sale Shares and the HK Buyer Sale Shares.

"SAMR" means the State Administration for Market Regulation of the PRC (中华人民共和国国家市场监督管理总局) or its competent local counterparts.

"Sanctions Laws" shall have the meaning set forth in Section 4.1(p)(ii).

"SEC" means the Securities and Exchange Commission of the United States.

"Second Tranche Consideration" means an amount in U.S. Dollar cash equal to US$1,000,000,000, as may be adjusted pursuant to Section 6.7.

"Second Tranche Consideration Deposit Amount" means the RMB equivalent of the Second Tranche Consideration, calculated at the Agreed Exchange Rate.

"Securities Act" means the Securities Act of 1933, as amended, or any successor statute, and the rules and regulations promulgated thereunder.

"Seller" shall have the meaning set forth in the Preamble.

"Seller Bank Account" means a bank account designated by the Seller by written notice to the Buyer Parties no later than ten (10) Business Days prior to the Closing

Date; provided that, after the Closing Date, the Seller may from time to time designate another bank account as the Seller Bank Account by providing written notice to the Buyer Parties no later than ten (10) Business Days in advance.

"Seller Parent" shall have the meaning set forth in the Preamble.

"Seller Parent SEC Documents" means all registration statements, proxy statements and other statements, reports, schedules, forms and other documents that have been filed or furnished by the Seller Parent with the SEC pursuant to the Exchange Act and the Securities Act and available to the public at the SEC's website, and all exhibits included therein and financial statements, notes and schedules thereto and documents incorporated by reference therein.

"Seller Parties" shall have the meaning set forth in the Preamble.

"Seller Releasing Parties" shall have the meaning set forth in Section 6.3(a).

"Social Media Account Names" shall have the meaning set forth in Section 4.1(s)(x).

"Social Media Accounts" means any and all accounts, profiles, pages, feeds, registrations and other presences on or in connection with any (i) social media or social networking website or online service, (ii) blog or microblog, (iii) mobile application, (iv) e-commerce platform, (v) photo, video or other content-sharing website, (vi) virtual game world or virtual social world, (vii) rating and review website, (viii) wiki or similar collaborative content website or (ix) message board, bulletin board, or similar forum.

"Software" means any and all (a) computer programs, applications, systems and software, including any and all software implementations of algorithms, models and methodologies and any and all source code, object code, development and design tools, applets, compilers and assemblers, (b) databases and compilations, including any and all libraries and collections of data whether machine readable or otherwise, (c) descriptions, flow-charts and other work product used to design, plan, organize and develop any of the foregoing, (d) technology supporting, and the contents and audiovisual displays of, any internet site(s), and (e) documentation and media, including user manuals and training materials, relating to or embodying any of the foregoing or on which any of the foregoing recorded.

"Specified Indemnity Matter" means any of the matters set forth in Exhibit I hereto.

"Specified Restructuring Steps" shall have the meaning set forth in Section 2.3(a).

"Subsidiary" means, with respect to any Person, any corporation, partnership, limited liability company or other organization, whether incorporated or unincorporated, which is Controlled by such Person. For the avoidance of doubt, a "variable interest entity" Controlled by a Person shall be deemed to be a Subsidiary of such Person.

"Supplemental Necessary Assets Disclosure" shall have the meaning set forth in Section 4.1 (i)(iii).

"Talent Agencies" means online and offline entities that cooperate with live streaming platforms to provide broker and management services (including without limitation recruiting, training, negotiating business arrangements of, promoting and/or providing marketing services for the Hosts) and have entered into revenue sharing arrangements with such live streaming platform.

"Target Business" means (i) the PRC domestic video-based entertainment live streaming business, (ii) business of operating each of the In-Scope Products on the PC platform, the mobile platform and new social media platforms, (iii) the business of operating the end-to-end R&D back-end platform (研发端对端后台) and customer service for the In-Scope Products, and (iv) the business of operating any middle-platform general capacities (中台通用能力) or basic services (基础服务) that currently are primarily used in, primarily related to or essential to any In-Scope Product.

"Target Business Confidential Information" shall have the meaning set forth in Section 6.5.

"Target Business Entity" means any Target Group Company and any of the Seller Parties and their Affiliates to the extent it owns or operates any Target Business or Contributed Assets.

"Target Cash and Cash Equivalents" as of a specified time means the cash, cash equivalents (including marketable securities, foreign exchange contracts, short term investments, time deposits and cash held in escrow and security deposits), checks received but not cleared and deposits in transit of the Target Business, less any cash overdrafts, issued but uncleared checks or other negative balances, in each case, as of the specified time and measured in accordance with the US GAAP.

"Target Company" shall have the meaning set forth in the Preamble.

"Target Company Employee Agreement" means any management, employment, severance, change in control, transaction bonus, consulting, or other similar contract between any Target Group Company or, with respect to any Transferred Employee, any Seller Party or its Affiliates, on the one hand, and any current or former Target Company Personnel, on the other hand, pursuant to which any Target Group Company has any Liability.

"Target Company Employee Plan" means any written plan, program, policy, practice, contract or other arrangement providing for compensation, severance, termination pay, deferred compensation, performance awards, share or share-related awards, material fringe benefits or other material employee benefits or remuneration of any kind, that is maintained, contributed to or required to be contributed to by any Target Group Company or, with respect to any Transferred Employee, any Seller Party or its Affiliates.

"Target Company Personnel" shall have the meaning set forth in Section 4.1(u)(iii).

"Target Group Companies" means (i) the Target Company, the New WFOE Holdco and all of their respective Subsidiaries from time to time, and (ii) any other entity that,

prior to the Closing becomes, or is required by the Restructuring Plan to become, a Subsidiary of the Target Company or the New WFOE Holdco.

"Target Indebtedness" as of a specified time means, without duplication, all Indebtedness of the Target Business as of such time, but excluding (x) Indebtedness owed by one Target Group Company to another Target Group Company, or (y) any amounts that are included as an offset to Target Cash and Cash Equivalents.

"Target Net Working Capital" as of a specified time means (i) (a) one hundred percent (100%) of the consolidated current assets (excluding Target Cash and Cash Equivalents, amounts receivable from a Target Group Company and deferred Tax assets of the Target Group Companies) of the Target Business, minus (b) one hundred percent (100%) of the consolidated current liabilities (excluding all Indebtedness and amounts payable to a Target Group Company) of the Target Business, in each case as of the specified time and determined in accordance with the US GAAP. The Target Net Working Capital may be either positive or zero or negative.

"Tax" means any tax, duty, deduction, withholding, impost, levy, fee, assessment or charge of any nature whatsoever (including income, franchise, value added, sales, use, excise, stamp, customs, documentary, transfer, withholding, property, capital, employment, payroll, ad valorem, net worth or gross receipts taxes and any social security, unemployment or other mandatory contributions) imposed, levied, collected, withheld or assessed by any local, municipal, regional, urban, governmental, state, national or other Governmental Authority and any interest, addition to tax, penalty, surcharge or fine in connection therewith, including any obligations to indemnify or otherwise assume, bear or succeed to the liability of any other Person with respect to any of the foregoing items by virtue of any Laws or contractual arrangements.

"Tax Authority" means any Governmental Authority responsible for the imposition of any Tax.

"Tax Escrow Account" shall have the meaning set forth in Section 5.9(a).

"Tax Escrow Agent" shall have the meaning set forth in Section 5.9(a).

"Tax Escrow Agreement" shall have the meaning set forth in Section 5.9(a).

"Tax Escrow Amount" means an amount in U.S. Dollar cash equal to US$288,000,000.

"Tax Grant" means any Tax exemption, Tax holiday or reduced Tax rate granted by a Tax Authority with respect to any Target Group Company that is not generally available to Persons without specific application therefor.

"Tax Return" means any Tax return, statement, report, election, declaration, disclosure, schedule or form (including any estimated tax or information return or report) filed or required to be filed with any Tax Authority by any Target Group Company.

"Tax Sharing Agreement" means any Contract (whether written or oral), a principal purpose of which is the sharing, allocation or indemnification of Taxes.

"Third Party Claim" shall have the meaning set forth in Section 8.3(a).

"Third Tranche Consideration" means an amount in U.S. Dollar cash equal to US$300,000,000.

"Third Tranche Consideration Deposit Amount" means the RMB equivalent of the Third Tranche Consideration, calculated at the Agreed Exchange Rate.

"Transaction Documents" means, collectively, this Agreement, the Non-Compete Undertaking, the Transition Services Agreement (from and after its execution), the Restructuring Plan, the Restructuring Documents, and any other agreements, documents or instruments delivered pursuant hereto or thereto.

"Transferred Contracts" means the contracts that are required by the terms of the Restructuring Plan to be transferred to the Target Group Companies.

"Transferred Employees" means the employees identified in the Restructuring Plan, each of whom have ceased or will cease, in accordance with the Restructuring Plan, his or her employment with a Seller Party or its applicable Affiliates (other than the Target Group Companies) and have entered into or will enter into, in accordance with the Restructuring Plan, an employment relationship with the Target Company or its applicable Subsidiaries.

"Transition Services Agreement" means the Transition Services Agreement to be agreed and entered into by and between certain Seller Parties (or their Affiliates) and certain Buyer Parties (or their Affiliates) on or prior to the Closing; provided that the Transition Services Agreement shall abide by and reflect the principles attached hereto as Exhibit F.

"TSA Escrow Account" shall have the meaning set forth in Section 5.9(c).

"TSA Escrow Agent" shall have the meaning set forth in Section 5.9(c).

"TSA Escrow Agreement" shall have the meaning set forth in Section 5.9(c).

"TSA Escrow Amount" means an amount in RMB cash equal to RMB200,000,000.

"Unadjusted Portion of the Fourth Tranche Consideration Deposit Amount" means (x) the Fourth Tranche Consideration Deposit Amount, minus (y) the OP 2021 Deviation, minus (z) the OP 2022 Deviation; provided that if the Unadjusted Portion of the Fourth Tranche Consideration Deposit Amount as calculated above is a negative number, the Unadjusted Portion of the Fourth Tranche Consideration Deposit Amount shall be equal to zero (0).

"US GAAP" means the generally accepted accounting principles in the United States of America.

"WFOE" means 广州熙凌科技有限公司, a company incorporated with limited liability under the laws of the PRC.

"Wholly-Owned Target Group Companies" means, collectively, (i) the Target Company, (ii) Guangzhou Yiling and Guangzhou Jinhong, and (iii) any other Target Group Company that is, directly or indirectly, wholly-owned by the Target Company, Guangzhou Yiling or Guangzhou Jinhong.

Section 1.2 Interpretation. Unless the express context otherwise requires:

(a) the words "hereof," "hereby," "hereto," "herein," and "hereunder" and words of similar import, when used in this Agreement, shall refer to this Agreement as a whole and not to any particular provision of this Agreement;

(b) any statement that is qualified by "to the knowledge of" any Person or any similar expression is deemed to be given by reference to the knowledge of such Person after due and diligent inquiries of the Representatives, Subsidiaries and Affiliates of such Person, provided, however, that "to the knowledge of the Seller Parties" means the actual knowledge after due inquiry of any individual set forth in Exhibit H hereto, and "to the knowledge of Mr. Li" means the actual knowledge of Mr. Li after due inquiry;

(c) the terms defined in the singular have a comparable meaning when used in the plural, and vice versa;

(d) any references herein to "US$", "$"or "U.S. Dollars" are to United States Dollars, and any references herein to "RMB" are to PRC Renminbi;

(e) any references herein to a specific Section, Schedule or Exhibit or to the Recitals or Preamble shall refer, respectively, to Sections, Schedules, Exhibits, Recitals or Preamble of this Agreement, unless otherwise specified;

(f) wherever the word "include," "includes" or "including" is used in this Agreement, it shall be deemed to be followed by the words "without limitation";

(g) references herein to any gender shall include each other gender as the context requires;

(h) the word "or" shall not be exclusive;

(i) references to "written" or "in writing" include in electronic form;

(j) the Parties have each participated in the negotiation and drafting of this Agreement and if an ambiguity or question of interpretation should arise, this Agreement shall be construed as if drafted jointly by the Parties and no presumption of burden of proof shall arise favoring or burdening any Party by virtue of the authorship of any provision in this Agreement;

(k) reference to any Person includes such Person's successors and permitted assigns;

(l) any reference to "days" shall mean calendar days unless Business Days are expressly specified;

(m) when calculating the period of time before which, within which or following which any act is to be done or step taken pursuant to this Agreement, the date that is the reference date in calculating such period shall be excluded and if the last day of such period is not a Business Day, the period shall end on the next succeeding Business Day;

(n) any reference to the "date hereof" or "date of this Agreement" shall mean November 16, 2020 except expressly provided otherwise;

(o) any reference to any Law shall be deemed to refer to the applicable Law in effect as of the date hereof (unless the applicable Law addressed matters as of an earlier date, in which case, applicable Law shall be deemed to mean the applicable Law in effect as of that date);

(p) any reference in this Agreement to any agreement or instrument (other than the Disclosure Schedule) is a reference to that agreement or instrument as amended, novated or supplemented; and

(q) unless otherwise indicated, if the conversion or translation to USD of any amount expressed in RMB (or vice versa) is necessary for the purposes of this Agreement, such conversion or translation shall be conducted at the Agreed Exchange Rate.

ARTICLE II

SALE AND PURCHASE

Section 2.1 Transfer of the Sale Shares. Upon the terms and subject to the conditions of this Agreement, at the Closing:

(a) if the Offshore Sale Toggle Event has not occurred,

(i) the Seller shall, and each of the Seller Parties shall cause the Seller to, transfer to the Buyer, and the Buyer shall, and each of the Buyer Parties shall cause the Buyer to, accept from the Seller, the Buyer Sale Shares and all rights and privileges attaching thereto, free of Encumbrances; and

(ii) the New WFOE Holdco shall, and each of the Seller Parties shall cause the New WFOE Holdco to, transfer to the HK Buyer, and the HK Buyer shall, and each of the Buyer Parties shall cause the HK Buyer to, accept from the New WFOE Holdco, the HK Buyer Sale Shares and all rights and privileges attaching thereto, free of Encumbrances.

(b) if the Offshore Sale Toggle Event has occurred,

(i) the Seller shall, and each of the Seller Parties shall cause the Seller to, transfer to the Buyer, and the Buyer shall, and each of the Buyer Parties shall cause the Buyer to, accept from the Seller, the Buyer Sale Shares and all rights and privileges attaching thereto, free of Encumbrances; and

(ii) the Seller shall, and each of the Seller Parties shall cause the Seller to, transfer to the HK Buyer, and the HK Buyer shall, and each

of the Buyer Parties shall cause the Buyer to, accept from the Seller, the HK Buyer Sale Shares and all rights and privileges attaching thereto, free of Encumbrances.

Section 2.2 Consideration. The aggregate consideration for the sale and purchase of the Sale Shares (the "Consideration") shall be a cash amount in U.S. Dollar equal to the sum of the First Tranche Consideration, the Second Tranche Consideration, the Third Tranche Consideration and the Fourth Tranche Consideration, in each case, as determined, adjusted and paid in accordance with the terms and conditions herein. The Parties agree and acknowledge that the agreed enterprise value for the Target Business on a cash-free and debt-free basis is US$3,600,000,000, based on which the Consideration will be calculated pursuant to the terms and conditions herein.

Section 2.3 Specified Restructuring Steps.

(a) Subject to Section 2.3(b), as soon as possible but in any event within fifteen (15) Business Days after the date hereof, (i) the Seller will cause the transfer of all of the issued and outstanding shares of the HK Company to the Target Company at nil or nominal price, so that the Target Company becomes the HK Company's sole shareholder, and (ii) each applicable Seller Party shall use its reasonable best efforts to cause the New WFOE Holdco to subscribe for, with or without consideration, newly issued equity interests of the WFOE so that immediately after such issuance, the New WFOE Holdco and the HK Company will hold eighty-three percent (83%) and seventeen percent (17%), respectively, of the issued and outstanding equity interests of the WFOE (the actions in item (i) and (ii) together, the "Specified Restructuring Steps"), and (iii) the Seller Parent shall provide the Buyer Parties with evidence of completion of any Specified Restructuring Step promptly after the completion thereof.

(b) In the event (the "Offshore Sale Toggle Event") that (x) on any date prior to December 24, 2020, the Buyer and the Seller mutually agree that the Specified Restructuring Step set forth in Section 2.3(a)(ii) is not reasonably likely to be completed prior to December 31, 2020, or (y) as of December 24, 2020, the Specified Restructuring Step set forth in Section 2.3(a)(ii) has not been completed in spite of each applicable Seller Party's reasonable best efforts to complete such Specified Restructuring Step, then the Seller Parties shall have no further obligation to complete the Specified Restructuring Step set forth in Section 2.3(a)(ii), provided that the Seller Parties shall ensure that the WFOE shall remain wholly-owned, directly or indirectly, by the Target Company as of immediately prior to the Closing.

Section 2.4 Closing.

(a) The transactions contemplated by this Agreement shall take place at a closing (the "Closing") at the offices of Skadden, Arps, Slate, Meagher & Flom, 42/F Edinburgh Tower, The Landmark, 15 Queen's Road Central, Hong Kong on the tenth (10th) Business Day following the satisfaction or waiver of the conditions set forth in ARTICLE III (other than those conditions that by their terms are to be satisfied at the Closing, but subject to the satisfaction or waiver of such conditions), or at such other time and place as the Buyer and the Seller may agree in writing.

(b) All proceedings to be taken and all documents to be executed and delivered by all Parties at the Closing shall be deemed to have been taken and executed simultaneously, and none of such proceedings shall be deemed taken, and none of such documents shall be deemed executed and delivered, unless and until all such proceedings are taken and all such documents are executed and delivered by all Parties.

Section 2.5 Payment and Delivery. At the Closing:

(a) Deliveries by the Buyer Parties. The Buyer Parties shall,

(i) pay or cause to be paid to the Seller a cash amount equal to (x) the First Tranche Consideration, less (y) the sum of (A) the Tax Escrow Amount, (B) the Existing Escrow Amount and (C) the Agreed Restructuring Amount, by wire transfer of immediately available funds in U.S. Dollars to the Seller Bank Account;

(ii) together with Duowan Entertainment Corporation (and the Seller Parties shall procure Duowan Entertainment Corporation to), deliver a joint written instruction to the Existing Escrow Agent to release to the Seller (or its designee) the Existing Escrow Amount (together with all interest that may have accrued thereon);

(iii) together with the Seller or its applicable Affiliate (and the Seller Parties shall procure the Seller or its applicable Affiliate to), deliver a joint written instruction to the TSA Escrow Agent to release to the Seller (or its designee) the TSA Escrow Amount (together with all interest that may have accrued thereon), if and only if the Transition Services Agreement has been agreed, executed and delivered as of the Closing Date;

(iv) deposit or cause to be deposited in the Tax Escrow Account, by wire transfer of immediately available funds in U.S. Dollars, the Tax Escrow Amount;

(v) deposit or cause to be deposited in the RMB Escrow Account the sum of the Second Tranche Consideration Deposit Amount, the Third Tranche Consideration Deposit Amount and the Fourth Tranche Consideration Deposit Amount, by wire transfer of immediately available funds in RMB;

(vi) deliver or cause to be delivered the Transition Services Agreement, duly executed by the applicable Buyer Parties or Affiliates thereof, if the Transition Services Agreement is in agreed form as of the Closing Date; and

(vii) deliver or cause to be delivered to the Seller or its applicable Affiliates such amounts (including, to the extent not already paid, the Agreed Restructuring Amount), documents and instruments required to be delivered by the Buyer Parties or their Affiliates at the Closing under the Restructuring Plan.

(b) Deliveries by the Seller Parties.

(i) if the Offshore Sale Toggle Event has not occurred,

(1) (x) the Seller shall transfer the Buyer Sale Shares to the Buyer by executing an instrument of transfer dated the Closing Date and in the form attached hereto as Exhibit D-1, and (y) the New WFOE Holdco shall transfer the HK Buyer Sale Shares to the HK Buyer by executing a short-form equity interest transfer agreement dated the Closing Date and in the form attached hereto as Exhibit D-2 (and the HK Buyer shall duly countersign the same).

(2) (x) the Seller shall deliver or cause to be delivered to the Buyer and the HK Buyer the register of members of the Target Company, reflecting that the Buyer is the holder of the Buyer Sale Shares and the sole shareholder of the Target Company (provided that the Buyer shall have reasonably cooperated with the customary know-your-client process as may be required by the registered agent of the Target Company with respect to the incoming shareholders of the Target Company), and (y) the Seller shall submit to the SAMR all such documents and filings that are necessary for the amendment registration and/or record filing with the SAMR to record the transfer of the HK Buyer Sale Shares to the HK Buyer;

(ii) if the Offshore Sale Toggle Event has occurred,

(1) the Seller shall transfer the Buyer Sale Shares to the Buyer and the HK Buyer Sale Shares to the HK Buyer by executing one or more instruments of transfer, each dated the Closing Date and in the form attached hereto as Exhibit D-1, and

(2) the Seller shall deliver or cause to be delivered to the Buyer and the HK Buyer the register of members of the Target Company, reflecting that the Buyer is the holder of the Buyer Sale and the HK Buyer is the holder of the HK Buyer Sale Shares and the Buyer and the HK Buyer are the only shareholders of the Target Company (provided that the Buyer and the HK Buyer shall have reasonably cooperated with the customary know-your-client process as may be required by the registered agent of the Target Company with respect to the incoming shareholders of the Target Company);

(iii) the Seller shall deliver or cause to be delivered to the Buyer (A) a letter of resignation, addressed to the Target Company, duly executed by each of the then-existing directors of the Target Company, and (B) a certified true copy of the register of directors of the Target Company evidencing that the board of directors of the Target Company consists solely of designees of the Buyer (provided that, in the case of (B), the Buyer shall have notified the Seller of such designees no later than the fifth (5th) Business Day prior to the Closing Date and shall have reasonably cooperated with the customary know-your-client process as may be required by the registered agent of the Target Company with respect to the incoming directors of the Target Company);

(iv) the Seller shall deliver or cause to be delivered the Transition Services Agreement, duly executed by the applicable Seller Parties or Affiliates thereof, if the Transition Services Agreement is in agreed form as of the Closing Date;

(v) the Seller shall, together with the Buyer or its applicable Affiliate (and the Buyer Parties shall procure the Buyer or its applicable Affiliate to), deliver a joint written instruction to the TSA Escrow Agent to release to the Seller (or its designee) the TSA Escrow Amount (together with all interest that may have accrued thereon), if and only if the Transition Services Agreement has been agreed, executed and delivered as of the Closing Date; and

(vi) the Seller shall deliver or cause to be delivered to the Buyer or its applicable Affiliates such documents and instruments required to be delivered by the Seller or its Affiliates at the Closing under the Restructuring Plan.

For purposes of this Section 2.5, the performance of payment obligations by the Buyer Parties on the Closing Date shall be evidenced by delivery by or on behalf of the Buyer to the Seller on the Closing Date of an irrevocable payment instruction in form and substance reasonably acceptable to the Seller (it being agreed that an "MT-103" or "MT-202" message issued by the remitting bank showing the correct receiving bank account and transfer amount shall be acceptable), provided that, in the event that the funds represented by such payment instruction do not timely arrive, the Buyer Parties shall reasonably cooperate with the Seller in tracing such funds.

Section 2.6 Purchase Price Determination and Adjustment.

(a) Certain Defined Terms. For purposes of this Agreement:

(i) "Closing Cash" means the Target Cash and Cash Equivalents as of the Determination Time on the Closing Date (or, if the Closing occurs no later than February 8, 2021, as of the Determination Time on January 31, 2021).

(ii) "Closing Indebtedness" means the Target Indebtedness as of the Determination Time on the Closing Date (or, if the Closing occurs no later than February 8, 2021, as of the Determination Time on January 31, 2021).

(iii) "Closing Net Working Capital" means the Target Net Working Capital as of the Determination Time on the Closing Date (or, if the Closing occurs no later than February 8, 2021, as of the Determination Time on January 31, 2021).

(iv) "Determination Time" means 6:00 p.m., Hong Kong time as of the relevant date.

(v) "Pre-Closing Balance Sheet" means the unaudited consolidated balance sheet of the Target Business as of September 30, 2020.

(vi) "Pre-Closing Cash" means the Target Cash and Cash Equivalents as of the Determination Time on September 30, 2020.

(vii) "Pre-Closing Indebtedness" means the Target Indebtedness as of the Determination Time on September 30, 2020.

(viii) "Pre-Closing Net Working Capital" means the Target Net Working Capital as of the Determination Time on September 30, 2020.

(b) Pre-Closing Adjustment. No later than the fifteenth (15th) Business Day prior to the Closing Date, the Seller shall deliver to the Buyer the Pre-Closing Balance Sheet and the Seller's good faith calculations of the amounts of the Pre-Closing Cash, the Pre-Closing Indebtedness and the Pre-Closing Net Working Capital, together with reasonable supporting details, whereupon the First Tranche Consideration shall be increased by the amount of the Pre-Closing Cash and, to the extent positive, the amount of the Pre-Closing Net Working Capital, and decreased by the amount of the Pre-Closing Indebtedness and, to the extent negative, the amount of the absolute value of the Pre-Closing Net Working Capital, in each case, as calculated by the Seller in good faith.

(c) Post-Closing Adjustments.

(i) Except as may be mutually agreed in writing between the Buyer and the Seller as to the calculation of the Closing Net Working Capital, the Closing Cash and the Closing Indebtedness, the Buyer shall, as soon as practicable but in any event no later than thirty (30) Business Days after the Closing Date, complete a financial audit of the Target Business and deliver to the Seller a statement (the "Preliminary Closing Statement"), setting forth therein the Buyer's good faith calculation of (i) the Closing Net Working Capital, (ii) the Closing Cash, and (iii) the Closing Indebtedness.

(ii) The Seller shall have a period of fifteen (15) Business Days after the date on which the Preliminary Closing Statement is delivered by the Buyer to deliver to the Buyer a written notice of the Seller's disagreement with any item contained in the Preliminary Closing Statement, which notice shall be executed by the Seller and set forth in reasonable detail the basis for such disagreement and any proposed adjustment to such item (a "Notice of Disagreement"). During such fifteen (15) Business Day period, the Buyer shall (i) permit the Seller and its accountants to consult with the Target Group Companies' senior management and Buyer's accountants, and (ii) provide to the Seller and its accountants reasonable access during normal business hours to the books and records relevant to the Preliminary Closing Statement. If a Notice of Disagreement is delivered by the Seller, the Buyer and the Seller shall seek in good faith to resolve in writing any differences they have with respect to the matters specified in the Notice of Disagreement during the five (5) Business Days following the delivery of the Notice of Disagreement.

(iii) If the Seller and the Buyer are unable to resolve the disputed items set forth in the Notice of Disagreement within five (5) Business Days following the Seller's delivery of such Notice of Disagreement (or such longer period as the Seller and the Buyer may mutually agree in writing), such dispute shall be submitted to, and all issues related to such dispute shall be resolved by, a "big four" accounting firm selected by mutual agreement between the Seller and the Buyer (provided that if the Seller and the Buyer are unable to agree on such selection within two (2) Business Days after the expiration of the foregoing five (5) Business Day period, the Buyer shall be entitled to propose two big-four accounting firms to the Seller, and the Seller shall, within two (2) Business Days of such proposal, select one of the two accounting firms so proposed or, if the Seller shall not have timely made such selection, the Buyer shall select the accounting firm) (the accounting firm selected pursuant to the foregoing, the "Accounting Firm"). The Seller and the Buyer shall submit to the Accounting Firm, as expert and not as arbitrator, for review and resolution all matters (but only such matters) that are set forth in the Notice of Disagreement which remain in dispute. The Seller and the Buyer shall instruct the Accounting Firm that, in resolving items in the Notice of Disagreement that are still in dispute and in determining the Closing Net Working Capital, Closing Cash and Closing Indebtedness, the Accounting Firm shall (i) not assign to any item in dispute a value that is (A) greater than the greatest value for such item assigned by the Buyer, on the one hand, or the Seller, on the other hand, or (B) less than the smallest value for such item assigned by the Buyer, on the one hand, or the Seller, on the other hand, (ii) make its determination in accordance with the guidelines and procedures set forth in this Agreement and consistent with the US GAAP, (iii) render a final resolution in writing to the Buyer and the Seller (which final resolution shall be requested by the Buyer and the Seller to be delivered not more than ten (10) Business Days following submission of such disputed matters to the Accounting Firm), which, absent manifest error, shall be final, conclusive and binding on the Parties with respect to the Closing Net Working Capital, Closing Cash and Closing Indebtedness, and (iv) provide a written report to the Buyer and the Seller, if requested by either of them, which sets forth in reasonable detail the basis for the Accounting Firm's final determination. The Seller shall bear the fees and expenses of the Accounting Firm.

(iv) The Preliminary Closing Statement (as adjusted by the agreement of the Parties or at the direction of the Accounting Firm, as applicable) shall be deemed final (the "Final Closing Statement") for the purposes of this Section 2.6 and binding upon the Parties upon the earliest of the (i) failure of the Seller to notify the Buyer of a dispute within twenty (20) Business Days after delivery of the Preliminary Closing Statement, (ii) resolution of all disputes, pursuant to Section 2.6(c)(ii), by the Buyer and the Seller, and (iii) resolution of all disputes, pursuant to Section 2.6(c)(iii), by the Accounting Firm, whereupon the First Tranche Consideration shall be recalculated as: US$2,000,000,000, plus the amount of the Closing Cash and, to the extent positive, the amount of the Closing Net Working Capital, and decreased by the amount of the Closing Indebtedness and, to the extent negative, the amount of the absolute value of the Closing Net Working Capital.

(v) If the First Tranche Consideration as recalculated pursuant to Section 2.6(c)(iv) exceeds the First Tranche Consideration as of immediately after the adjustments pursuant to Section 2.6(b), the Buyer shall pay or cause to be paid the Seller, by wire transfer of immediately available funds in U.S. Dollars to the Seller Bank Account, an amount equal to such excess. If the First Tranche Consideration as recalculated pursuant to Section 2.6(c)(iv) is less than the First Tranche Consideration as of immediately after the adjustments pursuant to Section 2.6(b), the Seller shall pay or cause to be paid to the Buyer, by wire transfer of immediately available funds in U.S. Dollars to a bank account designated by the Buyer, an amount equal to such shortfall. The foregoing payments shall be made no later than five (5) Business Days following the finalization of the Final Closing Statement in accordance with Section 2.6(c)(iv), provided that if as of such time the Second Tranche Consideration or the Third Tranche Consideration has not yet been paid, the foregoing payments shall be made concurrently with the payment of the Second Tranche Consideration or, if the Second Tranche Consideration has already been paid, at the time of payment of the Third Tranche Consideration, by way of a corresponding increase or decrease, as applicable, of the amount otherwise required to be paid or cause to be paid by the HK Buyer to the Seller for the Second Tranche Consideration or the Third Tranche Consideration, as applicable, pursuant to Section 2.7.

(d) Tax Treatment of Adjustments. Any adjustment to the First Tranche Consideration made pursuant to this Section 2.6 shall be treated as an adjustment to the Consideration for all Tax purposes unless otherwise required by any applicable Law.

Section 2.7 Second Tranche Payment; Third Tranche Payment; Fourth Tranche Payment.

(a) As soon as practicable after the Closing but in no event later than the later of (x) April 30, 2021 and (y) the Closing Date, the HK Buyer shall pay or cause to be paid to the Seller a cash amount equal to the Second Tranche Consideration, by wire transfer of immediately available funds in U.S. Dollars to the Seller Bank Account, whereupon (i) the Seller and the Buyer shall (or shall procure their respective applicable Affiliate to) deliver a joint instruction to the RMB Escrow Agent to release from the RMB Escrow Account an amount equal to the Second Tranche Consideration Deposit Amount by wire transfer to a domestic RMB bank account designated in writing by the HK Buyer in accordance with the RMB Escrow Agreement, and (ii) in the event that the Transition Services Agreement has not been agreed, executed and delivered as of the Closing Date and the Second Tranche Consideration paid to the Seller Bank Account has been reduced pursuant to Section 6.7, the Seller and the Buyer shall (or shall procure their respective applicable Affiliate to) deliver a joint instruction to the TSA Escrow Agent to release from the TSA Escrow Account an amount equal to the TSA Escrow Amount by wire transfer to a domestic RMB bank account designated in writing by the Seller in accordance with the TSA Escrow Agreement.

(b) As soon as practicable after the Closing but in no event later than the later of (x) June 30, 2021 and (y) the Closing Date, the Buyer shall pay or cause to be paid to the Seller a cash amount equal to the Third Tranche Consideration, by wire transfer of immediately available funds in U.S. Dollars to the Seller Bank Account, whereupon the Seller

and the Buyer shall (or shall procure their respective applicable Affiliate to) deliver a joint instruction to the RMB Escrow Agent to release from the RMB Escrow Account (i) an amount equal to the Third Tranche Consideration Deposit Amount by wire transfer to a domestic RMB bank account designated in writing by the Buyer, and (ii) an amount equal to all the interests accrued on the Second Tranche Consideration Deposit Amount and on the Third Tranche Consideration Deposit Amount for the period from (and including) the Closing Date through the release of such amount by wire transfer to a domestic RMB bank account designated by the Seller, in each case, in accordance with the RMB Escrow Agreement. It is understood that the Buyer intends to obtain all ODI Approvals before the date on which the Third Tranche Consideration is due and payable hereunder; provided that the Buyer Parties' obligations under this Section 2.7(b) is not conditioned on the receipt of any ODI Approval.

(c) Promptly (and in any event no later than five (5) Business Days) after the OP 2021 Deviation having become final and binding upon the Parties in accordance with Section 6.12(c), the Seller and the Buyer shall (or shall procure their respective applicable Affiliate to) deliver a joint instruction to the RMB Escrow Agent to release from the RMB Escrow Account an amount (the "OP 2021 Released Amount") equal to the lower of (x) the OP 2021 Deviation, together with all interests that may have accrued on an amount in the RMB Escrow Account equal to the OP 2021 Deviation, and (y) the Fourth Tranche Consideration Deposit Amount, together with all interests that may have accrued thereon, by wire transfer to a domestic RMB bank account designated in writing by the Buyer.

(d) Promptly (and in any event no later than five (5) Business Days) after the OP 2022 Deviation having become final and binding upon the Parties in accordance with Section 6.12(c), the Buyer shall pay or cause to be paid to the Seller a cash amount equal to the Post 2022 Adjustment Fourth Tranche Consideration, by wire transfer of immediately available funds in U.S. Dollars to the Seller Bank Account, whereupon the Seller and the Buyer shall (or shall procure their respective applicable Affiliate to) deliver a joint instruction to the RMB Escrow Agent to release from the RMB Escrow Account (A) by wire transfer to a domestic RMB bank account designated by the Seller, all interests that may have accrued on an amount equal to the Unadjusted Portion of the Fourth Tranche Consideration Deposit Amount, and (B) by wire transfer to a domestic RMB bank account designated in writing by the Buyer, all of the then remaining balance of the RMB Escrow Account (other than the amount released to the Seller pursuant to item (A) above), provided that (x) if the HK Buyer or the Buyer is, as of such time, in breach of its U.S. Dollars payment obligations set forth in this Section 2.7, the Seller shall not be obligated to deliver the joint instruction with respect to the wire transfer contemplated by item (B) above unless such breach has been remedied, and (y) if any Seller Party is, as of such time, in breach of any of its obligations set forth in this Section 2.7, the Buyer shall not be obligated to deliver the joint instruction with respect to the wire transfer contemplated by item (A) above unless such breach has been remedied.

ARTICLE III

CONDITIONS PRECEDENT

Section 3.1 Conditions to Each Party's Obligations. The obligation of each Party to effect the Closing is subject to the satisfaction, on or prior to the Closing Date, of the following conditions, any of which may be waived jointly by the Buyer and the Seller to the extent permitted by applicable Law:

(a) Laws and Orders. No Governmental Authority shall have enacted, issued, promulgated, enforced or entered any Law (whether temporary, preliminary or permanent) that is in effect and restrains, enjoins, prevents, prohibits or otherwise makes illegal the consummation of the Contemplated Transactions. All Authorizations of the PRC Governmental Authorities, if any, that are required to be obtained by any Party prior to the Closing pursuant to applicable Laws (not including, for the avoidance of doubt, the ODI Approvals) shall have been duly obtained.

(b) Actions. No Action shall have been instituted or threatened in writing by any Governmental Authority that seeks to restrain, enjoin, prevent, prohibit or otherwise make illegal the consummation of the Contemplated Transactions, provided that the provisions of this shall not apply with respect to the Buyer Parties or the Seller Parties if any Buyer Party or any Seller Party, as applicable, has directly or indirectly solicited any such Action.

Section 3.2 Conditions to the Buyer Parties' Obligations. The obligation of each Buyer Party to effect the Closing is subject to the satisfaction, on or prior to the Closing Date, of the following conditions, any of which may be waived by the Buyer in its sole discretion:

(a) Representations and Warranties. (i) The Company Fundamental Representations shall have been true and accurate in all respects (except for de minimis inaccuracies with respect to Section 4.1(g)(i)), (ii) the other representations and warranties contained in Section 4.1 shall have been true and accurate in all respects (in the case of any such representation or warranty containing any materiality or Material Adverse Effect qualifier) or in all material respects (in the case of any such representation or warranty without any materiality or Material Adverse Effect qualifier), and (iii) the representations and warranties contained in Section 4.3 shall have been true and accurate in all respects, in the case of each of above clauses (i), (ii) and (iii), on and as of the Closing Date as if made on and as of the Closing Date (except for representations and warranties that by their terms speak as of a specific date, in which case only on and as of that date);

(b) Performance of Obligations. Each of the Seller Parties shall have performed or complied in all material respects with all agreements or obligations required to be performed or complied with by it under this Agreement at or prior to the Closing.

(c) No Material Adverse Effect. Since the date of this Agreement, no Material Adverse Effect shall have occurred that is continuing.

(d) Restructuring. All the steps and actions of the Restructuring that are expressly required in the Restructuring Plan to be completed by any specific date on or prior to the Closing Date shall have been completed in accordance with the Restructuring Plan.

(e) Specified Restructuring Steps. Unless the Seller Parties, in accordance with Section 2.3(b), have no further obligation to complete the Specified Restructuring Steps, the Seller Parties shall have caused the Specified Restructuring Steps to be completed in accordance with Section 2.3(a).

(f) Non-Compete Undertaking. The Seller Parent shall have delivered to the Buyer a copy of the Non-Compete Undertaking, duly executed by each of the parties thereto other than the Buyer Parties, effective subject to and upon the Closing.

(g) AVSP License. If the Closing occurs after January 28, 2021, the Seller Parties shall have, no later than the earlier of the expiration date of the AVSP License and the Closing Date, caused to be duly submitted to the applicable Governmental Authorities an application to renew the AVSP License for three (3) years and provided the Buyer Parties a written confirmation that such application has been submitted.

(h) Legal Opinion. The PRC legal counsel to the Seller shall have, no later than the Closing Date, issued a legal opinion to the Buyer Parties in a form attached hereto as Exhibit G.

(i) Closing Certificate. The Seller shall have delivered to the Buyer Parties a certificate, dated the Closing Date, duly executed by each Seller Party, certifying that the conditions set forth in Section 3.2(a), Section 3.2(b), Section 3.2(c), Section 3.2(d) and Section 3.2(e) have been satisfied as of the Closing Date.

Section 3.3 Conditions to the Seller Parties' Obligations. The obligation of each Seller Party to effect the Closing is subject to the satisfaction, on or prior to the Closing Date, of the following conditions, any of which may be waived by the Seller in its sole discretion:

(a) Representations and Warranties. (i) The Buyer Fundamental Representations shall have been true and accurate in all respects (except for de minimis inaccuracies) and (ii) the other representations and warranties contained in Section 4.2 shall have been true and accurate in all respects (in the case of any such representation or warranty containing any materiality qualifier) or in all material respects (in the case of any such representation or warranty without any materiality qualifier), in the case of each of above clauses (i) and (ii), on and as of the Closing Date as if made on and as of the Closing Date (except for representations and warranties that by their terms speak as of a specific date, in which case only on and as of that date).

(b) Performance of Obligations. Each of the Buyer Parties shall have performed or complied in all material respects with all agreements or obligations required to be performed or complied with by it under this Agreement at or prior to the Closing.

(c) Closing Certificate. The Buyer shall have delivered to the Seller a certificate, dated the Closing Date, duly executed by each Buyer Party, certifying that the conditions set forth in Section 3.3(a) and Section 3.3(b) have been satisfied as of the Closing Date.

Section 3.4 No Other Conditions. Each Party hereby acknowledges and agrees that the Closing is not subject to any condition that is not expressly set forth in this ARTICLE III.

ARTICLE IV

REPRESENTATIONS AND WARRANTIES

Section 4.1 Representations and Warranties of the Seller Parties. Each of the Seller Parties hereby, jointly and severally, represents and warrants to each Buyer Party, except as disclosed in the Disclosure Materials, the following as of the date hereof and as of the Closing Date (except for such representations and warranties that speak as of a specified date, in which case, such representations and warranties shall be made only as of such specified date):

(a) Authority. Each of the Seller Parties and the Target Business Entities has (or, with respect to any Target Business Entity not already in existence, will have upon its existence) full power and authority to enter into, execute and deliver each Transaction Document to which it is or will be a party and to perform its obligations thereunder. The execution and delivery by each of the Seller Parties and the Target Business Entities of each Transaction Document to which it is or will be a party and the performance by it of its obligations thereunder have been duly authorized by all requisite actions on its part.

(b) Valid Agreement. Each Transaction Document to which any of the Seller Parties and the Target Business Entities is or will be a party has been or will be duly executed and delivered by such party and constitutes, or when executed and delivered in accordance herewith will constitute, legal, valid and binding obligations of such party, enforceable against such party in accordance with its terms, except as limited by (i) applicable bankruptcy, insolvency, reorganization, moratorium and other Laws of general application affecting enforcement of creditors' rights generally and (ii) Laws relating to the availability of specific performance, injunctive relief or other equitable remedies.

(c) Non-Contravention; Litigation. Neither the execution and delivery of each Transaction Document to which any of the Seller Parties and the Target Business Entities is or will be a party nor the consummation of any of the Contemplated Transactions will (i) violate any organizational document of such Seller Party or Target Business Entity or violate any Law or Order to which such Seller Party or Target Business Entity is subject or (ii) except as set forth in Section 4.1(c) of the Disclosure Schedule, conflict with, result in a breach of, constitute a default under, result in the acceleration of or creation of an Encumbrance under or create in any party the right to accelerate, terminate, modify or cancel any Contract to which such Seller Party or Target Business Entity is a party, by which such Seller Party or Target Business Entity is bound or to which any of the assets of such Seller Party or Target Business Entity are subject, except in the case of sub-clause (ii) above, as would not, individually or in the aggregate, materially and adversely affect the ability of any of the Seller Parties and Target Business Entities to consummate the Contemplated Transactions. There is no Action pending or, to the knowledge of the Seller Parties, threatened in writing against any Seller Party or Target Business Entity that (i) seeks to invalidate this Agreement or the right of any Seller Party or Target Business Entity to enter into each Transaction Document to which it/he is or will be a party or to consummate the Contemplated Transactions, or (ii) would, individually or in the aggregate, have a Material Adverse Effect.

(d) Consents and Approvals. None of the execution and delivery of any Transaction Document to which any Seller Party or Target Business Entity is or will be a party, the consummation of any of the Contemplated Transactions nor the performance by any

Seller Party or Target Business Entity of each Transaction Document to which such Seller Party or Target Business Entity is or will be a party in accordance with its terms requires any consent, approval, order, license or authorization of, registration, certificate, declaration or filing with or notice to any Governmental Authority or any other Person (each, an "Authorization") on the part of any Seller Party or its Affiliates or the Target Business Entity, except (i) the filings and registrations with SAMR and MOFCOM in connection with the Restructuring, the Specified Restructuring Steps and the Contemplated Transactions, in each case as explicitly set forth in the Restructuring Plan, (ii) the Authorizations referred to in Section 3.1(a), (iii) for compliance with the applicable requirements of the Exchange Act and the rules and regulations promulgated thereunder, or (iv) as would not, individually or in the aggregate, materially and adversely affect (x) the ability of any of the Seller Parties and Target Business Entities to consummate the Contemplated Transactions or (y) the condition, assets, liabilities, results of operations, business or prospects of the Target Business, the Contributed Assets and the Target Group Companies, taken as a whole.

(e) Ownership of Sale Shares. The Seller will be, upon the completion of the Specified Restructuring Step described in Section 2.3(a)(i), the record and beneficial owner of the Buyer Sale Shares, free and clear of all Encumbrances. The New WFOE Holdco will be, upon the completion of the Specified Restructuring Step described in Section 2.3(a)(ii), the record and beneficial owner of the HK Buyer Sale Shares, free and clear of all Encumbrances. Upon the occurrence of the Offshore Sale Toggle Event, the Seller will be the record and beneficial owner of the Buyer Sale Shares and the HK Buyer Sale Shares, free and clear of all Encumbrances.

(f) Due Formation. Each Seller Party and Target Business Entity is (or, with respect to any Target Business Entity not already in existence, will be upon its existence) duly formed, validly existing and in good standing in its jurisdiction of organization, and has all requisite power and authority to carry on its business as it is currently being conducted. The Seller Parties have furnished or made available to the Buyer Parties a complete and correct copy of the organizational documents, each as amended to date, of each Seller Party and Target Business Entity. Such organizational documents are in full force and effect. No Seller Party or Target Business Entity is in violation of any of the provisions of its organizational documents in connection with the Contemplated Transactions. HK Company directly owns one hundred percent (100%) of the issued and outstanding equity interests of the WFOE as of the date hereof.

(g) Capitalization.

(i) (1) The authorized share capital of the Target Company is US$50,000 divided into a total of 50,000 Ordinary Shares, 50,000 of which are issued and outstanding and will be owned, directly or indirectly through wholly-owned subsidiaries, by the Seller; (2) all of the outstanding Equity Securities in the Target Company are duly authorized, validly issued, fully paid and non-assessable, free and clear of all Encumbrances (other than Encumbrances created hereunder); and (3) except as set forth in sub-clause (1), (A) there are no outstanding Equity Securities in the Target Company, (B) no Equity Securities in the Target Company are subject to any preemptive rights, rights of first refusal or first offer or other rights to purchase such Equity Securities or any other rights with respect to such Equity Securities (except as

provided hereunder), (C) the Target Company is not a party or subject to any Contract that affects or relates to the voting or giving of written consents with respect to any Equity Securities in the Target Company, (D) there are no obligations, contingent or otherwise, of the Target Company to issue, repurchase, redeem or otherwise acquire any Equity Securities, and (E) there are no dividends that have accrued or been declared but are unpaid by the Target Company.

(ii) With respect to each Target Group Company other than the Target Company, subject to any changes to the capitalization of the domestic enterprises that are made in accordance with the Restructuring Plan: (1) the Capitalization Table accurately describes the capitalization of such Target Group Company on a fully diluted basis as of the date hereof and as of the Closing , reflecting all the currently outstanding Equity Securities in such Target Group Company and the record and beneficial holders thereof, and the name and jurisdiction of organization of such Target Group Company, (2) all of the outstanding Equity Securities in each Target Group Company are duly authorized, validly issued, fully paid and non-assessable, free and clear of all Encumbrances, and (3) except for the outstanding Equity Securities set forth in the Capitalization Table and except as expressly contemplated by the Restructuring Plan, (A) there are no outstanding Equity Securities in such Target Group Company, (B) no Equity Securities in such Target Group Company are subject to any preemptive rights, rights of first refusal or first offer or other rights to purchase such Equity Securities or any other rights with respect to such Equity Securities, (C) such Target Group Company is not a party or subject to any Contract that affects or relates to the voting or giving of written consents with respect to any Equity Securities in such Target Group Company, (D) there are no obligations, contingent or otherwise, of such Target Group Company to issue, repurchase, redeem or otherwise acquire any Equity Securities, and (E) there are no dividends that have accrued or been declared but are unpaid by such Target Group Company.

(h) Due Delivery. The Sale Shares, when delivered to and paid for by the Buyer Parties pursuant to this Agreement, will be fully paid and non-assessable, free and clear of all Encumbrances. Upon delivery and entry into the register of members of the Target Company of the Buyer Sale Shares or the HK Buyer Sale Shares, the Buyer or the HK Buyer, as applicable, shall have good and valid title to the Buyer Sale Shares or the HK Buyer Sale Shares, as applicable, free and clear of all Encumbrances. Upon delivery and entry into the register of members of the Target Company of the Buyer Sale Shares, the Buyer shall have good and valid title to the Buyer Sale Shares, free and clear of all Encumbrances. In the case of Section 2.5(b)(i), upon the effectiveness of the amendment registration and/or record filing with the SAMR to record the transfer of the HK Buyer Sale Shares to the HK Buyer as contemplated by Section 2.5(b)(i)(2)(y), the HK Buyer shall have good and valid title to the HK Buyer Sale Shares, free and clear of all Encumbrances. In the case of Section 2.5(b)(ii), upon delivery and entry into the register of members of the Target Company of the HK Buyer Sale Shares, the HK Buyer shall have good and valid title to the HK Buyer Sale Shares, free and clear of all Encumbrances.

(i) Target Business; Contributed Assets. Except as disclosed in Section 4.1(i) of the Disclosure Schedule:

(i) Ordinary Course. The Target Business is being carried on in the ordinary course of business and is a going concern. There is no existing fact or circumstance that would have, individually or in the aggregate, a Material Adverse Effect on the Target Business.

(ii) Sufficiency of Assets; Contributed Assets. As of the Closing Date, the Contributed Assets, Transferred Contracts and Transferred Employees, taken as a whole, constitute all of the assets, businesses, rights, Permits, Intellectual Property, Information Technology, data, employees and Contracts necessary and sufficient to conduct the Target Business in the same manner as currently conducted. Each of Appendix B, Appendix C, Appendix D and Appendix E of the Restructuring Plan sets forth a true and correct list of all Contributed Assets within that asset category. Upon the completion of the Restructuring, the Target Group Companies will have good and marketable title in and to each of the Contributed Assets, free and clear of all Encumbrances (other than Encumbrances disclosed in or contemplated by the Restructuring Plan, or disclosed in Section 4.1(i) of the Disclosure Schedule).

(iii) Full Disclosure of Necessary Assets. The Seller Parties have, as of the date hereof, provided to the Buyer Parties a complete list of any and all assets, businesses, rights, Permits, Intellectual Property, Information Technology, data, employees and Contracts of or at the disposal of any Seller Party or its Affiliates or the Target Business Entity that were, as of September 30, 2020, necessary for the conduct of the Target Business, whether or not those assets, businesses, rights, Permits, Intellectual Property, Information Technology, data, employees and Contracts are Contributed Assets (such disclosure, the "Initial Necessary Assets Disclosure"), and none of the assets, businesses, rights, Permits, Intellectual Property, Information Technology, data, employees and Contracts so disclosed has been disposed of or terminated by the Seller Party or its Affiliates or the Target Business Entity as of the date hereof. No later than the tenth (10th) Business Day prior to the Closing Date, the Seller Parties will have provided to the Buyer Parties a complete list of any and all assets, businesses, rights, Permits, Intellectual Property, Information Technology, data, employees and Contracts of or at the disposal of any Seller Party or its Affiliates or the Target Business Entity necessary for the conduct of the Target Business as conducted as of the date hereof, whether or not those assets, businesses, rights, Permits, Intellectual Property, Information Technology, data, employees and Contracts are Contributed Assets, by way of making supplemental written disclosure (such disclosure, the "Supplemental Necessary Assets Disclosure") to the Buyer Parties.

(iv) The Contributed Assets have been maintained in accordance with prudent practice in all material respects and in compliance with Laws in all material respects in the preceding three (3) years.

(v) Section 4.1(i)(v) of the Disclosure Schedule sets forth a complete list of the businesses in the YY segment of the Excluded Business (other than any such business that is expected to generate an annual revenue of less than US$1,000,000 for the fiscal year ending December 31, 2020).

(vi) Key Hosts and Talent Agencies Contracts . Without limiting the foregoing clauses (i) to (iii) and Section 4.1(n),

(1) Section 4.1(i)(vi) of the Disclosure Schedule sets forth a complete list of contracts with Key Hosts Category II, Key Hosts Category III, Key Talent Agencies Category II and Key Talent Agencies Category III as of the date hereof;

(2) all Key Hosts and Talent Agencies Contracts are being carried on in the ordinary course of business and in accordance with normal industry practice for companies engaged in businesses similar to that of the Target Business;

(3) except as disclosed in Section 4.1(i)(vi) of the Disclosure Schedule, each Key Hosts and Talent Agencies Contract is a valid and binding agreement and is in full force and effect, and none of the Target Business Entities, Key Hosts Category II, Key Hosts Category III, Key Talent Agencies Category II and Key Talent Agencies Category III is, in default or breach of any Key Hosts and Talent Agencies Contract in any material respect and no event or circumstance has occurred that, with notice or lapse of time or both, would constitute a default or breach by the Target Business Entities in any material respect thereunder; and

(4) except as disclosed in Section 4.1(i)(vi) of the Disclosure Schedule, none of the Seller Parties and their Affiliates has any reason to believe it would terminate the contracts with any of the Key Hosts Category I, Key Hosts Category II, Key Talent Agencies Category I and Key Talent Agencies Category II prior to the expiration date indicated in the respective contract and none of the Key Hosts Category I, Key Hosts Category II, Key Talent Agencies Category I and Key Talent Agencies Category II has indicated in writing or given written notice to the Seller Parties or their Affiliates to terminate any Key Hosts and Talent Agencies Contracts prior to the expiration date indicated in the respective contract.

(j) Permits. Except as disclosed in Section 4.1(j) of the Disclosure Schedule, (i) at the Closing, each of the Target Group Companies will be in possession of all material licenses, franchises, permits, certificates, approvals or other similar authorizations of any Governmental Authority necessary to own, lease, operate and use its properties and assets or to carry on the Target Business (the "Permits") and such Permits are valid and in full force and effect; (ii) each of the Target Business Entities (with respect to Target Business Entities that are not Target Group Companies, solely in relation to their ownership and operation of the Contributed Assets and the Target Business) are in possession of all Permits and such Permits are valid and in full force and effect; (iii) no Target Business Entity (with respect to Target

Business Entities that are not Target Group Companies, solely in relation to their ownership and operation of the Contributed Assets and the Target Business) is in default under, and no condition exists that with notice or lapse of time or both would constitute a default under, the Permits; and (iv) none of the Permits will be terminated or impaired or become terminable, in whole or in part, as a result of the Contemplated Transactions. None of the Target Business Entities (with respect to Target Business Entities that are not Target Group Companies, solely in relation to their ownership and operation of the Contributed Assets and the Target Business) is a party to any Action seeking the revocation, suspension, termination, modification or impairment of any Permit.

(k) Financial Statements; No Undisclosed Liabilities.

(i) The Seller Parties have made available to the Buyer the unaudited consolidated balance sheets of the Target Business as of December 31, 2018, December 31, 2019 and June 30, 2020 and the related unaudited consolidated statements of income and cash flows for the years ended December 31, 2018 and December 31, 2019 and for the six (6) months ended June 30, 2020 (the "Balance Sheet Date") (collectively, the "Financial Statements"). The Financial Statements fairly present, in all material respects, the consolidated financial position of the Target Business as of the dates thereof and their consolidated results of operations and cash flows for the periods then ended, in conformity with the US GAAP applied on a consistent basis. The Target Business Entities (with respect to Target Business Entities that are not Target Group Companies, solely in relation to their ownership and operation of the Contributed Assets and the Target Business) have prepared and maintained their financial accounts, based on which the Financial Statements have been prepared, on a consistent basis in accordance with applicable Laws and US GAAP in all material respects. The accounting records of the Target Business are in the Target Business Entities' possession or under their control and have been maintained in accordance with applicable Laws and US GAAP in all material respects.

(ii) There are no liabilities or obligations of the Target Business that would be required to be disclosed on a consolidated balance sheet of the Target Business in accordance with the US GAAP, other than (1) liabilities or obligations reflected on, reserved against, or disclosed in the Financial Statements, and (2) liabilities incurred after the Balance Sheet Date in the ordinary course of business consistent with past practices and any liabilities incurred pursuant to this Agreement.

(iii) Section 4.1(k)(iii) of the Disclosure Schedule contains a complete list of each intercompany balance in excess of US$100,000 as of the Balance Sheet Date between the Seller Parties or any of their Affiliates (other than the Target Group Companies), on the one hand, and the Target Group Companies, on the other hand. Since the Balance Sheet Date, there has not been any accrual of Liabilities that are, individually or in the aggregate, in excess of US$100,000 by any Target Group Company to the Seller Parties or any of their Affiliates (other than the Target Group Companies) or any other transactions that are, individually or in the aggregate, in excess of US$100,000

between any Target Group Company and the Seller Parties or any of their Affiliates (other than the Target Group Companies).

(l) Absence of Certain Changes.

(i) Since the Balance Sheet Date, the business of the Target Group Companies and the Target Business have been conducted in the ordinary course consistent with past practices and there has not been any event, development or circumstances that would have, individually or in the aggregate, a Material Adverse Effect.

(ii) From the Balance Sheet Date until the date hereof, there has not been any action taken by any Target Business Entity (other than any action explicitly set forth in the Restructuring Plan) that, if taken during the period from the date of this Agreement through the Closing Date without the Buyer's express consent, would constitute a breach of Section 5.2.

(m) Restructuring Plan; Restructuring Documents. Each Restructuring Document to which any Target Business Entity is or will be a party will, upon execution, constitute legal, valid and binding obligation of each party thereto, enforceable against such party in accordance with its terms, except as limited by (i) applicable bankruptcy, insolvency, reorganization, moratorium and other Laws of general application affecting enforcement of creditors' rights generally and (ii) Laws relating to the availability of specific performance, injunctive relief or other equitable remedies. The execution, delivery and performance of, and compliance with, the Restructuring Plan and the Restructuring Documents by the parties thereto will not result in any violation, breach or default, with or without the passage of time or the giving of notice or both, of any organizational document of any Target Business Entity, and except as would not, individually or in the aggregate, materially and adversely affect the ability of any Target Business Entities to consummate the Contemplated Transactions, any Contract to which any Target Business Entity is a party or by which any Target Business Entity or Contributed Assets is bound, or any Law or Order to which any Target Business Entity is subject to.

(n) Material Contracts.

(i) Each Contract described in Section 4.1(n)(ii)(1) through Section 4.1(n)(ii)(18), whether or not disclosed in the Disclosure Schedule, to which any of the Target Business Entities (with respect to Target Business Entities that are not Target Group Companies, solely in relation to their ownership and operation of the Contributed Assets and the Target Business) or by which any of the Contributed Assets is bound (other than Contracts under which all rights, obligations and liabilities have been terminated, or Contracts that are expired, fully performed or are expressed to be not legally binding), is referred to herein as a "Material Contract." Except as disclosed in Section 4.1(n)(i) of the Disclosure Schedule, each Material Contract is a valid and binding agreement and is in full force and effect, and none of the Target Business Entities, and to the knowledge of the Seller Parties, none of the other parties thereto is, in default or breach of any such Material Contract in any material respect, and no event or circumstance has occurred that, with notice or

lapse of time or both, would constitute a default or breach by the Target Business Entities in any material respect thereunder. Except as disclosed in Section 4.1(n)(i) of the Disclosure Schedule, true and complete copies of each such Material Contract as of the date hereof have been delivered or made available to the Buyer or its representatives.

(ii) Except as disclosed in Section 4.1(n)(ii) of the Disclosure Schedule, none of the Target Business Entities (with respect to Target Business Entities that are not Target Group Companies, solely in relation to their ownership and operation of the Contributed Assets and the Target Business) or the Contributed Assets is a party to or bound by any of the following (other than Contracts under which all rights, obligations and liabilities have been terminated, or Contracts that are expired, fully performed or are expressed to be not legally binding):

(1) any Contract relating to the issuance of any Equity Securities of any Target Business Entity;

(2) any Contract (other than Contracts with Hosts and Talent Agencies) that involves payments (or a series of payments) to or from any Person, contingent or otherwise, of RMB1,000,000 or more individually, or RMB10,000,000 or more in the aggregate with respect to a series of related agreements, in cash, property or services;

(3) any partnership, joint venture strategic alliance, strategic cooperation, joint operation, third partner operation or other similar Contract or arrangement;

(4) any Contract relating to the acquisition or disposition of any business (whether by merger, sale of stock, sale of assets or otherwise);

(5) any Contract relating to Indebtedness or any guarantee of such Indebtedness (in either case, whether incurred, assumed, guaranteed or secured by any asset);

(6) any Contract involving the waiver, compromise, or settlement of any material Action involving a claim in excess of RMB1,000,000;

(7) any agency, dealer, sales representative, marketing or other similar Contract with payment obligation in excess of RMB1,000,000;

(8) any Contract that limits the freedom of any Target Business Entity to compete in any line of business or with any Person or in any area or which would so limit the freedom of any Target Group Company after the Closing Date;

(9) any Contract with an amount in excess of RMB1,000,000 between any Target Business Entity on the one hand and (A) the Seller Parties or any of their Affiliates (other than the Target Business Entities), (B) any director or officer of any Target Business Entity or of any Person described in clause (A), or (C) any Affiliate of any natural person described in clause (A) or (B), on the other hand, except for the employment agreements relating to services as employees, officers or directors of any Target Business Entity and the Transaction Documents;

(10) any Contract with Governmental Authorities;

(11) any Contract that involves prohibition of payment of dividends or distributions in respect of the Equity Securities of any Target Business Entity;

(12) any Contract that will be terminated or varied upon a change of control involving any Target Business Entity or the consummation of the Contemplated Transactions, will subject such change of control or the Contemplated Transactions to the consent of any Person or will trigger any payment by any Target Business Entity and their Affiliates to any Person as a result of such change of control or the consummation of the Contemplated Transactions;

(13) any Contract (including license agreements, research agreements, development agreements, distribution agreements, settlement agreements, consent to use agreements and covenant not to sue) with an amount in excess of RMB1,000,000 pursuant to which any Target Business Entity obtains the right to use or a covenant not to be sued under, any Intellectual Property or grants the right to use, or a covenant not to be sued under, any Intellectual Property;

(14) any Contract that involves any provision relating to "exclusivity", "most favored nation" status, right of first refusal or first negotiation or similar rights, or that grants a power of attorney, agency or similar authority (other than instruments granting power of attorney or agency to corporate service providers);

(15) any Contract with any third party who, to the knowledge of the Seller Parties, is engaging in the business directly or indirectly competing with the Target Business;

(16) any Contract with Key Hosts Category I or Key Talent Agencies Category I;

(17) any cooperative agreement in relation to the Target Business, including without limitation "联运合作协议"; or

(18) any other Contract not made in the ordinary course of business and material to the Target Business.

(o) Compliance with Laws. During the preceding three (3) years, except as would not, individually or in the aggregate, have a material adverse effect on the condition, assets, liabilities, results of operations, business or prospects of the Target Business, the Contributed Assets and the Target Group Companies, taken as a whole, (i) none of the Target Group Companies has been in violation of any applicable Law or Order, and (ii) none of the Seller Parties or their respective Affiliates has been in violation of any applicable Law or Order with respect to the operation of the Target Business or the Contributed Assets.

(p) Anti-bribery, Anti-corruption, Anti-money Laundering and Sanctions.

(i) Anti-bribery and Anti-corruption. Each of the Seller Parties and Target Business Entities (with respect to Target Business Entities that are not Target Group Companies, solely in relation to their ownership and operation of the Contributed Assets and the Target Business), including their respective directors, officers and employees, and to the knowledge of the Seller Parties, their respective Affiliates, including the Affiliates' respective directors, officers and employees, independent contractors, representatives, agents and other Persons acting on their behalf (collectively, the "Representatives"), in connection with the operation or dealings of any Target Business Entity (with respect to Target Business Entities that are not Target Group Companies, solely in relation to their ownership and operation of the Contributed Assets and the Target Business), is and has been in compliance with all applicable Laws relating to anti-bribery, anti-corruption, anti-corruption-related record keeping and internal control Laws (collectively, the "ABAC Laws"). Without limiting the foregoing, neither any Seller Party or Target Business Entity nor to the knowledge of the Seller Parties, any of its Representatives has, in connection with the operation or dealings of any Target Business Entity (with respect to Target Business Entities that are not Target Group Companies, solely in relation to their ownership and operation of the Contributed Assets and the Target Business): directly or indirectly, offered, authorized, promised, condoned, participated in, consummated, or received notice of any allegation or request for information of, or has information that indicates a likelihood of (1) the making of any gift or payment of anything of value to any public official by any Person to obtain any improper advantage, affect or influence any act or decision of any such public official, or assist any Seller Party or Target Business Entity in obtaining or retaining business for, or with, or directing business to, any Person; (2) the taking of any action by any Person which (A) would violate the United States Foreign Corrupt Practices Act of 1977, as amended ("FCPA"), if taken by an entity subject to the FCPA, (B) would violate the U.K. Bribery Act 2010, if taken by an entity subject to the U.K. Bribery Act 2010, or (C) could constitute a violation of any applicable ABAC Law; (3) the making of any false or fictitious entries in the books or records of any Seller Party or Target Business Entity by any Person; or (4) the using of any assets of any Seller Party or Target Business Entity for the establishment of any unlawful or unrecorded fund of monies or other assets, or the making of any unlawful or undisclosed payment. Each of the Target Business Entity (with respect to Target Business Entities that are not Target Group Companies, solely in relation to their ownership and operation of the

Contributed Assets and the Target Business) has established or is subject to adequate internal controls and procedures intended to ensure compliance with the ABAC Laws.

(ii) Sanctions. None of the Seller Parties and Target Business Entities (with respect to Target Business Entities that are not Target Group Companies, solely in relation to their ownership and operation of the Contributed Assets and the Target Business), or to the knowledge of the Seller Parties, any of their respective Representatives, is owned or Controlled by a Person that is targeted by or the subject of any sanctions administered by the Office of Foreign Assets Control of the U.S. Department of the Treasury, or by the U.S. Department of State, or any sanctions imposed by the European Union (including under Council Regulation (EC) No. 194/2008), the United Nations Security Council, Her Majesty's Treasury or any other relevant Governmental Authority or has engaged in any activities that would be in violation of the Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2010, as amended or the Iran Sanctions Act, as amended, or sanctions and measures imposed by the United Nations or any other relevant Governmental Authority (collectively, the "Sanctions Laws"). None of the Seller Parties and Target Business Entities (with respect to Target Business Entities that are not Target Group Companies, solely in relation to their ownership and operation of the Contributed Assets and the Target Business), including their respective directors, officers or employees, or to the knowledge of the Seller Parties, any of their respective Representatives, has been investigated or is being investigated or is subject to a pending or, to the knowledge of the Seller Parties, threatened investigation in relation to any Sanctions Laws by any law enforcement, regulatory or other Governmental Authority or any customer or supplier, or has admitted to, or been found by a court in any jurisdiction to have engaged in any violation of any applicable Sanctions Laws or been debarred from bidding for any contract or business relating to Sanctions Laws, and, to the knowledge of the Seller Parties, there are no circumstances which are likely to give rise to any such investigation, admission, finding or disbarment.

(iii) Anti-Money Laundering. The operations of the Target Business Entities (with respect to Target Business Entities that are not Target Group Companies, solely in relation to their ownership and operation of the Contributed Assets and the Target Business) are and have been conducted at all times in compliance with applicable financial recordkeeping and reporting requirements, including those of the applicable anti-money laundering statutes of all jurisdictions where the Target Business Entities (with respect to Target Business Entities that are not Target Group Companies, solely in relation to their ownership and operation of the Contributed Assets and the Target Business) conduct business, the rule and regulations thereunder and any related or similar rules, regulations or guidelines, issued, administered or enforced by the relevant Governmental Authorities (including, to the extent applicable, the United State Currency and Foreign Transactions Reporting Act of 1970) (collectively, the "Anti-Money Laundering Laws"). The Target Business Entities (with respect to Target Business Entities that are not Target Group Companies, solely in relation to their ownership and operation of the Contributed Assets and the

Target Business) have instituted, maintained and enforced adequate policies and procedures to ensure compliance with Anti-Money Laundering Laws to the extent required by applicable Law. None of the Seller Parties and Target Business Entities (with respect to Target Business Entities that are not Target Group Companies, solely in relation to their ownership and operation of the Contributed Assets and the Target Business) have been penalized for or, to the knowledge of the Seller Parties, threatened to be charged with, or given notice of any violation of, or under investigation with respect to, any Anti-Money Laundering Laws, and no Action by or before any court, Governmental Authority or any arbitrator involving any alleged violation of applicable Anti-Money Laundering Laws by any of the Seller Parties or Target Business Entities (with respect to Target Business Entities that are not Target Group Companies, solely in relation to their ownership and operation of the Contributed Assets and the Target Business) is pending or, to the knowledge of the Seller Parties, threatened.

(q) Properties.

(i) None of the Target Business Entities (with respect to Target Business Entities that are not Target Group Companies, solely in relation to their ownership and operation of the Contributed Assets and the Target Business) owns any real property. Section 4.1(q)(i) of the Disclosure Schedule sets forth the address of the location of each leasehold or sub-leasehold estates and other rights to use or occupy any land, buildings, structures, improvements, fixtures or other interest in real property held by any Target Business Entity (with respect to Target Business Entities that are not Target Group Companies, solely in relation to their ownership and operation of the Contributed Assets and the Target Business) as of the date hereof (collectively, the "Leased Real Property"), and a true and complete list of all Leases (including all amendments, extensions, renewals, guaranties and other agreements with respect thereto) for each such Leased Real Property. Each Target Business Entity has a valid leasehold interest in all of its Leased Real Property free and clear of any and all Encumbrances. With respect to each Lease, (1) such Lease is legal, valid, binding, enforceable and in full force and effect, (2) the possession and quiet enjoyment of the Leased Real Property by the applicable Target Business Entity under such Lease has not been disturbed and there are no disputes with respect to such Lease in any material respect, and (3) neither any Target Business Entity nor, to the knowledge of the Seller Parties, any other party to the Lease is in breach or default under such Lease in any material respect, and no event has occurred or circumstance exists which, with the delivery of notice, the passage of time or both, would constitute such a breach or default by the applicable Target Business Entity in any material respect, or permit the termination, modification or acceleration of rent under such Lease. Each Target Business Entity (with respect to Target Business Entities that are not Target Group Companies, solely in relation to their ownership and operation of the Contributed Assets and the Target Business) has title to, or a valid leasehold interest in, as applicable, all personal property used in its business free and clear of any and all Encumbrances, and such personal property is in good operating condition and repair in all material respects.

(ii) Each Target Business Entity (with respect to Target Business Entities that are not Target Group Companies, solely in relation to their ownership and operation of the Contributed Assets and the Target Business) has good and valid title to all of its respective assets (including without limitation upon being transferred to the applicable Target Business Entity in accordance with the Restructuring Plan, all personal properties included in the Contributed Assets), whether tangible or intangible, in each case free and clear of all Encumbrances (other than Encumbrances disclosed in or explicitly provided in the Restructuring Plan or disclosed in Section 4.1(q)(ii) of the Disclosure Schedule). Except for leased or licensed assets, no Person other than such Target Business Entity owns any interest in any such assets. All machinery, vehicles, equipment and other tangible personal property owned or leased by any Target Business Entity (with respect to Target Business Entities that are not Target Group Companies, solely in relation to their ownership and operation of the Contributed Assets and the Target Business) are (1) in good condition and repair in all material respects (reasonable wear and tear excepted) and (2) not obsolete or in need in any respect of renewal or replacement, except for renewal or replacement in the ordinary course of business. Except as disclosed in Section 4.1(q) of the Disclosure Schedule or otherwise expressly contemplated by the Restructuring Plan, there are no material facilities, services, assets or properties used by any Target Business Entity (with respect to Target Business Entities that are not Target Group Companies, solely in relation to their ownership and operation of the Contributed Assets and the Target Business) which are shared with any other Person that is not a Target Business Entity.

(r) Tax Matters.

(i) Filing and Payment. (1) All Tax Returns have been filed when due in accordance with all applicable Laws in all material respects; (2) all Tax Returns that have been filed were true and complete in all material respects; and (3) all Taxes shown as due and payable on any Tax Return have been timely paid, or withheld and remitted, to the appropriate Governmental Authority in all material respects. Without limiting the foregoing, each Target Business Entity has timely paid (or has caused to be paid), or has withheld and remitted (or caused to be withheld and remitted) to the appropriate Governmental Authority for Taxes related to the Contributed Assets in all material respects.

(ii) Retention of Tax Information. The Target Business Entities have maintained proper, accurate and adequate records to enable each of them to comply in all material respects with its obligations to (1) prepare any accounts necessary to comply with the Tax Law; and (2) retain necessary records as to comply with the Tax Law. The records referred to in tax warranty have been retained for the period required by applicable Law and will be available to the Buyer Parties upon request.

(iii) Financial Records. The charges, accruals and reserves for Taxes with respect to the Target Business Entities reflected on the books of the Target Business Entities are adequate to cover Tax liabilities

accruing through the end of the last period for which the Target Business Entities ordinarily record items on their respective books. Since the end of the last period for which the Target Business Entities ordinarily record items on their respective books, no Target Business Entity has engaged in any transaction, or taken any other action, other than in the ordinary course of business, that would impact any Tax asset or Tax liability of any Target Business Entity in any material respect.

(iv) Procedure and Compliance. Except as disclosed in Section 4.1(r)(iv) of the Disclosure Schedule, there is no claim, audit, action, suit, proceeding or investigation now pending or, to the knowledge of the Seller Parties, threatened in writing against or with respect to any Target Business Entity relating to Taxes. There are no facts or circumstances that would give rise to such claim, audit, action, suit, proceeding or investigation that would have, individually or in the aggregate, a Material Adverse Effect.

(v) Taxing Jurisdictions. No claim has been made by any Governmental Authority in any jurisdiction against any Target Business Entity where any Target Business Entity does not file Tax Returns that the Target Business Entity is or may be required to file any Tax Return, or pay Tax, in such jurisdiction.

(vi) Tax Exemptions. The Target Business Entities have complied in all material respects with the conditions stipulated in each Tax Grant and the Contemplated Transactions will not adversely affect the eligibility of any Target Business Entity for any Tax Grant in any material respect.

(vii) Tax Rulings. All material Tax rulings, advice, consents and clearances from any Governmental Authority (the "Rulings") affecting any Target Business Entity have been accurately and fully disclosed to the Buyer. All particulars given to any Governmental Authority in connection with any Ruling fully and accurately disclose, in all material respects, all facts and circumstances relevant for such Governmental Authority's decision. Each Ruling is valid and effective and has been complied with in all material respects, and no action has been taken to prejudice the application of any Ruling in any material respect.

(viii) Anti-avoidance. No Target Business Entity has entered into or been party to any Tax shelter or similar transaction which is considered abusive of any applicable Tax Law.

(ix) Restructuring. Except as explicitly provided in the Restructuring Plan, the Restructuring will not give rise to a material Tax Liability, nor materially and adversely impact the Tax attributes of, any Target Business Entity.

(x) No U.S. Tax Elections. No Target Business Entity has ever filed any election for U.S. Tax purposes (including any entity classification election).

(xi) Tax Sharing Agreements. None of the Target Business Entities are required to pay the Tax of any other Person under any Tax Sharing Agreement or similar agreement or under any Laws applicable to consolidated or affiliated Tax groups.

(xii) Passive Foreign Investment Company. None of the Target Business Entities is or is expect to be a passive foreign investment company for U.S. federal income tax purposes.

(s) Intellectual Property. Except as disclosed in Section 4.1(s) of the Disclosure Schedule:

(i) Section 4.1(s)(i) of the Disclosure Schedule contains a true and complete list of all registrations or applications for registrations included in the Owned Intellectual Property and all other Owned Intellectual Property.

(ii) The Licensed Intellectual Property and the Owned Intellectual Property together constitute all the Intellectual Property reasonably necessary to, or used or held for use in the Target Business without interruption. Except as disclosed in Section 4.1(s)(ii) of the Disclosure Schedule, there exist no material restrictions on the disclosure, use, license or transfer of the Owned Intellectual Property, and the consummation of the Contemplated Transactions will not alter, impair, extinguish or incur any Encumbrance on any Owned Intellectual Property or Licensed Intellectual Property.

(iii) Except as disclosed in Section 4.1(s)(iii) of the Disclosure Schedule, none of the Target Business Entities (with respect to Target Business Entities that are not Target Group Companies, solely in relation to their ownership and operation of the Contributed Assets and the Target Business) has infringed upon, misappropriated or otherwise violated any Intellectual Property of any third party. Except as disclosed in Section 4.1(s)(iii) of the Disclosure Schedule, there is no Action pending against or, to the knowledge of the Seller Parties, threatened against or affecting, any of the Target Business Entities (with respect to Target Business Entities that are not Target Group Companies, solely in relation to their ownership and operation of the Contributed Assets and the Target Business) or any present or former officer, director or employee of any Target Business Entity (1) based upon, or challenging or seeking to deny or restrict, the rights of such Target Business Entity in any of the Owned Intellectual Property and the Licensed Intellectual Property, (2) alleging the use of the Owned Intellectual Property or the Licensed Intellectual Property or any services provided, processes used or products manufactured, used, imported, offered for sale or sold by such Target Business Entity do or may conflict with, misappropriate, infringe upon or otherwise violate any Intellectual Property of any third party or (3) alleging that any of such Target Business Entity have infringed upon, misappropriated or otherwise violated any Intellectual Property of any third party.

(iv) The Target Business Entities are the sole owners of all Owned Intellectual Property and hold all right, title and interest in and to all Owned Intellectual Property (including without limitation upon being transferred to the applicable Target Group Company in accordance with the Restructuring Plan, all Intellectual Property included in the Contributed Assets) free and clear of any Encumbrances (other than Encumbrances created by Law or explicitly provided in the Restructuring Plan), and as of the Closing Date, will be the licensees of, and have valid rights to use the Licensed Intellectual Property. None of the Owned Intellectual Property or Licensed Intellectual Property has been adjudged invalid or unenforceable in whole or part, and all such Owned Intellectual Property and Licensed Intellectual Property are valid and enforceable.

(v) The Target Business Entities (with respect to Target Business Entities that are not Target Group Companies, solely in relation to their ownership and operation of the Contributed Assets and the Target Business) and the Seller Parties have taken all actions reasonably necessary to maintain and protect the Owned Intellectual Property and their rights in Licensed Intellectual Property, including payment of applicable maintenance fees and filing of applicable statement of use.

(vi) Except as disclosed in Section 4.1(s)(vi) of the Disclosure Schedule, to the Seller Parties' knowledge, no Person has infringed upon, misappropriated or otherwise violated any Owned Intellectual Property or Licensed Intellectual Property. The Target Business Entities (with respect to Target Business Entities that are not Target Group Companies, solely in relation to their ownership and operation of the Contributed Assets and the Target Business) have taken reasonable steps to maintain the confidentiality of all Intellectual Property of the Target Business Entities, the value of which to any of the Target Business Entities or the Target Business is contingent upon maintaining the confidentiality thereof. None of the Intellectual Property of the Seller Parties and Target Business Entities (with respect to Target Business Entities that are not Target Group Companies, solely in relation to their ownership and operation of the Contributed Assets and the Target Business) the value of which to any of the Target Business Entities or the Target Business is contingent upon maintaining the confidentiality thereof has been disclosed other than to employees, representatives and agents of the Target Business Entities and the Seller Parties to the extent necessary, all of whom are bound by written confidentiality agreements substantially in the form previously disclosed to the Buyer.

(vii) To the extent that any Intellectual Property that is material to the Target Business has been developed or created by a third party (including any current or former employee of any of the Target Business Entities and the Seller Parties) for the Target Business or the Target Group Companies, the Target Business Entities have a written agreement with such third party with respect thereto, and the Target Business Entities thereby either (1) have obtained ownership of and are the exclusive owners of, or (2) have obtained a valid and unrestricted right to exploit, sufficient for the conduct of

their business and Target Business, such Intellectual Property. Neither this Agreement nor the Contemplated Transactions will result in any further amounts being payable to any employee, former employee or current or former contractors or consultants of the Target Business Entities in relation to any Owned Intellectual Property.

(viii) The Information Technology is fully functional and operates and performs in a manner that permits the Target Business Entities (with respect to Target Business Entities that are not Target Group Companies, solely in relation to their ownership and operation of the Contributed Assets and the Target Business) to conduct their respective businesses and the Target Business without interruption. The Target Business Entities (with respect to Target Business Entities that are not Target Group Companies, solely in relation to their ownership and operation of the Contributed Assets and the Target Business) and the Seller Parties have taken all necessary actions to protect the confidentiality, integrity, operation and security of the Information Technology (and all information and transactions stored or contained therein or transmitted thereby) against any unauthorized, use, access, interruption, malfunction, modification, or corruption, including the implementation and periodic testing of (1) data backup, (2) disaster avoidance and recovery procedures, (3) business continuity procedures, and (4) encryption and other security protocol technology. There has been no unauthorized use, access, interruption, modification, corruption or malfunction of any Information Technology (or any information or transactions stored or contained therein or transmitted thereby), and the Information Technology is free of all viruses, worms, trojan horses and other malicious Software code.

(ix) (1) The Target Business Entities (with respect to Target Business Entities that are not Target Group Companies, solely in relation to their ownership and operation of the Contributed Assets and the Target Business) have at all times complied in all material respects with all applicable Laws relating to privacy, data protection and the collection and use of personal information and user information gathered or accessed in the course of the operation of the Target Business Entities and the Target Business, (2) the Target Business Entities (with respect to Target Business Entities that are not Target Group Companies, solely in relation to their ownership and operation of the Contributed Assets and the Target Business) and the Seller Parties have at all times complied in all material aspects with all rules, policies and procedures established by the Target Business Entities and the Seller Parties from time to time with respect to the foregoing, and (3) no claims have been asserted or, to the knowledge of the Seller Parties, threatened against any of the Target Business Entities (with respect to Target Business Entities that are not Target Group Companies, solely in relation to their ownership and operation of the Contributed Assets and the Target Business) and no such claims are likely to be asserted or threatened against any of the Seller Parties in connection with the Target Business and Target Business Entities by any Person alleging a violation of such Person’s privacy, personal or confidentiality rights under any such Laws, regulations, rules, policies or procedures. The consummation of the Contemplated Transactions will not breach or otherwise cause any violation of

any such Laws, regulations, rules, policies or procedures in any material respect. The transfer of any personal information in connection with the Contemplated Transactions (including without limitation the transfer of personal information during Restructuring) will not violate any applicable Laws relating to privacy, data protection and the collection and use of personal information in any material respect. The Target Business Entities (with respect to Target Business Entities that are not Target Group Companies, solely in relation to their ownership and operation of the Contributed Assets and the Target Business) are not, and will not, subject to any contractual requirements or other legal obligations that, following the Closing, would prohibit the Target Business Entities from receiving, using or otherwise disposing of personal information transferred during the Restructuring in the manner in which the Target Business Entities (with respect to Target Business Entities that are not Target Group Companies, solely in relation to their ownership and operation of the Contributed Assets and the Target Business) or Seller Parties receive, use and otherwise dispose of such personal information prior to the Closing.

(x) Section 4.1(s)(x) of the Disclosure Schedule sets forth a true, correct and complete list of all Social Media Accounts that the Target Business Entities (with respect to Target Business Entities that are not Target Group Companies, solely in relation to their ownership and operation of the Contributed Assets and the Target Business) use, operate or maintain, including in connection with marketing or promoting any product or service. Section 4.1(s)(x) of the Disclosure Schedule also lists, for each such Social Media Account, any account name(s), user name(s), nickname(s), display name(s), handle(s), and other identifiers registered or used by or for the Target Business Entities with respect to such Social Media Account (collectively, the "Social Media Account Names"). All use of the Social Media Accounts complies with and has complied with, in all material respects, (1) all terms and conditions, terms of use, terms of service and other Contracts applicable to such Social Media Accounts and (2) applicable Law. Each employee and former employee, contractor and consultant of the Target Business Entities has entered into a Contract that (1) provides that such Target Business Entity, and not such employee, contractor or consultant, owns and controls the Social Media Accounts and Social Media Account Names (including all associated information and content and all relationships, interactions and communications with fans, followers, visitors, commenters, users and customers) and (2) requires each such employee, contractor or consultant to relinquish to Seller all Social Media Account Names, passwords, and other log-in information for the Social Media Accounts upon termination of employment or engagement or at any other time upon such Target Business Entity's request.

(t) Insurance. The Target Business Entities (with respect to Target Business Entities that are not Target Group Companies, solely in relation to their ownership and operation of the Contributed Assets and the Target Business) have maintained no insurance coverage for the Target Business, and such lack of insurance does not have a material adverse

effect on the condition, assets, liabilities, results of operations, business or prospects of the Target Business, the Contributed Assets and the Target Group Companies, taken as a whole.

(u) Labor and Employment Matters.

(i) During the preceding year, no Key Employee (which term shall have the meaning given to "关键员工" in Appendices D-1 and D-2 to the Restructuring Plan) has given written notice to any of the Seller Parties or Target Business Entity that he or she intends to resign or retire at any time in the six (6)-month period following the date of such notice.

(ii) Except for employment agreements with certain Transferred Employees that will be entered into prior to the Closing in accordance with the Restructuring Plan, each Target Business Entity (with respect to Target Business Entities that are not Target Group Companies, solely in relation to their ownership and operation of the Contributed Assets and the Target Business) has entered into employment agreements with all of its employees (including the Transferred Employees) in compliance with applicable Laws in all material respects, and the compensation paid by such Target Business Entity to such employees under the relevant employment agreements constitutes all the income and benefits such employees may validly claim from such Target Business Entity, and there are no other agreements or arrangements in connection with such employee's compensation.

(iii) There are no material controversies pending or, to the knowledge of the Seller Parties, threatened between any Target Business Entity (with respect to Target Business Entities that are not Target Group Companies, solely in relation to their ownership and operation of the Contributed Assets and the Target Business) and its employees, contractors, subcontractors, agents or other Persons engaged by it, or between any Seller Party and its employees, contractors, subcontractors, agents or other Persons whose services are primarily for the benefit of the Target Business (collectively, the "Target Company Personnel"). There are no material unfair labor practice complaints pending or, to the knowledge of the Seller Parties, threatened against any Target Business Entity (with respect to Target Business Entities that are not Target Group Companies, solely in relation to their ownership and operation of the Contributed Assets and the Target Business), or any Seller Party with respect to Target Company Personnel before any Governmental Authority. There is no strike, slowdown, work stoppage or lockout, or similar activity or the threat thereof, by or with respect to any Target Company Personnel nor has there been any such occurrence during the preceding three (3) years.

(iv) Each Target Business Entity (with respect to Target Business Entities that are not Target Group Companies, solely in relation to their ownership and operation of the Contributed Assets and the Target Business) is in compliance with all applicable Laws relating to employment and employment practices in all material aspects, including those related to wages, work hours, shifts, overtimes, social insurance and housing fund registrations, social security benefits, holidays and leave, collective bargaining terms and

conditions of employment and the payment and withholding of Taxes and other sums as required by the appropriate Governmental Authority and has withheld and paid in full to the appropriate Governmental Authority, or is holding for payment not yet due to such Governmental Authority, all amounts required to be withheld from or paid with respect to Target Company Personnel (including the withholding and payment of all individual income Taxes and contributions to social security benefits payable), and is not liable for any arrears of wages, Taxes, penalties or other sums for failure to comply with any of the foregoing. Each Target Business Entity (with respect to Target Business Entities that are not Target Group Companies, solely in relation to their ownership and operation of the Contributed Assets and the Target Business) has paid in full to all of its Target Company Personnel or adequately accrued for in accordance with the US GAAP consistently applied all wages, salaries, commissions, bonuses, benefits and other compensation due to or on behalf of such Target Company Personnel, and there is no claim with respect to payment of any material amount of wages, salary, commission or overtime pay that has been asserted or is pending or, to the knowledge of the Seller Parties, threatened before any Governmental Authority with respect to any Persons currently or formerly employed or engaged by any Target Business Entity (with respect to Target Business Entities that are not Target Group Companies, solely in relation to their ownership and operation of the Contributed Assets and the Target Business). There is no charge of discrimination in employment or employment practices, for any reason, including without limitation age, gender, race, religion or other legally protected category, which has been asserted or is now pending or, to the knowledge of the Seller Parties, threatened before any Governmental Authority with respect to any Target Company Personnel.

(v) Each Target Company Employee Plan and each Target Company Employee Agreement is and has at all times been operated and administered in compliance with the provisions thereof and all applicable Laws in all material aspects. Each contribution or other payment that is required to have been accrued or made under or with respect to any Target Company Employee Plan has been duly accrued and made on a timely basis in all material respects. There are no Actions pending or, to the knowledge of the Seller Parties, threatened against any Target Company Employee Plan or against the assets of any Target Company Employee Plan.

(v) Environmental Matters. The operations of the Target Business Entities (with respect to Target Business Entities that are not Target Group Companies, solely in relation to their ownership and operation of the Contributed Assets and the Target Business) and the Target Business do not involve the use, disposal or release of hazardous or toxic substances or the protection or restoration of the environment or human exposure to hazardous or toxic substances in any material respect. During the preceding three (3) years, no Target Business Entity (with respect to Target Business Entities that are not Target Group Companies, solely in relation to their ownership and operation of the Contributed Assets and the Target Business) nor any Seller Party has been penalized or, to the knowledge of the Seller Parties, threatened to be penalized by Governmental Authorities for violation of any applicable environmental Law or Order related thereto.

(w) Insolvency. No bankruptcy, insolvency or judicial composition proceedings concerning the Seller Parties or the Target Business Entities have been applied for. No circumstances exist which could require an application for any bankruptcy, insolvency or judicial composition proceedings concerning the Seller Parties or the Target Business Entities nor do any circumstances exist according to any applicable bankruptcy or insolvency Laws which could justify the avoidance of this Agreement. No steps have been taken or proposed in relation to the winding-up, bankruptcy, administration, insolvency or dissolution of any Seller Party or Target Business Entity, nor has any analogous procedure or step been taken or proposed in any jurisdiction in relation to any Seller Party or Target Business Entity. Neither any Seller Party nor any Target Business Entity is or expected to be insolvent under the laws of its jurisdiction of incorporation or unable to pay its debts as they fall due and neither any Seller Party nor any Target Business Entity has stopped paying its debts or indicated an intention to do so.

(x) Seller Parent SEC Documents. Since January 1, 2019, the Seller Parent has timely filed or furnished, as applicable, all reports, schedules, forms, statements and other documents required to be filed or furnished by it with the SEC pursuant to the Securities Act or the Exchange Act. As of their respective filing or furnishing dates pursuant to the Exchange Act (and to the extent such Seller Parent SEC Documents were amended, as of the date of filing of such amendment) and as of the date of effectiveness in the case of Seller Parent SEC Documents filed pursuant to the Securities Act, the Seller Parent SEC Documents (i) complied as to form in all material respects with the requirements of the Securities Act or the Exchange Act, as the case may be, and the rules and regulations of the SEC promulgated thereunder, as applicable, and (ii) did not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading. As of the date hereof, there are no outstanding or unresolved comment letters received from the SEC or its staff with respect to any Seller Parent SEC Documents. There are no internal investigations, any SEC inquiries or investigations or other inquiries or investigations conducted by a Governmental Authority pending or, to the knowledge of the Seller Parent, threatened, in each case, regarding the Seller Parent or any of its Affiliates, officers or directors.

(y) Finders' Fees. There is no investment banker, broker, finder or other intermediary which has been retained by or is authorized to act on behalf of any Seller Party or Target Business Entity who might be entitled to any fee or commission in connection with the Contemplated Transactions from any Buyer Party or its Affiliates or any Target Group Company.

Section 4.2 Representations and Warranties of the Buyer Parties. Each of the Buyer Parties hereby jointly and severally represents and warrants to each of the Seller Parties the following as of the date hereof and as of the Closing Date:

(a) Authority. Each of the Buyer Parties has full power and authority to enter into, execute and deliver each Transaction Document to which it is or will be a party and to perform its obligations thereunder. The execution and delivery by each of the Buyer Parties of each Transaction Document to which it is or will be a party and the performance by it of its obligations thereunder have been duly authorized by all requisite actions on its part.

(b) Valid Agreement. Each Transaction Document to which any of the Buyer Parties is or will be a party has been or will be duly executed and delivered by such party and constitutes, or when executed and delivered in accordance herewith will constitute, legal, valid and binding obligations of such party, enforceable against such party in accordance with its terms, except as limited by (i) applicable bankruptcy, insolvency, reorganization, moratorium and other Laws of general application affecting enforcement of creditors' rights generally and (ii) Laws relating to the availability of specific performance, injunctive relief or other equitable remedies.

(c) Non-Contravention; Litigation. Neither the execution and delivery of each Transaction Document to which any of the Buyer Parties is or will be a party nor the consummation of any of the Contemplated Transactions will (i) violate any provision of the organizational documents of such Buyer Party or violate any Law or Order to which such Buyer Party is subject or (ii) conflict with, result in a breach of, constitute a default under, result in the acceleration of or creation of an Encumbrance under or create in any party the right to accelerate, terminate, modify or cancel any Contract to which such Buyer Party is a party, by which such Buyer Party is bound or to which any of the Buyer's assets are subject, except, in the case of sub-clause (ii) above, as would not, individually or in the aggregate, materially and adversely affect the ability of any of the Buyer Parties to consummate the Contemplated Transactions. There is no Action pending or, to the knowledge of the Buyer Parties, threatened against any Buyer Party that (i) seeks to invalidate this Agreement or the right of any Buyer Party to enter into this Agreement or to consummate the Contemplated Transactions, or (ii) would, individually or in the aggregate, materially and adversely affect the ability of any of the Buyer Parties to consummate the Contemplated Transactions.

(d) Consents and Approvals. None of the execution and delivery of each Transaction Document to which any Buyer Party is a party, the consummation by any Buyer Party of any of the Contemplated Transactions nor the performance by any Buyer Party of each Transaction Document to which such Buyer Party is a party in accordance with its terms requires any Authorization on the part of any Buyer Party or its Affiliates, except (i) the Authorizations referred to in Section 3.1(a), (ii) for compliance with the applicable requirements of the Exchange Act and the rules and regulations promulgated thereunder, or (iii) as would not, individually or in the aggregate, materially and adversely affect the ability of any of the Seller Parties and Target Group Companies to consummate the Contemplated Transactions.

(e) Status and Investment Intent. Each of the Buyer Parties is acquiring Sale Shares pursuant to this Agreement for its own account for investment purposes only and not with the view nor intention to resell, distribute or otherwise dispose thereof, other than to certain of its Affiliates. Each of the Buyer Parties does not have any direct or indirect arrangement or understanding with any other Person to distribute or Sale Shares in violation of the Securities Act or any other applicable state securities Law. Each of the Buyer Parties acknowledges that Sale Shares are "restricted securities" that have not been registered under the Securities Act or any applicable state securities Law.

(f) Sufficient Fund. The Buyer Parties will at the relevant times as required hereunder, have at its disposal sufficient funds to make the payments and deposits as required hereunder and consummate the transactions contemplated hereby in accordance with the terms hereof.

Section 4.3 Representations and Warranties of Mr. Li. Mr. Li hereby represents and warrants to each Buyer Party the following as of the date hereof and as of the Closing Date:

(a) Authority. Mr. Li has full power and authority to enter into, execute and deliver each Transaction Document to which he is or will be a party and to perform his obligations thereunder.

(b) Valid Agreement. Each Transaction Document to which Mr. Li is or will be a party has been or will be duly executed and delivered by such party and constitutes, or when executed and delivered in accordance herewith will constitute, his legal, valid and binding obligations, enforceable against him in accordance with its terms, except as limited by (i) applicable bankruptcy, insolvency, moratorium and other Laws of general application affecting enforcement of creditors' rights generally and (ii) Laws relating to the availability of specific performance, injunctive relief or other equitable remedies.

(c) Non-Contravention; Litigation. Neither the execution and delivery of each Transaction Document to which Mr. Li is or will be a party nor the consummation of any of the Contemplated Transactions will conflict with, result in a breach of, constitute a default under, result in the acceleration of or creation of an Encumbrance under or create in any party the right to accelerate, terminate, modify or cancel any Contract to which Mr. Li is a party, by which Mr. Li is bound or to which any of the assets of Mr. Li are subject, except as would not, individually or in the aggregate, materially and adversely affect the ability of Mr. Li to perform his obligations hereunder and thereunder. There is no Action pending or, to the knowledge of Mr. Li, threatened in writing against Mr. Li that (i) seeks to invalidate this Agreement or the right of Mr. Li to enter into each Transaction Document to which he is or will be a party or to perform his obligations hereunder and thereunder, or (ii) would, individually or in the aggregate, materially and adversely affect the ability of Mr. Li to perform his obligations hereunder and thereunder.

(d) Consents and Approvals. None of the execution and delivery of any Transaction Document to which Mr. Li is or will be a party, the performance of his obligations hereunder and thereunder nor the performance by Mr. Li under each Transaction Document to which he is or will be a party in accordance with its terms requires any Authorization on the part of Mr. Li, except as would not, individually or in the aggregate, materially and adversely affect the ability of Mr. Li to perform his obligations hereunder.

ARTICLE V

COVENANTS WITH RESPECT TO THE PERIOD PRIOR TO CLOSING

Section 5.1 Access and Confidentiality. From the date of this Agreement until the earlier of (i) the Closing Date, and (ii) the date, if any, on which this Agreement is terminated pursuant to Section 7.1:

(a) Each Seller Party shall cause all the Target Group Companies to, upon reasonable prior written notice, (i) give the Buyer Parties, their respective officers, employees and authorized Representatives, reasonable access to each Target Group Company's books, records, officers, employees, agents, offices and other assets, Contracts, facilities and properties, (ii) furnish to the Buyer Parties, their counsel, financial advisors, auditors and other

authorized Representatives such financial and operating data and other information relating to the Target Group Companies, the Target Business or the Contributed Assets as such Persons may reasonably request and (iii) instruct the employees, consultants, agents, counsel, financial advisors, auditors and other authorized Representatives of the Target Group Companies to reasonably cooperate with Buyer Parties in their due diligence investigation of the Target Group Companies and the Target Business, including without limitation the status of the Restructuring. Notwithstanding anything to the contrary set forth herein, the Seller Parties and the Target Group Companies shall not be required to provide access to, or to disclose information, to the extent such access or disclosure would jeopardize the attorney-client privilege of the Seller Parties, the Target Group Companies or their respective Subsidiaries, or contravene any applicable Law (including with respect to any competitively sensitive information, if any).

(b) The Seller Parties shall cause the Target Group Companies to give prompt written notice to the Buyer, (i) of any notice or other communication received by the Target Group Companies or any Seller Party from any Governmental Authority in connection with this Agreement or the Contemplated Transactions, or from any Person alleging that the consent of such Person (or another Person) is or may be required in connection with the Contemplated Transactions, (ii) of any Action commenced or, to the knowledge of the Seller Parties, threatened against, any Target Group Company, any Seller Party or their respective Subsidiaries, in each case arising from or relating to the Contemplated Transactions, or (iii) upon becoming aware of the occurrence or impending occurrence that individually or in the aggregate, would have a Material Adverse Effect.

(c) If, after the date hereof, any Party becomes aware of any facts, events or circumstances that have, individually or in the aggregate, resulted in any condition set forth in ARTICLE III to become incapable of being satisfied prior to the Long Stop Date (after giving effect to any applicable cure period), such Party shall promptly give the other Parties a written notice, setting forth therein (i) the relevant facts, events or circumstances, (ii) the condition(s) which such Party believes has or have, as a result, become incapable of being satisfied prior to the Long Stop Date. Upon such notice, the Parties shall discuss in good faith whether the relevant conditions have indeed become incapable of being satisfied prior to the Long Stop Date and, if so, whether such condition will be waived. Notwithstanding the foregoing, nothing in this Section 5.1(c) shall be deemed to obligate any Party to waive any condition set forth in ARTICLE III, which waiver may be granted or withheld at the relevant Party's sole discretion.

Section 5.2 Conduct of Target Business. During the period between the date hereof and the earlier of (i) the termination of this Agreement pursuant to Section 7.1 and (ii) the Closing Date, except as expressly required or expressly permitted by this Agreement or the Restructuring Plan or specifically requested or permitted in writing by or on behalf of the Buyer Parties, the Seller Parties shall cause the Target Business to be conducted, and cause each Target Business Entity to conduct its business and operations with respect to the Target Business and the Contributed Assets, in the ordinary course consistent with past practice, and (i) use commercially reasonable efforts to maintain the assets and properties relating to the Target Business (including to timely renew any Permits in accordance with applicable Laws) and to preserve the current relationships with employees, customers, suppliers, consultants, Governmental Authorities, and any other Persons having business dealings relating to the Target Business, (ii) use commercially reasonable efforts to perform and comply with its

Material Contracts and to comply with all applicable Laws then in effect (including, from and after the date of effectiveness of applicable Laws that become effective prior to the Closing), and (iii) maintain its books and records in the usual, regular and ordinary manner. Without limiting the generality of the foregoing, unless expressly required by this Agreement or the Restructuring Plan or specifically requested or permitted in writing by or on behalf of the Buyer Parties, the Seller Parties shall procure that none of the Target Business Entities (with respect to Target Business Entities that are not Target Group Companies, solely in relation to their ownership and operation of the Contributed Assets and the Target Business) will:

(a) amend the memorandum and articles of association or equivalent organizational documents of any Target Group Company;

(b) (A) split, combine, subdivide or reclassify any shares of capital stock of any Target Group Company, (B) declare, set aside or pay any dividend on or make any other distributions (whether in cash, stock, property or otherwise) with respect to the Equity Securities of any Target Group Company, or (C) make any other change to the capital structure of any Target Group Company;

(c) issue, sell, pledge, dispose, encumber, grant or incur any Encumbrance on any Target Group Company's Equity Securities, or any options, warrants, convertible securities or other rights of any kind to acquire any Target Group Company's Equity Securities (except for any such transaction solely between Wholly-Owned Target Group Companies);

(d) acquire or agree to acquire (including by merger, consolidation or acquisition of stock or assets, or otherwise), directly or indirectly, any assets, property, securities, interests or businesses at a total cost in excess of RMB1,000,000 in any single transaction or RMB5,000,000 in the aggregate;

(e) sell, pledge, lease, assign, license or otherwise transfer, dispose of or encumber or create or incur any Encumbrance on any property or assets of any Target Business Entity, except with respect to transactions involving property or assets that are not Contributed Assets and with a value of less than RMB1,000,000 for any single transaction or RMB5,000,000 in the aggregate, and except for any such transaction solely between Wholly-Owned Target Group Companies;

(f) incur, create, assume, refinance or replace any Indebtedness for borrowed money or issue or amend or modify the terms of any debt securities or assume, guarantee or endorse, or otherwise become responsible (whether directly, contingently or otherwise) for the Indebtedness of any other Person (other than a Wholly-Owned Target Group Companies), except for the refinancing of any existing Indebtedness of the Target Group Companies to the extent that (x) the material terms and conditions of any newly incurred Indebtedness are reasonable market terms, and (y) the aggregate principal amount of such Indebtedness is not increased as a result of such refinancing;

(g) make any material loans, advances or capital contributions to, or investments in, any other Person (including to any of its officers, directors, Affiliates, agents or consultants), or enter into any "keep well" or similar agreement to maintain the financial condition of another entity, in each case other than any such transaction solely between Wholly-Owned Target Group Companies;

(h) enter into, renew, materially modify or amend, terminate, or waive, release, compromise or assign any rights or claims under, any Material Contract (or any Contract that, if existing as of the date of this Agreement, would be a Material Contract), other than any termination, amendment or renewal in accordance with the terms of any existing Material Contract that occur (i) automatically without any action by the Target Group Companies, or (ii) at the election of a counter-party to such Material Contract entitled to terminate, amend or renew such Material Contract without any Target Group Companies' consent;

(i) (A) initiate any legal action, suit or arbitration proceeding, or (B) settle or compromise any legal action, suit or arbitration proceeding that is made or pending against any Target Business Entity, in each case relating to the Target Business or the Contributed Assets;

(j) (A) establish, adopt, enter into, amend or terminate any Target Company Employee Plan, or any plan, program, policy, or arrangement that would be a Target Company Employee Plan if in effect on the date of this Agreement, (B) materially increase the compensation, severance or other benefits payable or to become payable to any current or former director, officer, employee or independent contractor of any Target Group Company, other than in the ordinary course of business consistent with past practice, (C) pay any bonus or severance pay to any current or former director, officer, employee or independent contractor of the Target Group Companies other than in the ordinary course of business consistent with past practice, (D) grant any stock options, stock appreciation rights, restricted shares, restricted stock units or equity-based compensatory awards in any Target Group Company, (E) accelerate the payment, right to payment or vesting of any compensation or benefits, or (F) take any action to fund or in any other way secure the payment of compensation or benefits under any Target Company Employee Plan or any plan, program, policy, practice or arrangement that would be a Target Company Employee Plan if in effect on the date of this Agreement;

(k) make any change to its methods of accounting, except as required by a change in the US GAAP (or any interpretation thereof) or in applicable Law, or make any change in accounting policies, unless required by the US GAAP or a competent Governmental Authority;

(l) make or change any material Tax election, amend any Tax Return (except as required by applicable Law), enter into any closing agreement with respect to Taxes, relinquish any right to claim a Tax refund, settle or finally resolve any controversy with respect to Taxes or change any method of Tax accounting;

(m) adopt a plan of merger, complete or partial liquidation or resolutions providing for or authorizing such merger, liquidation or a dissolution, consolidation, recapitalization or bankruptcy reorganization of any Target Group Company;

(n) make or incur any capital expenditures (or any obligations or liabilities in respect thereof) or other investments except for ordinary course capital expenditures not to exceed RMB1,000,000 in any single transaction, or RMB5,000,000 in the aggregate;

(o) transfer or license from any Person any rights to any Intellectual Property, or transfer or license to any Person any rights to any Owned Intellectual Property, in each case not in the ordinary course of business consistent with past practice;

(p) abandon, fail to maintain or allow to lapse, including by failure to pay the required fees in any jurisdiction, or disclaim, dedicate to the public, sell, assign or grant any security interest in, to or under any Owned Intellectual Property or develop, create or invent any material Intellectual Property jointly with any third party;

(q) take any action that is intended or would reasonably be expected to result in any of the conditions to the Closing set forth in ARTICLE III not being satisfied; or

(r) agree, resolve or authorize or commit to do any of the foregoing.

Without prejudice to the foregoing provisions of this Section 5.2, the Seller Parties hereby expressly acknowledge and agree that, if the Closing occurs no later than February 9, 2021, except as expressly required or expressly permitted by this Agreement or the Restructuring Plan or specifically requested or permitted in writing by or on behalf of the Buyer Parties, the Seller Parties shall (i) procure the Target Business to continue to be operated in the ordinary course of business consistent with past practice, and each the foregoing provisions of this Section 5.2 shall remain in full force and effect and binding on the Seller Parties during the period between the Determination Time on January 31, 2021 and the Determination Time on the Closing Date, and (ii) during the period between the Determination Time on January 31, 2021 and the Determination Time on the Closing Date, ensure that no Target Cash and Cash Equivalents is transferred to any Seller Party or its Affiliates (other than the Target Group Companies) and no action is taken that is without business justification and primarily for the purpose of reducing the amount of (x) the Target Cash and Cash Equivalents, plus (y) the Target Net Working Capital, minus (z) the Target Indebtedness, as of the Determination Time on the Closing Date as compared to such amount as of the Determination Time on January 31, 2021.

Section 5.3 Restructuring.

(a) Prior to the Closing, Each of the Seller Parties shall and shall cause each Target Business Entity to, (i) comply in all respects with the Restructuring Plan, (ii) duly perform all of its respective obligations under the Restructuring Plan to meet all applicable deadlines and consummate each step of the Restructuring that is required to be completed prior to the Closing in accordance with the Restructuring Plan and applicable Laws, and (iii) prepare, negotiate and finalize the applicable Restructuring Documents as soon as possible after the date hereof.

(b) Prior to the Closing, each of the Seller Parties shall and shall cause each Target Business Entity to, on a periodic basis (but no less frequently than once a week), provide the Buyer Parties with (i) an update on the completion status of the Restructuring including the specific status of any step thereto as set forth in the Restructuring Plan and background information and circumstances as the Buyer Parties may reasonably request, and (ii) documents evidencing the completion status of the Restructuring and the steps thereof.

(c) After the Closing, the Seller Parties shall cause their relevant Affiliates to, and the Buyer Parties shall cause the Target Group Companies to, (i) comply in all respects with and duly perform their respective obligations under the Restructuring Plan in accordance with the terms thereof, and (ii) meet all applicable deadlines and timely consummate each step of the Restructuring that is required therein to be completed after the Closing.

(d) If the Closing has not occurred as of January 28, 2021, the Seller Parties shall, as soon as practicable thereafter but in any event prior to the expiration date of the AVSP License, cause to be duly submitted to the applicable Governmental Authorities an application to renew the AVSP License for three (3) years and shall thereafter (and prior to the Closing Date) use reasonable efforts to seek the approval of such renewal application, provided that if such approval has not been granted prior to the Closing Date, the Seller Parties shall, following the Closing, reasonably cooperate with the Buyer Parties in relation to seeking such approval.

(e) The Seller Parties shall make the Supplemental Necessary Assets Disclosure to the Buyer Parties as soon as practicable after the date of this Agreement, it being agreed that such Supplemental Necessary Assets Disclosure shall be in the form of one disclosure letter, delivered to the Buyer Parties no later than the tenth (10th) Business Day prior to the Closing Date, setting forth any and all assets, businesses, rights, Permits, Intellectual Property, Information Technology, data, employees and Contracts of or at the disposal of any Seller Party or its Affiliates or the Target Business Entity necessary for the conduct of the Target Business as currently conducted to the extent such assets, businesses, rights, Permits, Intellectual Property, Information Technology, data, employees and Contracts were not already disclosed in the Initial Necessary Assets Disclosure. Upon receiving the Supplemental Necessary Assets Disclosure, the Buyer may, in its sole discretion, determine to have any assets, businesses, rights, Permits, Intellectual Property, Information Technology, data or Contracts, or the employment relationship of any employees, in each case set forth in the Supplemental Necessary Assets Disclosure, transferred to the Target Company or its designated Subsidiaries, and have such transfer reflected in the Restructuring Plan or the Transition Services Agreement in the sole discretion of the Buyer, and in which case those assets, businesses, rights, Permits, Intellectual Property, Information Technology, data, Contracts and employees shall be treated for all purposes as "Contributed Assets," "Transferred Contracts" and "Transferred Employees," as applicable, and so transferred to the Target Company or its designated Subsidiaries, and shall be reflected in the Restructuring Plan or the Transition Services Agreement as such in the sole discretion of the Buyer. No additional consideration shall be payable by any Buyer Party with respect to any of the foregoing.

(f) No later than one (1) Business Day prior to the Closing Date, the Seller Parties shall provide to the Buyer Parties a complete list of contracts with Key Hosts Category II, Key Hosts Category III, Key Talent Agencies Category II and Key Talent Agencies Category III as of the Closing Date.

Section 5.4 No Shop. Each of the Seller Parties and Mr. Li shall immediately cease and cause to be terminated any existing discussions with any Person other than the Buyer Parties concerning any such inquiries or proposals that constitute or could reasonably be likely to lead to an Acquisition Proposal. Between the date hereof and the Closing Date, none of the Seller Parties shall (and shall cause their respective Affiliates, officers, directors, managers,

employees, Representatives, and other agents not to), directly or indirectly: (a) solicit, initiate or encourage, or knowingly induce or take any other action which could reasonably be expected to lead to the making, submission or announcement of, any proposal or inquiry that constitutes, or could reasonably be likely to lead to, an Acquisition Proposal; (b) other than informing Persons of the provisions contained in this Section 5.4, enter into, continue or participate in any discussions or any negotiations regarding any Acquisition Proposal or otherwise take any action to knowingly facilitate or knowingly induce any effort or attempt to make or implement an Acquisition Proposal; (c) approve, endorse, recommend or enter into any Acquisition Proposal or any letter of intent, memorandum of understanding or Contract contemplating an Acquisition Proposal or requiring any Seller Party or the Target Company to abandon or terminate its obligations under this Agreement; or (d) agree, resolve or commit to do any of the foregoing. The Seller Parties agree to notify the Buyer immediately if any Person makes any proposal, offer, inquiry or contact with respect to an Acquisition Proposal and provide Buyer with the identity of such Person and a description of the material terms and conditions thereof.

Section 5.5 Further Assurances. From the date hereof until the Closing Date, the Parties shall use their commercially reasonable efforts to satisfy the conditions precedent to the consummation of the Contemplated Transactions. Without limiting the foregoing, prior to and at the Closing Date, each Party shall cooperate with the other Parties to make all filings with, and to obtain all consents of, any Governmental Authority or any other Person under any permit, license, agreement, indenture or other instrument (including any consents), and to take all such other actions as such Party may reasonably be requested to take by the other Party from time to time, consistent with the terms of this Agreement and the other Transaction Documents, in order to give effect to the provisions of the Transaction Documents and the Contemplated Transactions.

Section 5.6 Publicity. The Buyer Parties, the Seller Parties and the Target Company shall coordinate all publicity relating to the Contemplated Transactions. No Party shall issue any press release, publicity statement or other public notice relating to this Agreement, or the Contemplated Transactions, without the prior consent of the other Parties; provided that to the extent that a Party is required by applicable Law or applicable stock exchange rules to issue a press release, publicity statement or other public notice, such Party may issue such press release, publicity statement or other public notice without the consent of the other Parties, and such Party shall be obligated only to consult with the other Parties and consider in good faith their comments on such press release, publicity statement or other public notice prior to issuing the same.

Section 5.7 Certain Authorizations. The Parties shall use reasonable best efforts to obtain the Authorizations referred to in the second sentence of Section 3.1(a) as soon as practicable, and shall reasonably cooperate with each other in connection therewith.

Section 5.8 Promulgation of Certain Rules. In the event that《直播行业打赏行为管理规则》（暂定名）(including any attachments thereto, and any amendment thereof),《主播账号分级分类管理规范》（暂定名）(including any attachments thereto, and any amendment thereof), or any other Law governing the similar subject matter as the aforementioned two Laws, is promulgated by中国演出行业协会网络表演（直播）分会or similar Governmental Authorities and takes effect prior to the Closing Date, the Seller Parties shall use their reasonable best efforts to cause each applicable Target Business Entity (with respect to Target Business Entities that are not Target Group Companies, solely in relation to

their ownership and operation of the Contributed Assets and the Target Business) to comply with the foregoing rules to the extent consistent with the prevailing industry practice as to compliance with the foregoing rules.

Section 5.9 Additional Escrow Accounts. As soon as practicable after the date hereof and in any event no later than, in the case of Section 5.9(a) and Section 5.9(b), ten (10) Business Days prior to the Closing, or, in the case of Section 5.9(c), ten (10) Business Days after the date hereof,

(a) the Seller shall select a reputable international banking institution reasonably acceptable to the Buyer (the "Tax Escrow Agent"), and the Seller and the Buyer shall (or shall procure their respective applicable Affiliates to) enter into an escrow agreement on customary form with the Tax Escrow Agent (the "Tax Escrow Agreement") and cause a USD escrow account in the name of the Seller or its designee to be opened and operated in accordance with the Tax Escrow Agreement (the "Tax Escrow Account");

(b) the Seller shall select a reputable domestic banking institution reasonably acceptable to the Buyer (the "RMB Escrow Agent"), and the Seller and the Buyer shall procure their respective applicable Affiliates to enter into an escrow agreement on customary form with the RMB Escrow Agent (the "RMB Escrow Agreement") and cause an RMB escrow account in the name of the Buyer or its designee to be opened and operated in accordance with the RMB Escrow Agreement (the "RMB Escrow Account"); and

(c) the Seller shall select a reputable domestic banking institution reasonably acceptable to the Buyer (the "TSA Escrow Agent"), and the Seller and the Buyer shall procure their respective applicable Affiliates to enter into an escrow agreement on customary form with the TSA Escrow Agent (the "TSA Escrow Agreement") and cause an RMB escrow account in the name of the Seller or its designee to be opened and operated in accordance with the TSA Escrow Agreement (the "TSA Escrow Account"); no later than five (5) Business Days after the TSA Escrow Account has been opened, the Seller shall deposit or cause to be deposited the TSA Escrow Amount into the TSA Escrow Account.

ARTICLE VI

ADDITIONAL COVENANTS

Section 6.1 Tax Filings.

(a) The Parties hereby acknowledge, covenant and agree that (i) the Buyer Parties shall have no obligation to pay any Tax of any nature that is required by applicable Laws to be paid by any Seller Party or any of its Affiliates or any of their respective direct and indirect partners, members and shareholders arising out of the sale and purchase of the Sale Shares, and (ii) the Seller Parties agree to jointly and severally bear and pay any Tax of any nature that is required by applicable Laws to be paid by any Seller Party or any of its Affiliates or any of their respective direct and indirect partners, members and shareholders arising out of the sale and purchase of the Sale Shares.

(b) The Seller Parties shall engage and authorize a big-four accounting firm (or another external consultant or advisor reasonably acceptable to the Buyer) (the "Reporting Agent") to, and shall cause the Reporting Agent to, within the legally required

time limit after the Closing, duly make with the applicable PRC Tax Authority (the "Relevant PRC Tax Authority") the relevant Tax reporting pursuant to and in accordance with the requirements of Circular 7 in connection with the Contemplated Transactions, and shall (i) permit the Buyer Parties to make a joint reporting with the Seller Parties in respect of the Contemplated Transactions if the Buyer Parties so elect and shall procure that the Reporting Agent promptly shares copies of any relevant draft reporting documents with the Buyer (or its advisor) to allow the Buyer a reasonable opportunity to comment, (ii) allow a representative of the Buyer or its advisor to attend any meetings or discussions between any Seller Party and any of their advisors on the one hand and any Relevant PRC Tax Authority on the other hand in relation to the Contemplated Transactions and (iii) promptly provide the Buyer with adequate evidence that such Tax reporting has been made in accordance with applicable Laws (it being agreed that, for all purposes of this Agreement, either of the following shall be deemed reasonable evidence: (x) an acknowledgement or receipt in respect of the reporting by or on behalf of Seller Parties issued by the Relevant PRC Tax Authority or the original signature of an official of the Relevant PRC Tax Authority on the duplicate of the reporting documents submitted by or on behalf of Seller Parties; or (y) an original written confirmation issued by the Reporting Agent, attaching a copy of the reporting made and confirming the Reporting Agent has submitted the reporting on behalf of the Seller Parties with the Relevant PRC Tax Authority in accordance with this Section 6.1(b), and confirming that the Relevant PRC Tax Authority does not issue, and has not issued, any acknowledgement or receipt in respect of the reporting). The Seller Parties shall promptly submit, or cause the Reporting Agent to submit, all documents supplementally requested by the Relevant PRC Tax Authority (having incorporated any reasonable comments from the Buyer) within the timeframe requested by the Relevant PRC Tax Authority in connection with such Tax reporting with a copy delivered to the Buyer. The Seller Parties shall ensure that all information or materials submitted to the Relevant PRC Tax Authority in connection with any Tax reporting by or on behalf of the Seller Parties are true, accurate, complete and not misleading.

(c) The Seller Parties shall cause the Reporting Agent to follow up, on a monthly basis, with the Relevant PRC Tax Authority on the Tax reporting of the Seller Parties and shall respond to any requests by the Relevant PRC Tax Authority for additional information or materials (having incorporated any reasonable comments from the Buyer) and to give monthly updates to the Buyer as to any development in the assessment of any Taxes by the Relevant PRC Tax Authority.

(d) Upon the receipt by the Buyer Parties from the Seller Parties of reasonable evidence that Tax reporting pursuant to Circular 7 in connection with the sale and purchase of the Sale Shares has been made pursuant to Section 6.1(b), the Seller Parties and the Buyer Parties shall deliver a joint written instruction to the Tax Escrow Agent as soon as practicable (but in any event within five (5) Business Days) to release to the Seller (or its designee) the Tax Escrow Amount and any and all interests that may have accrued thereon in full.

(e) Promptly after the Seller Parties obtain any Acceptable Tax Evidence, the Seller Parties shall provide the Buyer Parties with a copy of the Acceptable Tax Evidence, and copies of all documents submitted to and filings made with the Relevant PRC Tax Authority.

Section 6.2 Certain Assets Relating to the Target Business. If at any time after the Closing Date and prior to the date that is twenty-four (24) months after the Closing Date, any Seller Party shall determine or become aware that (i) any assets or Contracts of any of the Seller Parties or its Affiliates that, prior to the Closing, were primarily used in or primarily related to the Target Business, have not been contributed or otherwise transferred to the Target Company or its Subsidiaries (collectively, "In-Scope Assets"), or (ii) any employees of the Seller Parties or its Affiliates that, prior to the Closing, were primarily engaged in the Target Business, have not had his or her employment relationship transferred to the Target Company or its Subsidiaries (collectively, "In-Scope Employees"), then in each case the applicable Seller Parties shall promptly (and in any event within five (5) Business Days) disclose the existence and nature of such In-Scope Assets or In-Scope Employees to the Buyer Parties, and provide all information reasonably requested by the Buyer Parties with respect thereto. After receiving such disclosure, the Buyer may, in its sole discretion, determine to have such In-Scope Assets or the employment relationship of such In-Scope Employees transferred to the Target Company or its designated Subsidiaries, in which case the applicable Seller Parties shall promptly cause the transfer of such In-Scope Assets or use its reasonable efforts to cause the transfer of the employment relationship of such In-Scope Employees, in each case to the Target Company or its designated Subsidiaries. With respect to any In-Scope Assets incapable of being so transferred, the applicable Seller Parties or its Affiliates shall unconditionally grant the Target Company or its designated Subsidiaries a right to use such In-Scope Assets for a period of at least five (5) years. No additional consideration shall be payable by any Buyer Party with respect to any of the foregoing.

Section 6.3 General Release.

(a) Effective on the Closing, each of the Seller Parties and Mr. Li, on its/his own behalf and on behalf of its/his successors, assigns and Affiliates and any other Person that may claim by, through or under such Seller Party (collectively, the "Seller Releasing Parties"), hereby (i) irrevocably waives, releases, acquits and forever discharges each Target Group Company and each of their respective present and former officers, directors, managers, employees and other agents or Representatives, and the Target Business and the Contributed Assets, from any and all Liabilities of any kind or nature whatsoever since the beginning of time and (ii) agrees to procure that no Seller Releasing Party will bring or voluntarily participate in or assist any Action that relates to any matter released pursuant to this Section 6.3(a). Notwithstanding the foregoing, the Seller Releasing Parties do not waive or release any rights based upon, arising out of or relating to rights in favor of the Seller Releasing Parties created pursuant to the terms of any Transaction Document. The Seller Releasing Parties understand and agree that the releases provided in this Section 6.3(a) extend to all claims released above whether known or unknown, suspected or unsuspected. It is the intention of the Seller Releasing Parties through this Agreement and with the advice of counsel to fully, finally and forever settle and release the claims set forth above. In furtherance of such intention, the releases herein given shall be and remain in effect as full and complete releases of such matters notwithstanding the discovery of any additional claims or facts relating thereto.

(b) Effective on the Closing, each Buyer Party, on its own behalf and on behalf of the Target Group Companies, and its and their respective successors, assigns and Affiliates and any other Person that may claim by, through or under such Buyer Party or any Target Group Company (collectively, the "Buyer Releasing Parties"), hereby (i) irrevocably waives, releases, acquits and forever discharges the Seller Parties and their Affiliates, and each

of their respective present and former officers, directors, managers, employees and other agents or Representatives, from any and all Liabilities of any kind or nature whatsoever since the beginning of time to the extent such Liabilities arise out of the Target Business or the Contributed Assets, and (ii) agrees to procure that no Buyer Releasing Party will, bring or voluntarily participate in or assist any Action that relates to any matter released pursuant to this Section 6.3(b). Notwithstanding the foregoing, the Buyer Releasing Parties do not waive or release any rights based upon, arising out of or relating to rights in favor of the Buyer Releasing Parties created pursuant to the terms of any Transaction Document. The Buyer Releasing Parties understand and agree that the releases provided in this Section 6.3(b) extend to all claims released above whether known or unknown, suspected or unsuspected. It is the intention of the Buyer Releasing Parties through this Agreement and with the advice of counsel to fully, finally and forever settle and release the claims set forth above. In furtherance of such intention, the releases herein given shall be and remain in effect as full and complete releases of such matters notwithstanding the discovery of any additional claims or facts relating thereto.

Section 6.4 Non-Disparagement. Each of the Seller Parties and Mr. Li covenants and agrees that it/he and its/his Affiliates will not directly or indirectly make or cause to be made any public statement or other communication that is public in nature or is prone to public dissemination, written or otherwise, that would constitute disparagement or criticism of, or that is otherwise derogatory or materially detrimental to, the Target Business or any Target Group Company. Nothing in this Section 6.4 shall limit any Seller Party's or its Affiliate's ability to make factually correct statements or communications that such Seller Party or its Affiliates reasonably believe are required to be made pursuant to applicable Law.

Section 6.5 Target Business Confidential Information. For a period of five (5) years after the Closing Date, each of the Seller Parties and Mr. Li shall not, and shall cause its/his Affiliates not to, use or disclose or convey to any third party, any confidential information regarding the Target Business, the Contributed Assets, the business conducted by any Target Group Company, or in relation to any Target Group Company or its respective clients, customers, vendors, licensors, suppliers, and any other proprietary information of any Target Group Company that as of the Closing Date is not available to the general public (collectively, "Target Business Confidential Information"); provided that any Seller Party may furnish such portion (and only such portion) of the Target Business Confidential Information as such Seller Party reasonably determines it is legally obligated to disclose if (a) it receives a request to disclose all or any part of the Target Business Confidential Information under the terms of a subpoena, civil investigative demand or order issued by a Governmental Authority, (b) it notifies the Buyer of the existence, terms and circumstances surrounding that request and consults with the Buyer on the advisability of taking steps available under applicable Law to resist or narrow that request, (c) it exercises its reasonable best efforts to obtain an Order or other reliable assurance that confidential treatment will be accorded to the disclosed Target Business Confidential Information, and (d) disclosure of such Target Business Confidential Information is required to prevent such Seller Party from being in violation of applicable Law.

Section 6.6 Target Business Audit. The Buyer Parties shall be entitled to engage an accounting firm to conduct a financial audit of the Target Business for the three (3) fiscal years prior to the Closing Date, and the Seller Parties shall provide assistance in connection therewith as may be reasonably requested by the Buyer Parties from time to time prior to the first (1st) anniversary of the Closing.

Section 6.7 Transition Services Agreement. The Parties shall, and shall cause their applicable Affiliates to, comply with the provisions set forth in Part A of Exhibit F. If the Transition Services Agreement has not been executed and delivered at the Closing by the parties thereto, then, unless the Buyer and the Seller shall agree in writing otherwise, the Second Tranche Consideration shall be reduced by an amount equal to US$30,000,000, and such reduction shall be deemed to have taken place immediately prior to the Closing. Any adjustment to the Second Tranche Consideration made pursuant to this Section 6.7 shall be treated as an adjustment to the Consideration for all Tax purposes unless otherwise required by any applicable Law.

Section 6.8 ODI Approval. The Seller Parties shall provide all information and materials reasonably requested by any Buyer Party with respect to the pursuit of ODI Approvals by the Buyer Parties or their Affiliates.

Section 6.9 Incorporation of Non-Compete Undertaking by Reference. Upon the execution and delivery of the Non-Compete Undertaking on the Closing Date, Section 1, 2, 3, 4 and 7 of the Non-Compete Undertaking (together, the "Non-Compete Undertaking Provisions") shall automatically be incorporated by reference into this Agreement and form a part of this Agreement as if fully set forth herein.

Section 6.10 Ticker. Promptly after Mr. Li ceases to Control the Seller Parent, the Seller Parent shall change its ticker symbol to another ticker symbol that does not include "YY".

Section 6.11 Post-Closing Cooperation.

(a) From the Closing Date through the third (3rd) anniversary thereof, (i) the Seller Parties and the Buyer Parties shall, and shall procure their respective Affiliates to, at their respective own expense, use reasonable best efforts to provide all assistance and cooperation as may be reasonably requested by the Buyer Parties or the Seller Parties, as applicable, in connection with any Action by or before, or any inquiry from, any Governmental Authority of competent jurisdiction, including the SEC (but other than any such Action or inquiry initiated or solicited by or on behalf of the requesting parties or their Affiliates), relating to the Target Business as operated on or prior to the Closing Date (such Action or inquiry, a "Relevant Action or Inquiry"), and (ii) upon any Party becoming aware of any Relevant Action or Inquiry being commenced or threatened against such Party, such Party shall promptly give the other Parties written notice of such Relevant Action or Inquiry.

(b) Without limiting the generality of Section 6.11(a), from and after the Closing, the Buyer Parties shall, (i) upon reasonable prior notice, give the Seller Parties, their respective officers, employees and authorized Representatives, reasonable access to each Target Group Company's books and records, and (ii) furnish to the Seller Parties, their counsel, financial advisors, auditors and other authorized Representatives such financial and operating data and other information relating to the Target Group Companies, the Target Business or the Contributed Assets (including without limitation any data or information furnished by the Seller Parties and their Representatives to the Buyer Parties or their Representatives prior to the Closing Date), in each case of (i) and (ii), that are in the possession of the Buyer Parties and their Affiliates and relating to any period of time prior to the Closing Date but only as such

Persons may reasonably request in connection with their defense against, or response to, any Relevant Action or Inquiry.

(c) Without limiting the generality of Section 6.11(a), from and after the Closing, the Seller Parties shall, (i) upon reasonable prior notice, give the Buyer Parties, their respective officers, employees and authorized Representatives, reasonable access to its books and records, and (ii) furnish to the Buyer Parties, their counsel, financial advisors, auditors and other authorized Representatives such financial and operating data and other information relating to its business or assets, in each case of (i) and (ii), that are in the possession of the Seller Parties and their Affiliates and relating to the Target Group Companies, the Target Business or the Contributed Assets (including, for the avoidance of doubt, those relating to Bigo, Inc. and its subsidiaries to the extent such items relate to their transactions with the Target Business) for any period of time prior to the Closing Date but only as such Persons may reasonably request in connection with their defense against, or response to, any Relevant Action or Inquiry.

(d) Without prejudice to the Buyer Parties' rights and the Seller Parties' obligations under Section 6.6, from and after the Closing, the Buyer Parties shall be entitled to conduct further review of the Target Group Companies, the Target Business and the Contributed Assets, and the Seller Parties shall provide reasonable assistance to the Buyer Parties as may be requested by the Buyer Parties, from time to time prior to the third (3rd) anniversary of the Closing, to the extent such review relates to any period of time prior to the Closing Date. Without limiting the generality of the foregoing, in the event that any of the Buyer Parent, the Buyer Parties and their Affiliates proposes to engage Deloitte & Touche Financial Advisory Services Limited or any other forensic accountant, legal counsel or other advisor that is or was engaged by any Seller Party or its Affiliates to conduct investigation over the Target Business and a conflict of interest waiver is sought from such Seller Party or its Affiliates by such forensic accountant, legal counsel or other advisor, the Seller Parties shall cause the waiver to be promptly granted.

(e) Notwithstanding anything to the contrary set forth herein, no Party shall be required to provide access to, or to disclose information, to the extent such access or disclosure would jeopardize the attorney-client privilege of such Party or its Affiliates, or contravene any applicable Law (including with respect to any competitively sensitive information, if any).

Section 6.12 Adjustments to the Fourth Tranche Consideration. Subject to the Closing having taken place:

(a) For purposes of this Agreement:

(i) "Agreed OP Exchange Rate", with respect to any given fiscal year, means a USD:RMB exchange rate derived from the arithmetic mean of the USD:RMB central parity rates on the interbank foreign exchange market published by the People's Bank of China on its website for the last ten (10) weekdays of such fiscal year.

(ii) "OP Benchmark" means RMB3,700,000,000.

(iii) "OP 2021 Deviation" means the OP Deviation with respect to the fiscal year ended December 31, 2021.

(iv) "OP 2022 Deviation" means the OP Deviation with respect to the fiscal year ended December 31, 2022.

(v) "OP Deviation", with respect to any given fiscal year, means (x) if the Operating Profits with respect to such fiscal year are lower than the OP Benchmark, an RMB amount equal to (i) the OP Benchmark minus (ii) the Operating Profits with respect to such fiscal year, or (y) if the Operating Profits with respect to such fiscal year are equal to or higher than the OP Benchmark, zero (0).

(vi) "Operating Profits", with respect to any given fiscal year, means an RMB amount equal to (x) the consolidated operating profits, plus (y) share-based compensation expenses, minus (z) government subsidies, in each case, of the Target Business on a consolidated basis in accordance with U.S. GAAP.

(b) As soon as practicable after each of the fiscal years ended December 31, 2021 and December 31, 2022 (in any event no later than the date falling two (2) months after the date on which the Buyer Parent first files its annual report on Form 20-F in respect of such fiscal year with the SEC (the "Profit Adjustment Statement Deadline" for such fiscal year)), the Buyer shall deliver to the Seller a statement (the "Profit Adjustment Statement" for such fiscal year) setting forth therein the Buyer's good faith calculation of the OP Deviation with respect to such fiscal year, together with reasonable supporting evidence relating thereto. The Seller shall have a period of fifteen (15) Business Days after the date on which the Profit Adjustment Statement is delivered by the Buyer to deliver to the Buyer a written notice of the Seller's disagreement with the Buyer's calculation of the OP Deviation for such fiscal year. During such fifteen (15) Business Day period, the Buyer shall (i) permit the Seller and their accountants to consult with the Target Group Companies' senior management and Buyer's accountants, and (ii) permit the Seller to review additional supporting materials as the Buyer may choose to provide. If the Seller has timely delivered the foregoing notice, the Buyer and the Seller shall seek in good faith to resolve in writing any differences they have with respect to the matters specified therein within five (5) Business Days following the delivery of such notice. If the Seller and the Buyer are unable to resolve the disputed items set forth in such notice within five (5) Business Days following the Seller's delivery of such notice (or such longer period as the Seller and the Buyer may mutually agree in writing), such dispute shall be submitted to, and all issues related to such dispute shall be resolved by, a "big four" accounting firm selected by mutual agreement between the Seller and the Buyer (provided that if the Seller and the Buyer are unable to agree on such selection within two (2) Business Days after the expiration of the foregoing five (5) Business Day period, the Buyer shall be entitled to propose two big-four accounting firms to the Seller, and the Seller shall, within two (2) Business Days of such proposal, select one of the two accounting firms so proposed or, if the Seller shall not have timely made such selection, the Buyer shall select the accounting firm) (the accounting firm selected pursuant to the foregoing, the "OP Accounting Firm"). The OP Accounting Firm shall be jointly engaged by the Seller and the Buyer (or their respective designated Affiliated entities). The Seller and the Buyer shall submit to the OP Accounting Firm, as expert and not as arbitrator, for review and resolution all matters (but only such matters) that are set forth in

such notice which remain in dispute, and the Buyer Parties shall (i) permit the OP Accounting Firm to consult with the Target Group Companies' senior management and Buyer's accountants, and (ii) provide to the OP Accounting Firm reasonable access during normal business hours to the books and records relevant to the Profit Adjustment Statement. The Seller and the Buyer shall instruct the OP Accounting Firm to (i) not assign to the Operating Profits with respect to such fiscal year a value that is (A) greater than the greater value assigned by the Buyer, on the one hand, or the Seller, on the other hand, or (B) less than the smaller value assigned by the Buyer, on the one hand, or the Seller, on the other hand, (ii) make its determination in accordance with the guidelines and procedures set forth in this Agreement and consistent with the US GAAP and render a final resolution in writing to the Buyer and the Seller (which final resolution shall be requested by the Buyer and the Seller to be delivered not more than ten (10) Business Days following submission of such disputed matters to the OP Accounting Firm), which, absent manifest error, shall be final, conclusive and binding on the Parties with respect to the OP Deviation for the relevant fiscal year, and (iii) provide a written report to the Buyer and the Seller, if requested by either of them, which sets forth in reasonable detail the basis for the OP Accounting Firm's final determination. The fees and expenses of the OP Accounting Firm shall be borne by the Seller and the Buyer (or their respective designated Affiliated entities) on a 50/50 basis.

(c) The OP Deviation (as adjusted by the agreement of the Parties or at the direction of the OP Accounting Firm, as applicable) with respect to any fiscal year shall be deemed final for the purposes of this Agreement and binding upon the Parties upon the earlier of the (i) failure of the Seller to notify the Buyer of a dispute within fifteen (15) Business Days after delivery of the applicable Profit Adjustment Statement, and (ii) resolution of all disputes pursuant to Section 6.12(b), by the OP Accounting Firm or by the Parties; provided, however, that notwithstanding anything in this Agreement to the contrary, if the Profit Adjustment Statement for any fiscal year has not been delivered to the Seller as of the applicable Profit Adjustment Statement Deadline, the OP Deviation in respect of such fiscal year shall be equal to zero (0), which shall be deemed final for the purposes of this Agreement and binding upon the Parties.

(d) Upon the OP 2021 Deviation having become final and binding upon the Parties in accordance with Section 6.12(c), the Fourth Tranche Consideration shall be recalculated as: US$300,000,000, minus the USD equivalent (calculated at the Agreed OP Exchange Rate with respect to the fiscal year ended December 31, 2021) of the OP 2021 Deviation (the Fourth Tranche Consideration so recalculated, the "Post 2021 Adjustment Fourth Tranche Consideration"); provided that if the Post 2021 Adjustment Fourth Tranche Consideration is a negative amount, the Post 2021 Adjustment Fourth Tranche Consideration shall be equal to zero (0).

(e) Upon the OP 2022 Deviation having become final and binding upon the Parties in accordance with Section 6.12(c), the Fourth Tranche Consideration shall be further recalculated as: the Post 2021 Adjustment Fourth Tranche Consideration, minus the USD equivalent (calculated at the Agreed OP Exchange Rate with respect to the fiscal year ended December 31, 2022) of the OP 2022 Deviation (the Fourth Tranche Consideration so further recalculated, the "Post 2022 Adjustment Fourth Tranche Consideration"); provided that if the Post 2022 Adjustment Fourth Tranche Consideration is a negative amount, the Post 2022 Adjustment Fourth Tranche Consideration shall be equal to zero (0).

(f) From and after the Closing through December 31, 2022, the Buyer Parties shall cause the Target Business to be conducted in good faith, and may not cause any operating profits that otherwise would have constituted Operating Profits to be transferred to or booked in another entity Controlled by the Buyer Parent without business justification and primarily for the purpose of inflating the OP 2021 Deviation or the OP 2022 Deviation.

ARTICLE VII

TERMINATION

Section 7.1 Termination. This Agreement may be terminated at any time prior to the Closing:

(a) by the written consent of the Buyer and the Seller;

(b) by either the Buyer or the Seller by written notice to the other Parties if the Closing shall not have been consummated on or prior to the Long Stop Date; provided, however, that the Buyer or the Seller, as applicable, shall not be entitled to terminate this Agreement pursuant to this Section 7.1(b) if the failure of the Closing to be consummated on or prior to the Long Stop Date results primarily from a breach by that Party or any of its Affiliates of any representation, warranty, agreement or covenant set forth in this Agreement;

(c) by either the Buyer or the Seller by written notice to the other Parties if any Governmental Authority shall have issued any Order or taken any other action permanently restraining, enjoining, preventing, prohibiting or otherwise making illegal the consummation of the Contemplated Transactions and such Order or other action has become final and non-appealable; provided that the Buyer or the Seller, as applicable, shall not be entitled to terminate this Agreement pursuant to this Section 7.1(c) if the imposition of such Order or the taking of other action results primarily from a breach by that Party or any of its Affiliates of any representation, warranty, agreement or covenant set forth in this Agreement;

(d) by the Buyer by giving written notice to the Seller, if, between the date hereof and the Closing Date, (i) any Seller Party is in breach of any representation, warranty, covenant or agreement set forth in this Agreement, (ii) that breach, if by its nature capable of being cured, is not cured within ten (10) Business Days of written notice of such breach from the Buyer, and (iii) that breach, if not cured, would render any of the conditions set forth in Section 3.1 and Section 3.2 incapable of being satisfied by the Long Stop Date; provided that the Buyer shall not be entitled to terminate this Agreement pursuant to this Section 7.1(d) if any Buyer Party is then in breach of any representation, warranty, covenant or agreement set forth in this Agreement and that breach would result in any of the conditions set forth in Section 3.1 and Section 3.2 not being satisfied; or

(e) by the Seller by giving written notice to the Buyer, if, between the date hereof and the Closing Date, (i) any Buyer Party is in breach of any representation, warranty, covenant or agreement set forth in this Agreement, (ii) that breach, if by its nature capable of being cured, is not cured within ten (10) Business Days of written notice of such breach from the Seller, and (iii) that breach, if not cured, would render any of the conditions set forth in Section 3.1 and Section 3.3 incapable of being satisfied by the Long Stop Date; provided that the Seller shall not be entitled to terminate this Agreement pursuant to this Section 7.1(e) if any Seller Party is then in breach of any representation, warranty, covenant or

agreement set forth in this Agreement and that breach would result in any of the conditions set forth in Section 3.1 and Section 3.3 not being satisfied.

Section 7.2 Effect of Termination. In the event of the termination of this Agreement in accordance with Section 7.1, this Agreement shall forthwith become void and have no effect, without any Liability or obligation on the part of any Party under this Agreement; provided that (a) this Section 7.2, ARTICLE IX and all provisions of this Agreement necessary for the interpretation thereof shall survive such termination, and (b) nothing in this Section 7.2 shall release any Party from any Liability for fraud or any breach by such Party of this Agreement prior to the effective date of such termination, or otherwise affect any of the rights or remedies (whether under this Agreement, or at law, in equity or otherwise) available to any Party with respect to any breach of this Agreement by any other Party prior to the effective date of such termination. Notwithstanding anything to the contrary in this Agreement, within one (1) Business Day after the earlier to occur of (x) the Long Stop Date (without the Closing having occurred) and (y) the termination of this Agreement, (i) the Seller Parties shall or shall procure its applicable Affiliates to deliver a joint written instruction to the Existing Escrow Agent to release to the Buyer (or its designee) the Existing Escrow Amount together with all interest that may have accrued thereon and (ii) the Buyer Parties shall procure their applicable Affiliate to deliver a joint written instruction to the TSA Escrow Agent to release to the Seller (or its designee) the TSA Escrow Amount together with all interest that may have accrued thereon.

ARTICLE VIII

INDEMNIFICATION

Section 8.1 Survival of the Representations and Warranties. All representations and warranties made by the Seller Parties to the Buyer Parties set forth in Section 4.1 shall survive for a period of eighteen (18) months following the Closing Date; provided that the Company Fundamental Representations shall survive indefinitely or until the latest date permitted by Law; provided, further, that all representations and warranties contained in Section 4.1(r) relating to Taxes shall survive until the seventh (7th) anniversary of the Closing Date. All representations and warranties made by Mr. Li to the Buyer Parties set forth in Section 4.3 shall survive indefinitely or until the latest date permitted by Law. Notwithstanding the foregoing, if an Indemnified Party asserts any claim in writing pursuant to Section 8.2 resulting from or arising out of an alleged breach of any such representation or warranty on or prior to the applicable expiration date of such representation or warranty, such representation or warranty shall survive, solely with respect to such asserted claim, until such claim has been finally resolved. The covenants and agreements of each Party set forth in this Agreement, including the Non-Compete Undertaking Provisions, shall survive the Closing until they are terminated, whether by the performance thereof, their respective express terms or as a matter of applicable Law.

Section 8.2 Indemnification.

(a) From and after the Closing, the Seller Parties shall jointly and severally indemnify and hold harmless the Buyer Parties and their Affiliates, and their Affiliates' respective directors, officers, employees, agents, successors and permitted assigns from and against any losses, claims, damages, judgments, fines, Taxes, expenses and Liabilities,

including without limitation any lost profits, lost revenue, investigative and legal expenses incurred in connection with and any amounts paid in settlement of, any pending or threatened Action (but in any event excluding exemplary or punitive damages, except to the extent such damages are awarded to or recovered by a third party in connection with a Third Party Claim) (collectively, "Losses") arising out of or resulting from (i) the breach of any representation or warranty of any Seller Party set forth in this Agreement, (ii) the breach of any covenant or agreement of any Seller Party set forth in this Agreement (excluding the Non-Compete Undertaking Provisions), (iii) any Specified Indemnity Matter, and (iv) the breach by any Seller Party of any Non-Compete Undertaking Provision.

(b) From and after the Closing, Mr. Li shall indemnify and hold harmless the Buyer Parties and their Affiliates, and their Affiliates' respective directors, officers, employees, agents, successors and permitted assigns from and against any Losses arising out of or resulting from (A) the breach of any representation or warranty of Mr. Li set forth in this Agreement, or (B) the breach by Mr. Li of any Non-Compete Undertaking Provision.

(c) From and after the Closing, the Buyer Parties shall jointly and severally indemnify and hold harmless the Seller Parties and their Affiliates, and their Affiliates' respective directors, officers, employees, agents, successors and permitted assigns from and against any Losses arising out of or resulting from (i) the breach of any representation or warranty of any Buyer Party set forth in this Agreement, or (ii) the breach of any covenant of any Buyer Party set forth in this Agreement.

(d) For purposes of this Agreement, (i) "Indemnifying Party" means the Seller Parties (with respect to Section 8.2(a)), Mr. Li (with respect to Section 8.2(b)) and the Buyer Parties (with respect to Section 8.2(c)), and (ii) "Indemnified Party" means the Persons entitled to seek indemnification against the applicable Indemnifying Party pursuant to Section 8.2(a), Section 8.2(b) or Section 8.2(c), as applicable.

(e) Solely for the purpose of ascertaining the amount of any Losses relating to indemnification remedies (and not for determining whether any breach has occurred) provided in this Article VIII, the representations, warranties, covenants and agreements made by any Indemnifying Party in any Transaction Document shall be considered and applied with no regard to any qualification therein as to materiality, Material Adverse Effect or similar materiality qualifiers.

Section 8.3 Third Party Claims.

(a) If any third party shall notify any Indemnified Party in writing with respect to any matter involving a claim by such third party (a "Third Party Claim") which such Indemnified Party believes would give rise to a claim for indemnification against an Indemnifying Party under this Article VIII, then the Indemnified Party shall promptly following receipt of notice of such claim transmit to the Indemnifying Party a written notice (a "Claim Notice") describing in reasonable detail the nature of the Third Party Claim, a copy of all papers served with respect to such claim (if any) and the basis of the Indemnified Party's request for indemnification under this Agreement. Notwithstanding the foregoing, no failure or delay in providing such Claim Notice shall constitute a waiver or otherwise modify the Indemnified Party's right to indemnification hereunder, except to the extent that the

Indemnifying Party shall have been materially and adversely prejudiced by such failure or delay. If the Indemnifying Party does not notify the Indemnified Party in writing within thirty (30) days from receipt of such Claim Notice that the Indemnifying Party disputes such claim for indemnification under this Agreement, the Indemnifying Party shall be deemed to have accepted and agreed with such claim for indemnification under this Agreement.

(b) Upon the receipt of a Claim Notice with respect to a Third Party Claim, the Indemnifying Party shall have the right to assume the defense of any Third Party Claim by notifying the Indemnified Party in writing within thirty (30) days of receipt of such Claim Notice that the Indemnifying Party elects to assume the defense of such Third Party Claim, and upon delivery of such notice by the Indemnifying Party, the Indemnifying Party shall have the right to fully control and settle the relevant proceeding; provided that any such settlement shall require the prior written consent of the Indemnified Party. Notwithstanding the foregoing, the Indemnifying Party shall not be entitled to assume the defense of any Third Party Claim if (i) the Third Party Claim arises out of or results from any criminal action, (ii) the Third Party Claim seeks an injunction or equitable relief against any Indemnified Party, or (iii) the Indemnifying Party has not acknowledged that such Third Party Claim is subject to indemnification pursuant to this ARTICLE VIII.

(c) If requested by the Indemnifying Party, the Indemnified Party shall, at the sole cost and expense of the Indemnifying Party, cooperate reasonably with the Indemnifying Party and its counsel in contesting any Third Party Claim which the Indemnifying Party elects to contest, including in connection with the making of any related counterclaim against the third party asserting the Third Party Claim or any cross complaint against any Person. The Indemnified Party shall have the right to receive copies of all pleadings, notices and communications with respect to such Third Party Claim, other than any privileged communications between the Indemnifying Party and its counsel, and shall be entitled, at its sole cost and expense, to retain separate co-counsel and participate in, but not control, any defense or settlement of any Third Party Claim assumed by the Indemnifying Party pursuant to Section 8.3(b).

(d) In the event that the Indemnifying Party fails to elect to assume the defense of a Third Party Claim within thirty (30) days of receipt of the relevant Claim Notice or otherwise fails to continue the defense of the Indemnified Party in good faith, the Indemnified Party may, at its option, defend, settle, compromise or pay such action or claim at the expense of the Indemnifying Party.

Section 8.4 Tax Indemnity. In addition to (but without duplication of) the indemnification set forth in Section 8.2, the Seller Parties shall, jointly and severally, indemnify and hold harmless the Buyer Parties and their Affiliates for any Tax incurred or assessed pursuant to any applicable Law (including without limitation pursuant to Circular 7) arising out of or relating to (i) the Restructuring or (ii) the sale and transfer of the Sale Shares as contemplated by this Agreement.

Section 8.5 Direct Claims. If any Indemnified Party has a claim against any Indemnifying Party hereunder that does not involve a Third Party Claim, the Indemnified Party shall promptly transmit to the Indemnifying Party a written notice (the "Indemnity Notice") describing in reasonable detail the nature of the claim, the Indemnified Party's best estimate of the amount of Losses attributable to such claim and the basis of the Indemnified Party's request

for indemnification under this Agreement; provided that no failure or delay in providing such Indemnity Notice shall constitute a waiver or otherwise modify the Indemnified Party's right to indemnification hereunder, except to the extent that the Indemnifying Party shall have been materially and adversely prejudiced by such failure or delay. If the Indemnifying Party does not notify the Indemnified Party within thirty (30) days from its receipt of the Indemnity Notice that the Indemnifying Party disputes such claim, the Indemnifying Party shall be deemed to have accepted and agreed with such claim.

Section 8.6 Limitation on Liability. Notwithstanding anything to the contrary in this Agreement:

(a) No Indemnified Party may assert a claim or commence an Action against any Indemnifying Party for breach of any representation, warranty, covenant or agreement contained herein, unless written notice of such claim or Action describing in reasonable detail the facts and circumstances with respect to the subject matter of such claim or Action is received by such Indemnifying Party on or prior to the date on which the representation, warranty, covenant or agreement on which such claim or Action is based ceases to survive in accordance with Section 8.1, provided that with respect to any Specified Indemnity Matter for which a "claims outside date" is specified in Exhibit I, no claim may be asserted, and no action may be commenced, against any Indemnifying Party unless written notice of such claim or Action describing in reasonable detail the facts and circumstances with respect to the subject matter of such claim or Action is received by such Indemnifying Party on or prior to the date so specified in Exhibit I.

(b) Other than a claim for indemnification pursuant to Section 8.2(a)(i) for Losses arising out of or resulting from any breach of any of the Company Fundamental Representations or pursuant to Section 8.2(a)(iii) regarding the matters specified in Clause (viii), Clause (ix), or Clause (x) of Exhibit I or pursuant to Section 8.2(a)(iv) or pursuant to Section 6.7, the second paragraph of Part A of Exhibit F or Section 6.9, for which no limitation on liability pursuant to this Section 8.6(b) shall apply, the Seller Parties shall not be liable for any Losses with respect to any claim for indemnification pursuant to Section 8.2(a), unless and until the total amount of all Losses suffered or incurred by the relevant Indemnified Parties hereunder exceeds an amount equal to US$3,000,000, whereupon the Seller Parties shall be liable only for all Losses in excess of US$1,000,000.

(c) The aggregate liability of the Seller Parties for claims under this ARTICLE VIII (other than claims for indemnification pursuant to Section 8.2(a)(i) arising out of or resulting from any breach of any of the Company Fundamental Representations or pursuant to Section 8.2(a)(iv) or pursuant to Section 6.9, or claims pursuant to Section 8.2(a)(iii) regarding the matters specified in Clause (x) of Exhibit I) shall in no event exceed US$360,000,000 (or, if the Second Tranche Consideration has been reduced in accordance with Section 6.7, US$360,000,000 minus the amount of such reduction). The aggregate liability of the Seller Parties for claims under this ARTICLE VIII, including claims for indemnification pursuant to Section 8.2(a) arising out of or resulting from any breach of any of the Company Fundamental Representations and claims pursuant to Section 8.2(a)(iii) regarding the matters specified in Clause (x) of Exhibit I but excluding claims for indemnification pursuant to Section 6.9 or Section 8.2(a)(iv), shall in no event exceed the aggregate amount of Consideration actually received by the Seller Parties. For the avoidance of doubt, the limitation

on liability pursuant to this Section 8.6(c) shall in no circumstances apply to claims for indemnification pursuant to Section 8.2(a)(iv).

(d) Each of the Buyer Parties shall, and shall cause the Target Group Companies to, use commercially reasonable efforts to mitigate Losses the applicable Indemnified Party may suffer as a result of any other Party's breach of this Agreement, after it becomes aware of any such breach.

(e) Any Indemnifiable Loss shall be determined without duplication of recovery by reason of the state of facts giving rise to such Indemnifiable Loss constituting a breach of more than one representation, warranty, covenant or agreement herein. No Indemnified Party shall be entitled to recover for any Indemnifiable Loss based on the same set of facts more than once.

(f) In no event shall any Party be liable to any Indemnified Party for any Loss (i) to the extent such Indemnified Party recovers an amount in respect of such Loss from any third party (including under any insurance policy) and only to the extent of such amount actually recovered (less any related costs and expenses, including the aggregate cost of pursuing any related claims), (ii) that is a contingent liability, unless and until such liability is actually due and payable (provided that this sub-section (ii) shall not restrict an Indemnified Party from bringing a claim when such continent liability is pending), or (iii) to the extent arising out of or resulting from any act, omission, transaction or arrangement carried out at the written request or with the written approval of any Buyer Party or as expressly required by any of the Transaction Documents.

(g) The limitations on indemnification set forth in this Section 8.6 shall not apply to any claim for fraud, willful misconduct or intentional breach of the Indemnifying Party or its Affiliates.

(h) If any monetary claim for indemnification has been asserted pursuant to Section 8.2(a)(iv) in accordance with the dispute resolution set forth in Section 9.1, no Buyer Party may, and each Buyer Party shall procure its Affiliates to not, assert any monetary claim (and shall promptly terminate or cause to be terminated any monetary claim that may have been asserted) in the PRC under the Non-Compete Undertaking that is based on substantially the same facts or circumstances giving rise to the claim asserted pursuant to Section 8.2(a)(iv); provided that this Section 8.6(h) shall not prevent or restrict the right of any Indemnified Party to obtain any remedy (including without limitation injunctive relief, specific performance and claims for expenses of attorneys in relation thereto) other than the monetary claims as set forth above under this Section 8.6(h)) pursuant to the Non-Compete Undertaking.

Section 8.7 Investigation. The right to indemnification will not be affected by any investigation conducted with respect to, or any knowledge acquired (or capable of being acquired) at any time, whether prior to or after the date hereof or the Closing Date, with respect to any matter, including the accuracy of or compliance with any representation, warranty, covenant or agreement made by a Party hereto. The waiver of any condition relating to the accuracy of any such representation or warranty or the performance of or compliance with any such covenant or agreement will not affect the right to indemnification hereunder based on any such representation, warranty, covenant or agreement.

Section 8.8 Tax Gross-Up. If an Indemnifying Party is required to deduct or withhold from a payment under Section 8.2 to an Indemnified Party any Tax, the Indemnifying Party shall pay on demand from the Indemnified Party such additional amounts as shall be required so that the net amount received by such Indemnified Party after such deduction or withholding shall equal the amount that would have been received by such Indemnified Party had no such deduction or withholding been made.

Section 8.9 Exclusive Remedy. From and after the Closing, the indemnification provisions set forth in this ARTICLE VIII shall be the sole and exclusive monetary remedy for each Indemnified Party for any claims by such Indemnified Party against the Indemnifying Parties arising from this Agreement; provided that this Section 8.9 shall not prevent or restrict (a) the right of any Indemnified Party to obtain injunctive relief or specific performance from a court or tribunal of competent jurisdiction in accordance with Section 9.13, or (b) any claim against an Indemnifying Party for fraud or willful misconduct of the Indemnifying Party or its Affiliates.

Section 8.10 Right to Cure. The Indemnifying Party shall not be liable for any claim made by an Indemnified Party pursuant to this ARTICLE VIII to the extent any breach or circumstances underlying such claim is capable of being remedied or otherwise cured and the Indemnifying Party shall have remedied or otherwise cured the same within ten (10) Business Days after being given notice of the same by such Indemnified Party, unless such Indemnified Party shall have actually suffered any Losses in connection with or attributable to the matters giving rise to such claim.

Section 8.11 Tax Treatment of Indemnification Payments. All indemnification payments made under this ARTICLE VIII shall be treated as adjustment to the Consideration (and the applicable component thereof) for all Tax purposes unless otherwise required by any applicable Law.

Section 8.12 No Set off. All amounts required to be paid under this Agreement shall be paid free and clear of any withholding, deduction or set-off of any kind, except as specifically provided otherwise herein. Without limitation to the foregoing, no Party shall have any right to set off any amount claimed or required to be paid to such Party or any Indemnified Person pursuant to this ARTICLE VIII against any amount required to be paid by such Party pursuant to this Agreement or any other Transaction Document.

ARTICLE IX

MISCELLANEOUS

Section 9.1 Governing Law; Dispute Resolution. This Agreement shall be governed by and interpreted in accordance with the laws of Hong Kong without giving effect to any choice or conflict of law provision or rule thereof. Any dispute arising out of or relating to this Agreement, including any question regarding its existence, validity or termination, shall be exclusively referred to and finally resolved by arbitration at the Hong Kong International Arbitration Centre (the "HKIAC") in accordance with the Hong Kong International Arbitration Centre Administered Arbitration Rules in force when the relevant arbitration notice is received by the HKIAC. There shall be three arbitrators. Each side in dispute shall have the right to appoint one arbitrator, and the third arbitrator shall be appointed by the HKIAC. The language

to be used in the arbitration proceedings shall be English. Each of the Parties irrevocably waives any immunity to jurisdiction to which it may be entitled or become entitled (including immunity to pre-award attachment, post-award attachment or otherwise) in any arbitration proceedings and/or enforcement proceedings against it arising out of or based on this Agreement or the Contemplated Transactions. The award of the arbitration tribunal shall be final and binding upon the Parties, and the prevailing Party may apply to a court of competent jurisdiction for enforcement of such award. Any Party shall be entitled to seek preliminary injunctive relief from any court of competent jurisdiction pending the constitution of the arbitral tribunal. Notwithstanding the foregoing, this Section 9.1 is in any event without prejudice to the dispute resolution set forth in the Non-Compete Undertaking.

Section 9.2 Performance Pending Dispute Resolution. Unless otherwise terminated in accordance with the terms hereof, this Agreement and the rights and obligations of the Parties hereunder shall remain in full force and effect during the pendency of any proceeding under Section 9.1.

Section 9.3 Amendment; Waiver. This Agreement shall not be amended or modified except by an agreement in writing executed by all the Parties. No waiver of any provision of this Agreement shall be effective unless set forth in a written instrument signed by the Party waiving such provision. No failure or delay by a Party in exercising any right, power or remedy under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of the same preclude any further exercise thereof or the exercise of any other right, power or remedy. All remedies, either under this Agreement or by law or in equity, shall be cumulative and not alternative except as expressly provided otherwise herein.

Section 9.4 Binding Effect. This Agreement shall inure to the benefit of, and be binding upon, each of the Parties and their respective heirs, successors and permitted assigns and legal representatives.

Section 9.5 Assignment. Neither this Agreement nor any of the rights or obligations hereunder may be assigned by any Party without the express written consent of the other Parties, and any attempted assignment in violation of this Section 9.5 shall be void.

Section 9.6 Notices. All notices, requests, demands and other communications under this Agreement shall be in writing and shall be deemed to have been duly given if (a) in writing and served by personal delivery upon the Party for whom it is intended, (b) if delivered by facsimile with receipt confirmed, (c) if delivered by email upon such email being sent unless the sending party subsequently learns or should have learned that such email was not successfully delivered, or (d) if delivered by certified mail, registered mail or courier service, return receipt received, to the Party at the address set forth below:

If to any Buyer Party, at:

Address:	Baidu Campus, No. 10 Shangdi 10th Street, Haidian District, Beijing, China
Attention:	***
Facsimile:	***
Email:	***

With a copy (which shall not constitute notice) to:

Address: ***
Attention: ***
Facsimile: ***
Email: ***

If to any Seller Party, at:

Address: ***
Attention: ***
Email: ***

With a copy (which shall not constitute notice) to:

Address: ***
Attention: ***
Facsimile: ***
Email: ***

Any Party may change its address for purposes of this Section 9.6 by giving the other Parties written notice of the new address in the manner set forth above.

Section 9.7 Entire Agreement. This Agreement (including without limitation all the Schedules and Exhibits hereto and all the provisions incorporated by reference into this Agreement) and all the other Transaction Documents (including without limitation the Restructuring Plan and all the Schedules and Exhibits thereto), constitutes the entire understanding and agreement between the Parties with respect to the matters covered hereby and thereby, and all prior agreements and understandings, oral or in writing, if any, between the Parties with respect to the matters covered hereby and thereby (including without limitation the Original Share Purchase Agreement) are superseded by this Agreement (upon the effectiveness of this Agreement) and the other Transaction Documents. All the Schedules and Exhibits to this Agreement, including without limitation the Restructuring Plan and all the Schedules and Exhibits thereto, shall form a part of this Agreement. In the event of any inconsistency between this Agreement and any other Transaction Document, this Agreement shall prevail.

Section 9.8 Severability. If any provision of this Agreement is inoperative or unenforceable for any reason, such circumstances shall not have the effect of rendering the provision in question inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions herein contained invalid, inoperative or unenforceable to any extent whatsoever so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any Party.

If any provision of this Agreement shall be adjudged to be excessively broad as to duration, geographical scope, activity or subject, such provision shall be deemed modified to the minimum degree necessary to make such provision valid and enforceable under applicable Law so as to effect the original intent of the Parties as closely as possible, and that such modified provision shall thereafter be enforced to the fullest extent possible.

Section 9.9 Fees and Expenses. Except as specifically provided otherwise in this Agreement or the Restructuring Plan, the Parties will bear their respective expenses incurred in connection with the negotiation, preparation and execution of the Transaction Documents and the Contemplated Transactions, including fees and expenses of attorneys, accountants, consultants and financial advisors.

Section 9.10 Confidentiality.

(a) Subject to Section 9.10(b), each Party shall, and shall cause its Representatives to, to the extent not in violation of applicable Law, (i) keep confidential and shall not disclose to any Person the existence and substance of any Transaction Document, the negotiations relating to any Transaction Document and any non-public information with respect to the foregoing (collectively, "Confidential Information"), (ii) if a Party or any of its Representatives is legally compelled or is required by any stock exchange or any other regulatory body to disclose any such information, provide the other Parties with prompt written notice of such requirement so that such other Party may seek a protective order or other remedy or waive compliance with this Section 9.10(a), and (iii) in the event that such protective order or other remedy is not obtained, or such other Party waives compliance with this Section 9.10(a), furnish only that portion of such confidential information which is required by law, the stock exchange or other regulatory body to be provided; provided, however, that the Party seeking to disclose shall have provided a draft of the proposed disclosure to the other Parties reasonably in advance and shall have reasonably considered any comments from the other Parties to the content of such proposed disclosure; provided, further, that each Party and its respective Representatives may disclose such information to their respective Affiliates, permitted assignees, financing sources, partners, shareholders, senior management, employees, professional advisors, agents in each case only where such Persons or entities are bound by appropriate non-disclosure obligations and have agreed to maintain the confidentiality of such information.

(b) Confidential Information shall not include any information that is (i) previously known on a non-confidential basis by the receiving Party or any of its Representatives, (ii) in the public domain through no fault of such receiving Party or any of its Representatives, (iii) received from a Person other than any of the other Parties or their respective Representatives, so long as such Person was not, to the best knowledge of the receiving Party, subject to a duty of confidentiality to such other Party or (iv) developed independently by or on behalf of the receiving Party or any of its Representatives without reference to Confidential Information of the disclosing Party.

Section 9.11 Third Party Rights. Except for an Indemnified Party's right to seek indemnification pursuant to ARTICLE VIII, A Person that is not a party to this Agreement has no right under the Contracts (Rights of Third Parties) Ordinance (Chapter 623 of the Laws of Hong Kong) to enforce any term of, or enjoy any benefit under, this Agreement.

Section 9.12 Headings. The headings of the various Articles and Sections of this Agreement are inserted merely for convenience and do not expressly or by implication limit, define or extend the specific terms of the Article or Section so designated.

Section 9.13 Specific Performance. The Parties hereby acknowledge and agree that the failure of either Party to perform its agreements and covenants hereunder, including its failure to take all actions as are necessary on its part to consummate the Contemplated Transactions, will cause irreparable injury to the other Party, for which damages alone, even if available, will not be an adequate remedy. Accordingly, each Party hereby agrees and undertakes that the Parties shall be entitled to seek the remedies of injunction, specific performance or other equitable relief from any court or tribunal of competent jurisdiction for any threatened or actual breach of the terms of this Agreement, to enforce specifically the terms and provisions hereof and to compel performance of such Party's obligations (including the taking of such actions as are required of such Party to consummate the Contemplated Transactions), this being in addition to and without prejudice to any other rights or remedies to which either Party is entitled under this Agreement. The Parties further agree to waive any requirement for the securing or posting of any bond in connection with any such remedy, and that, such remedy shall be in addition to any other remedy to which a Party is entitled at law or in equity.

Section 9.14 Counterparts. This Agreement may be executed in one or more counterparts, including counterparts transmitted by facsimile or e-mail, each of which shall be deemed to be an original, and all of which together shall constitute one and the same instrument. Delivery of executed signature pages by facsimile or electronic transmission (via scanned PDF) by all Parties will constitute effective and binding execution and delivery of this Agreement.

Section 9.15 Obligations Joint and Several. Any obligation of any Seller Party hereunder shall be an obligation of all Seller Parties on a joint and several basis as between each other. Any obligation of any Buyer Party hereunder shall be an obligation of all Buyer Parties on a joint and several basis as between each other.

Section 9.16 Effectiveness. This Agreement shall take effect on the Closing Date immediately prior to the Closing.

[Signature Pages Follow]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed on the day and year first above written.

BAIDU (HONG KONG) LIMITED

By: /s/ YUAN Dandan
Name: YUAN Dandan
Title: Authorized Representative

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed on the day and year first above written.

MOON SPV LIMITED

By: /s/ CAO Xiaodong
Name: CAO Xiaodong
Title: Authorized Signatory

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed on the day and year first above written.

JOYY INC.

By: /s/ Xueling Li
Name: Xueling Li
Title: Authorized Signatory

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed on the day and year first above written.

FUNSTAGE TECHNOLOGY LTD.

By: /s/ Li Ting
Name: Li Ting
Title: Authorized Signatory

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed on the day and year first above written.

TOPSTAGE TECHNOLOGY LTD.

By: /s/ Li Ting
Name: Li Ting
Title: Authorized Signatory

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed on the day and year first above written.

广州华多网络科技有限公司

By: /s/ Li Ting
Name: Li Ting
Title: Legal Representative

[Signature Page to Amended & Restated Share Purchase Agreement]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed on the day and year first above written.

广州市锐橙网络科技有限公司

By: /s/ Li Ting
Name: Li Ting
Title: Legal Representative

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed on the day and year first above written.

广州欢聚时代信息科技有限公司

By: /s/ Li Ting
Name: Li Ting
Title: Legal Representative

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed on the day and year first above written.

RUNDERFO INC.

By: /s/ Zhang Ying
Name: Zhang Ying
Title: Authorized Signatory

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed on the day and year first above written.

DAVID XUELING LI

/s/ DAVID XUELING LI

Exhibit 8.1

List of Principal Subsidiaries and Consolidated Affiliated Entities of JOYY Inc.

Subsidiaries	Name in Chinese	Place of Incorporation
Duowan Entertainment Corporation	N/A	BVI
NeoTasks Inc.	N/A	Cayman Islands
NeoTasks Limited	N/A	Hong Kong
Huanju Shidai Technology (Beijing) Co., Ltd.	欢聚时代科技(北京)有限公司	PRC
Guangzhou Huanju Shidai Information Technology Co., Ltd.	广州欢聚时代信息科技有限公司	PRC
Engage Capital Partners I, L.P.	N/A	Cayman Islands
Bigo Inc	N/A	Cayman Islands
Beyond Precision Limited	N/A	Cayman Islands
Bigo Technology Pte. Ltd.	N/A	Singapore
Bigo (Hong Kong) Limited	N/A	Hong Kong
Guangzhou BaiGuoYuan Information Technology Co., Ltd.	广州市百果园信息技术有限公司	PRC
Bigo Internet Information Pte. Ltd.	N/A	Singapore
Guangzhou Wangxing Information Technology Co., Ltd.	广州市网星信息技术有限公司	PRC
Bigo Technology (UK) Limited	N/A	United Kingdom
Singularity IM, Inc.	N/A	Delaware
PageBites, Inc.	N/A	Delaware
Funstage Technology Ltd	N/A	BVI
Topstage Technology Ltd	N/A	BVI
Runderfo Inc.*	N/A	Cayman Islands
Goldenage Technology Investment Group Limited*	N/A	Hong Kong
Guangzhou Xiling Technology Co., Ltd.*	广州熙凌科技有限公司	PRC
Guangzhou Fanggui Information Technology Co., Ltd.*	广州方硅信息技术有限公司	PRC

Consolidated Affiliated Entities and their Subsidiaries	Name in Chinese	Place of Incorporation
Beijing Tuda Science and Technology Co., Ltd.	北京途达科技有限责任公司	PRC
Guangzhou Huaduo Network Technology Co., Ltd.	广州华多网络科技有限公司	PRC
Guangzhou Shangying Network Technology Co., Ltd.	广州市尚颖网络科技有限公司	PRC
Guangzhou Fangu Network Technology Partnership (LP)	广州市梵谷网络科技合伙企业(有限合伙)	PRC
Guangzhou Wanyin Network Technology Partnership (LP)	广州市万引网络科技合伙企业(有限合伙)	PRC
Guangzhou Qianxun Network Technology Co., Ltd.	广州市千旬网络科技有限公司	PRC
Guangzhou BaiGuoYuan Network Technology Co., Ltd.	广州市百果园网络科技有限公司	PRC
Chengdu Yunbu Network Technology Co., Ltd.	成都市云布网络科技有限公司	PRC
Chengdu Luota Network Technology Co., Ltd.	成都市洛塔网络科技有限公司	PRC
Chengdu Jiyue Network Technology Co., Ltd.	成都市际月网络科技有限公司	PRC
Guangzhou Xuancheng Network Technology Co., Ltd.	广州市炫橙网络科技有限公司	PRC
Guangzhou Yueyi Network Technology Partnership(LP)	广州市悦翼网络科技合伙企业(有限合伙)	PRC
Guangzhou Xuanyi Network Technology Partnership(LP)	广州市炫翼网络科技合伙企业(有限合伙)	PRC
Guangzhou Ruicheng Network Technology Co., Ltd.	广州市锐橙网络科技有限公司	PRC

Guangzhou Tuyue Network Technology Co., Ltd.	广州途越网络科技有限公司	PRC
Guangzhou Huanju Electronic Commerce Co., Ltd.	广州欢聚电子商务有限公司	PRC
Shanghai Yilian Equity Investment Partnership (LP)	上海亦联股权投资合伙企业(有限合伙)	PRC
Guangzhou Yilian Yixing Equity Investment Partnership (LP)	广州亦联益兴股权投资合伙企业(有限合伙)	PRC
Guangzhou Yiling Network Technology Co., Ltd.*	广州奕凌网络科技有限公司	PRC
Guangzhou Jinhong Network Media Co., Ltd.*	广州津虹网络传媒有限公司	PRC

*On November 16, 2020, we entered into definitive agreements with Baidu, Inc., or Baidu, and made certain amendments to the share purchase agreement on February 7, 2021, pursuant to which Baidu agreed to acquire our PRC video-based entertainment live streaming business, or YY Live, including the YY mobile app, YY.com website, and PC YY, among others, for an aggregate purchase price of approximately US$3.6 billion in cash, subject to certain adjustments. The acquisition has been substantially completed, with certain customary matters remaining to be completed in the near future.

Exhibit 12.1

Certification by the Principal Executive Officer
Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, David Xueling Li, certify that:

1. I have reviewed this annual report on Form 20-F of JOYY Inc. (the "Company");

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Company as of, and for, the periods presented in this report;

4. The Company's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Company and have:

   (a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) evaluated the effectiveness of the Company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) disclosed in this report any change in the Company's internal control over financial reporting that occurred during the period covered by this annual report that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting; and

5. The Company's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Company's auditors and the audit committee of the Company's board of directors (or persons performing the equivalent functions):

   (a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Company's ability to record, process, summarize and report financial information; and

   (b) any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal control over financial reporting.

Date: April 28, 2021

By: /s/ David Xueling Li
Name: David Xueling Li
Title: Chief Executive Officer

Exhibit 12.2

Certification by the Principal Financial Officer
Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Bing Jin, certify that:

1. I have reviewed this annual report on Form 20-F of JOYY Inc. (the "Company");

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Company as of, and for, the periods presented in this report;

4. The Company's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Company and have:

   (a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) evaluated the effectiveness of the Company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) disclosed in this report any change in the Company's internal control over financial reporting that occurred during the period covered by this annual report that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting; and

5. The Company's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Company's auditors and the audit committee of the Company's board of directors (or persons performing the equivalent functions):

   (a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Company's ability to record, process, summarize and report financial information; and

   (b) any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal control over financial reporting.

Date: April 28, 2021

By: /s/ Bing Jin
Name: Bing Jin
Title: Chief Financial Officer

Exhibit 13.1

Certification by the Principal Executive Officer
Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the Annual Report of JOYY Inc. (the "Company") on Form 20-F for the year ended December 31, 2020 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, David Xueling Li, Chief Executive Officer of the Company, hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: April 28, 2021

By: /s/ David Xueling Li
Name: David Xueling Li
Title: Chief Executive Officer

Exhibit 13.2

Certification by the Principal Financial Officer
Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the Annual Report of JOYY Inc. (the "Company") on Form 20-F for the year ended December 31, 2020 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Bing Jin, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: April 28, 2021

By: /s/ Bing Jin
Name: Bing Jin
Title: Chief Financial Officer

Exhibit 15.1

Our ref: RDS/741072-000001/19682046v1
Direct tel: +852 2971 3046
E-mail: richard.spooner@maples.com

JOYY Inc.
Building B-1, North Block of Wanda Plaza
No. 79 Wanbo Er Road
Nancun Town, Panyu District
Guangzhou 511442
The People's Republic of China

28 April 2021

Dear Sir

JOYY Inc.

We have acted as legal advisors as to the laws of the Cayman Islands to JOYY Inc., an exempted limited liability company incorporated in the Cayman Islands (the "**Company**"), in connection with the filing by the Company with the United States Securities and Exchange Commission (the "**SEC**") of an annual report on Form 20-F for the year ended 31 December 2020 (the "**Annual Report**"), which will be filed with the Securities and Exchange Commission in the month of April 2021.

We hereby consent to the reference of our name under the heading "Taxation" in the Annual Report, and further consent to the incorporation by reference into the Registration Statements on Form S-8 (File No. 333-187074, File No. 333-215742 and File No. 333-229099) pertaining to JOYY Inc.'s 2009 Employee Equity Incentive Scheme and 2011 Share Incentive Plan, Registration Statement on Form F-3 (File No. 333-219961) and Registration Statement on Form S-8 (File No.333-234003) pertaining to JOYY Inc.'s 2019 Share Incentive Awards Arrangement of the summary of our opinion under the headings "Item 5. Operating and Financial Review and Prospects—A. Operating Results—Discussion of Selected Statements of Operations Items—Taxation—Cayman Islands" and "Item 10. Additional Information—Taxation—Cayman Islands Taxation". We also consent to the filing with the SEC of this consent letter as an exhibit to the Annual Report.

Yours faithfully
/s/ Maples and Calder (Hong Kong) LLP
Maples and Calder (Hong Kong) LLP

Exhibit 15.2

方達律師事務所
FANGDA PARTNERS

Shanghai•Beijing•Shenzhen•Hong Kong•Guangzhou
http://www.fangdalaw.com

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288 Shi Men Yi Road
Shanghai 200041, PRC

To:

JOYY Inc.
Building B-1, North Block of Wanda Plaza
No. 79 Wanbo Er Road
Nancun Town, Panyu District
Guangzhou 511442
The People's Republic of China

April 28, 2021

Re: 2020 Annual Report on Form 20-F of JOYY Inc.

Dear Sirs,

We consent to the reference to our firm under the headings "Item 3. Key Information—D. Risk Factors," and "Item 4. Information on the Company—B. Business Overview—PRC Regulation," n JOYY Inc.'s Annual Report on Form 20-F for the year ended December 31, 2020 (the "**Annual Report**"), which will be filed with the Securities and Exchange Commission (the "SEC") in the month of April 2021, and further consent to the incorporation by reference of the summaries of our opinions under these captions into the Company's registration statements on Form S-8 (No. 333-187074, No. 333-215742, No. 333-229099) pertaining to JOYY Inc.'s 2009 Employee Equity Incentive Scheme and 2011 Share Incentive Plan, the Company's registration statement on Form F-3 (No. 333-219961) and the Company's registration statement on Form S-8 (File No.333-234003) pertaining to JOYY Inc.'s 2019 Share Incentive Awards Arrangement. We also consent to the filing with the SEC of this consent letter as an exhibit to the Annual Report on Form 20-F for the year ended December 31, 2020.

Yours sincerely,

/s/ Fangda Partners
Fangda Partners

Exhibit 15.3

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the incorporation by reference in the Registration Statements on Form S-8 (File No. 333-187074, No. 333-215742, No. 333-229099 and No. 333-234003) and Form F-3 (No. 333-219961) of JOYY Inc. of our report dated April 28, 2021 relating to the financial statements and the effectiveness of internal control over financial reporting, which appears in this Form 20-F.

/s/PricewaterhouseCoopers Zhong Tian LLP
Guangzhou, the People's Republic of China

April 28, 2021