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If you are in any doubt about this circular or as to the action to be taken, you should consult your stockbroker, or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Newborn Town Inc., you should at once hand this circular together with the enclosed form of proxy to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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**PROPOSALS FOR GENERAL MANDATES
TO ISSUE SHARES AND REPURCHASE SHARES;
RE-ELECTION OF RETIRING DIRECTORS;
PROPOSED ADOPTION OF SHARE OPTION SCHEME;
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the annual general meeting of Newborn Town Inc. to be held at 12/F, Tower A, CEC Development Building, Sanyuanqiao, Chaoyang District, Beijing, PRC on Monday, 31 May 2021 at 10:00 a.m. is set out on pages 36 to 41 of this circular. A form of proxy for use at the annual general meeting is also enclosed. Such form of proxy is also published on the website of The Stock Exchange of Hong Kong Limited at www.hkexnews.hk and the website of the Company at www.newborntown.com/en/. Whether or not you are able to attend the annual general meeting, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the Hong Kong branch share registrar and transfer office of the Company, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the annual general meeting (i.e. before 10:00 a.m. on 29 May 2021) or any adjournment thereof. Completion and return of the form of proxy will not preclude shareholders from attending and voting in person at the annual general meeting or any adjourned meeting thereof if they so wish.

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DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions shall have the followings meanings:

“Adoption Date”	the date on which the Share Option Scheme was conditionally adopted by a resolution of the Shareholders
“Annual General Meeting” or “AGM”	the annual general meeting of the Company to be held at 12/F, Tower A, CEC Development Building, Sanyuanqiao, Chaoyang District, Beijing, PRC on Monday, 31 May 2021 at 10:00 a.m., or any adjournment thereof and notice of which is set out on pages 36 to 41 of this circular
“Articles of Association”	the articles of association of the Company currently in force and as amended from time to time
“Board”	the board of Directors
“Business Day(s)”	any day (excluding Saturday) on which banks in Hong Kong generally are open for business and the Stock Exchange is open for the business of dealing in securities
“Companies Law”	the Companies Law, Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands as amended, supplemented or otherwise modified from time to time
“Company”	Newborn Town Inc. (赤子城科技有限公司), an exempted company incorporated on 12 September 2018 with limited liability under the laws of the Cayman Islands, with its Shares listed on the main board of the Stock Exchange
“Controlling Shareholders Group”	Mr. Liu Chunhe and Mr. Li Ping, together with their respective close associates, including Spriver Tech Limited and Parallel World Limited, a group of individuals acting in concert with each other, which constitute the controlling shareholder of our Company
“Director(s)”	the director(s) of the Company
“Employee(s)”	any employee(s) or senior management of the Company or its subsidiaries

DEFINITIONS

“Employee RSU Scheme”	the restricted share unit scheme of the Company adopted on 11 December 2019, and amended on 28 May 2020 by the Board
“Employee RSU Trustee”	TMF Trust (HK) Limited, an independent and professional trustee appointed by the Company to act as the trustee of the Employee RSU Scheme
“Exercise Price”	the price per Share at which a Grantee may subscribe for the Shares on the exercise of an Option as described in paragraph 8 of Appendix III to this circular
“Global Offering”	the Hong Kong Public Offering and the International Offering
“Grantee”	any Participant who accepts an Offer in accordance with the terms of the Share Option Scheme, or (where the context so permits) any person who is entitled to any Option in consequence of the death of the original Grantee
“Great Sailing”	Great Sailing Media Limited
“Group”	the Company and its subsidiaries
“HKD” or “HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“INED”	independent non-executive Director
“Issue Mandate”	a general and unconditional mandate proposed to be granted to the Directors at the Annual General Meeting to allot, issue and/or deal with the Shares not exceeding 20 per cent of the total number of issued Shares as at the date of passing of the relevant resolution granting the Issue Mandate
“Latest Practicable Date”	12 April 2021, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular

DEFINITIONS

“Listing Date”	31 December 2019, on which dealings in Shares first commenced on the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time
“Management RSU Scheme”	the restricted share unit scheme of the Company adopted on 11 December 2019, and amended on 28 May 2020 by the Board
“Management RSU Trustee”	TMF Trust (HK) Limited, an independent and professional trustee appointed by the Company to act as the trustee of the Management RSU Scheme
“Memorandum”	the memorandum of association of the Company, as amended from time to time
“Newborn Town International”	Newborn Town International Enterprise Limited
“NewBornTown Mobile Technology”	NewBornTown Mobile Technology (Beijing) Holdings Co., Ltd. (赤子城移動科技(北京)股份有限公司)
“NewBornTown Network Technology”	NewBornTown Network Technology (Beijing) Co., Ltd. (赤子城網絡技術(北京)有限公司)
“Nomination Committee”	nomination committee of the Company
“Offer(s)”	the offer(s) of the grant of Share Option(s) made by the Board in accordance with the Share Option Scheme
“Offer Date”	the date on which an Offer(s) is/are made to Participant(s), which date must be a Business Day
“Option(s)” or “Share Option(s)”	a right granted to subscribe for the Shares pursuant to the Share Option Scheme
“Option Period”	a period to be determined and notified by the Board to each Grantee, during which an Option may be exercised (provided that such period shall not be more than ten (10) years commencing on the Offer Date and expiring on the last day of such period and the Board may also at its discretion impose any restrictions thereon)

DEFINITIONS

“Participant(s)”	any director(s) of the Group (including any Director(s)) or Employee(s) who the Board considers, in its sole discretion, have contributed or will contribute to the Group
“PRC”	the People’s Republic of China, and for the purpose of this circular, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan Region
“Remuneration Committee”	remuneration committee of the Company
“Repurchase Mandate”	a general and unconditional mandate proposed to be granted to the Directors at the Annual General Meeting to repurchase Shares not exceeding 10 per cent of the number of the issued Shares as at the date of passing of the relevant resolution granting the Repurchase Mandate
“SFO”	Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong, as amended, supplemented or otherwise modified from time to time
“Shandong NewBornTown”	Shandong NewBornTown Network Technology Co., Ltd. (山東赤子城網絡技術有限公司)
“Share(s)”	ordinary share(s) in the share capital of the Company with a par value of US\$0.0001 each
“Share Option Scheme” or “Scheme”	the share option scheme proposed to be adopted by the Company at the Annual General Meeting pursuant to the ordinary resolution as set out in the notice of the Annual General Meeting, a summary of the principal terms of which is set out in the Appendix III to this circular
“Shareholder(s)”	the holder(s) of the Share(s)
“Solo X Technology”	Solo X Technology Limited
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers, as amended, supplemented or otherwise modified from time to time

DEFINITIONS

“US\$” United States dollars, the lawful currency of the United States

“%” or “per cent” per cent

LETTER FROM THE BOARD

赤子城

newborntown

NEWBORN TOWN INC.

赤子城科技有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 9911)

Executive Directors:

Mr. LIU Chunhe (*Chairman*)

Mr. LI Ping

Mr. YE Chunjian

Mr. SU Jian

Independent Non-executive Directors:

Mr. PAN Xiya

Mr. CHI Shujin

Mr. HUANG Sichen

Registered office:

The offices of Maples
Corporate Services Limited
PO Box 309
Ugland House
Grand Cayman, KY1-1104
Cayman Islands

*Principal place of business in
Hong Kong:*

Room 1903-4, Floor 19
Hong Kong Trade Centre
161 Des Voeux Road Central
Hong Kong

14 April 2021

To the Shareholders

Dear Sir or Madam,

**PROPOSALS FOR GENERAL MANDATES
TO ISSUE SHARES AND REPURCHASE SHARES;
RE-ELECTION OF RETIRING DIRECTORS;
PROPOSED ADOPTION OF SHARE OPTION SCHEME;
AND
NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to give you the notice of Annual General Meeting and the following proposals to be put forward at the Annual General Meeting: (a) the grant to the Directors of the Issue Mandate and the Repurchase Mandate; (b) the re-election of the retiring Directors; and (c) the proposed adoption of share option scheme.

LETTER FROM THE BOARD

2. ISSUE MANDATE

In order to ensure flexibility and give discretion to the Directors, in the event that it becomes desirable for the Company to issue any new Shares, approval is to be sought from the Shareholders, pursuant to the Listing Rules, for the general mandate to issue Shares. At the Annual General Meeting, an ordinary resolution no. 4(A) will be proposed to grant the Issue Mandate to the Directors to exercise the powers of the Company to allot, issue and deal with the additional Shares not exceeding 20 per cent of the total number of issued Shares as at the date of passing of the resolution in relation to the Issue Mandate.

As at the Latest Practicable Date, the issued share capital of the Company comprised 998,850,000 Shares. Subject to the passing of the ordinary resolution no. 4(A) and on the basis that no further Shares are issued or repurchased after the Latest Practicable Date and up to the Annual General Meeting, the Company will be allowed to issue a maximum of 199,770,000 Shares.

In addition, subject to a separate approval of the ordinary resolution no. 4(C), the number of Shares repurchased by the Company under ordinary resolution no. 4(B) will also be added to extend the 20 per cent limit of the Issue Mandate as mentioned in the ordinary resolution no. 4(A) provided that such additional amount shall not exceed 10 per cent of the number of issued Shares as at the date of passing the resolutions in relation to the Issue Mandate and the Repurchase Mandate. The Directors wish to state that they have no immediate plans to issue any new Shares of the Company pursuant to the Issue Mandate.

The Issue Mandate will continue to be in force from the passing of the said resolution until the earliest of: (i) the conclusion of the next annual general meeting of the Company; (ii) the expiration of the period within which the next annual general meeting of the Company is required by any applicable laws or the Articles of Association to be held; and (iii) the revocation or variation of the authority given under such ordinary resolution by an ordinary resolution of the Shareholders in general meeting.

3. REPURCHASE MANDATE

In addition, an ordinary resolution will be proposed at the Annual General Meeting to approve the granting of the Repurchase Mandate to the Directors to exercise the powers of the Company to repurchase Shares representing up to 10 per cent of the total number of issued Shares as at the date of passing of the resolution in relation to the Repurchase Mandate.

Assuming that there is no change in the number of the issued Shares during the period between the Latest Practicable Date and the date of the Annual General Meeting, the maximum number of Shares which may be repurchased pursuant to the Repurchase Mandate will be 99,885,000 Shares, being 10 per cent of the total issued share capital of the Company as at the date of passing of such resolution.

LETTER FROM THE BOARD

The Repurchase Mandate, if approved, will continue in force until the earliest of: (i) the conclusion of the next annual general meeting of the Company; (ii) the expiration of the period within which the next annual general meeting of the Company is required by any applicable laws or the Articles of Association to be held; or (iii) the revocation or variation of the authority given under such ordinary resolution by an ordinary resolution of the Shareholders in general meeting.

An explanatory statement required by the Listing Rules to be sent to the Shareholders in connection with the proposed Repurchase Mandate is set out in Appendix II to this circular. This explanatory statement contains all information reasonably necessary to enable the Shareholders to make an informed decision on whether to vote for or against the relevant resolution at the Annual General Meeting.

4. RE-ELECTION OF RETIRING DIRECTORS

In accordance with articles 16.2 and 16.19 of the Articles of Association, Mr. LIU Chunhe, Mr. LI Ping, Mr. YE Chunjian, Mr. SU Jian, Mr. PAN Xiya, Mr. CHI Shujin and Mr. HUANG Sichen shall retire from office as Directors, and be eligible and offer themselves for re-election as Directors at the Annual General Meeting.

Procedure and Process for Nomination of INEDs

The Nomination Committee will recommend to the Board for the appointment of an INED in accordance with the following procedures and process:

- i. The Nomination Committee will, giving due consideration to the current composition and size of the Board, develop a list of desirable skills, perspectives and experience at the outset to focus the search effort;
- ii. The Nomination Committee may consult any source it considers appropriate in identifying or selecting suitable candidates, such as referrals from existing Directors, advertising, recommendations from a third party agency firm and proposals from the Shareholders with due consideration given to the criteria which include but are not limited to
 - (a) Diversity in the aspects, amongst others, of gender, age, cultural and educational background, professional experience, skills, knowledge and length of service;
 - (b) Commitment for responsibilities of the Board in respect of available time and relevant interest;
 - (c) Qualifications, including accomplishment and experience in the relevant industries in which the Group's business is involved;
 - (d) Independence;

LETTER FROM THE BOARD

- (e) Reputation for integrity;
 - (f) Potential contributions that the individual can bring to the Board; and
 - (g) Plan(s) in place for the orderly succession of the Board.
- iii. The Nomination Committee may adopt any process it considers appropriate in evaluating the suitability of the candidates, such as interviews, background checks, presentations and third party reference checks;
 - iv. The Nomination Committee will consider a broad range of candidates who are in and outside of the Board's circle of contacts;
 - v. Upon considering a candidate suitable for the directorship, the Nomination Committee will hold a meeting and/or by way of written resolutions to, if thought fit, approve the recommendation to the Board for appointment;
 - vi. The Nomination Committee will provide the relevant information of the selected candidate to the Remuneration Committee for consideration of the remuneration package of such selected candidate;
 - vii. The Nomination Committee will thereafter make the recommendation to the Board in relation to the proposed appointment, and the Remuneration Committee will make the recommendation to the Board on the policy and structure for the remuneration;
 - viii. The Board may arrange for the selected candidate to be interviewed by the members of the Board who are not members of the Nomination Committee and the Board will thereafter deliberate and decide the appointment as the case may be; and
 - ix. All appointment of INEDs will be confirmed by the filing of the consent to act as Director of the relevant INED (or any other similar filings requiring the relevant INED to acknowledge or accept the appointment as Director, as the case may be) to be filed with the relevant regulatory authorities, if required.

Recommendation of the Nomination Committee

The Nomination Committee had assessed and reviewed the annual written confirmation of independence of each of the INEDs for the year ended 31 December 2020 based on the independence criteria as set out in Rule 3.13 of the Listing Rules and confirmed that all of them remains independent. In addition, the Nomination Committee had evaluated the performance of each of the retiring Directors for the year ended 31 December 2020 and found their performance satisfactory. Therefore, the Nomination Committee nominated the retiring Directors to the Board for it to propose to Shareholders for re-election at the AGM.

LETTER FROM THE BOARD

Accordingly, with the recommendation of the Nomination Committee, the Board has proposed that Mr. LIU Chunhe, Mr. LI Ping, Mr. YE Chunjian, Mr. SU Jian, Mr. PAN Xiya, Mr. CHI Shujin and Mr. HUANG Sichen stand for election as Directors at the AGM.

Brief biographical details of the above retiring Directors who are subject to re-election at the Annual General Meeting are set out in Appendix I to this circular in accordance with the relevant requirements of the Listing Rules.

5. PROPOSED ADOPTION OF SHARE OPTION SCHEME

Before listing, the Group adopted the Employee RSU Scheme and the Management RSU Scheme (the “**RSU Schemes**”) on 11 December 2019 which would be valid and effective for a period of ten (10) years commencing from 11 December 2019 (which was disclosed on pages IV-28 to IV-41 of the Company’s prospectus dated 17 December 2019). The RSU Schemes were not subject to Chapter 17 of the Listing Rules as the RSU Schemes do not involve the grant of options by the Company to subscribe for new Shares. As at the Latest Practicable Date, 20,881,572 shares and 19,295,333 shares underlying the RSUs were held by the Employee RSU Trustee and the Management RSU Trustee for the benefit of the grantees in the Employee RSU Scheme and the Management RSU Scheme, respectively and the remaining 6,218,571 shares and 4,292,675 shares as respectively held by the Employee RSU Trustee and the Management RSU Trustee are reserved for any grant of additional RSUs in the future.

The Board proposes to adopt the Share Option Scheme to attract, retain and motivate talented employees to strive towards long term performance targets set by the Group and to provide them with an incentive to work better for the interest of the Group.

The Board shall be entitled at any time during the life of the Share Option Scheme to make an Offer to any Participant as the Board may in its absolute discretion select to take up Options entitling him or her to subscribe for such number of Shares as the Board may determine at the Exercise Price. Subject to the provisions of the Listing Rules, Options may be granted on such terms and conditions in relation to their vesting, exercise or otherwise (e.g. by linking their exercise to the attainment or performance of milestones by any member of the Group, the grantee or any group of Participants) as the Board may determine, provided that such terms and conditions shall not be inconsistent with any other terms and conditions of the Share Option Scheme. It is expected that the Share Option Scheme will link the value of the Company with the interests of the Participants, enabling the Participants and the Company to develop together and promote the Company’s corporate culture.

The total number of Shares which may be issued upon exercise of Options to be granted under the Share Option Scheme and any other share option schemes adopted by the Company shall not exceed 10% of total Shares in issue on the Adoption Date. As at the Latest Practicable Date, there were 998,850,000 Shares in issue. Assuming that the aggregate number of issued Shares remains unchanged until the Adoption Date, Options to subscribe for up to 99,885,000 Shares may be granted under the Share Option Scheme and any other schemes of the Company, representing not more than 10% of the Shares in issue as at the Adoption Date.

LETTER FROM THE BOARD

The Directors consider that it is not appropriate to state the value of all the Options that can be granted as if they had been granted as at the Latest Practicable Date prior to the Adoption Date given that the variables which are crucial for the calculation of the value of such Options cannot be determined. These variables include, but not limited to, the subscription price payable for the Shares upon the exercise of subscription rights attaching to the Options, the length of the Option Period, any lock-up period, performance targets or other conditions, restrictions or limitations that the Board may impose with respect to the Options. The Directors believe that any calculation of the value of the Options as at the Latest Practicable Date based on a number of speculative assumptions would not be meaningful and would be misleading to the Shareholders.

None of the Directors is and will be trustee of the Share Option Scheme or has a direct or indirect interest in the trustee. With respect to the operation of the Share Option Scheme, the Company will, where applicable, comply with the relevant requirements under Chapter 17 of the Listing Rules, especially where any related matters are required to be approved by the Shareholders/independent non-executive Directors separately. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, (i) as at the Latest Practicable Date, the Company has no present intention to grant any Options to the Participants in the coming 12 months under the Share Option Scheme upon adoption of the Share Option Scheme by Shareholders at the Annual General Meeting; and (ii) no Shareholder has a material interest in the proposed adoption of the Share Option Scheme and no Shareholder is required to abstain from voting at the Annual General Meeting for approving the Share Option Scheme.

A summary of the principal terms of the Share Option Scheme is set out in Appendix III to this circular. A copy of the Share Option Scheme will be available for inspection at the Company's principal place of business in Hong Kong at Room 1903-4, Floor 19 Hong Kong Trade Centre, 161 Des Voeux Road Central Hong Kong for a period of 14 days before the date of the Annual General Meeting, and at the Annual General Meeting.

The adoption of the Share Option Scheme is conditional upon:

- (i) the passing of the relevant ordinary resolution by the Shareholders at the Annual General Meeting to approve and adopt the Share Option Scheme, and to authorise the Directors to grant Options to subscribe for Shares and to allot, issue and deal with Shares pursuant to the exercise of any Option granted under the Share Option Scheme; and
- (ii) the Listing Committee of the Stock Exchange granting approval of the listing of, and permission to deal in, any Shares which may be issued pursuant to the exercise of Options under the Share Option Scheme.

An application will be made to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Shares which may fall to be issued pursuant to the exercise of any Options up to 10% of the Shares in issue as at the Annual General Meeting.

LETTER FROM THE BOARD

6. NOTICE OF ANNUAL GENERAL MEETING

Set out on pages 36 to 41 of this circular is the notice of the Annual General Meeting containing, inter alia, ordinary resolutions in relation to the granting to the Directors of the Issue Mandate and the Repurchase Mandate, the approval for the re-election of the retiring Directors and the proposed adoption of Share Option Scheme.

7. FORM OF PROXY

A form of proxy is enclosed for use at the Annual General Meeting. Such form of proxy is also published on the website of The Stock Exchange of Hong Kong Limited at www.hkexnews.hk and the website of the Company at www.newborntown.com/en/. Whether or not you intend to be present at the Annual General Meeting, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the Hong Kong share registrar of the Company, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time fixed for the holding of the Annual General Meeting (i.e. before 10:00 a.m. on 29 May 2021) or at any adjournment thereof. Completion and return of the form of proxy will not preclude Shareholders from attending and voting in person at the Annual General Meeting or any adjourned meeting thereof if they so wish.

8. VOTING BY WAY OF POLL

Pursuant to Rule 13.39(4) of the Listing Rules and article 13.5 of the Articles of Association, any vote of Shareholders at a general meeting (save for certain procedural or administrative matters) must be taken by poll. The chairman of the Annual General Meeting shall therefore demand voting on all resolutions set out in the notice of Annual General Meeting be taken by way of poll.

On a poll, every Shareholder present in person or by proxy or, in the case of a Shareholder being a corporation, by its duly authorised representative shall have one vote for every fully paid Share of which he is the holder. A Shareholder entitled to more than one vote on a poll needs not use all his votes or cast all the votes he uses in the same way.

9. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

LETTER FROM THE BOARD

10. RECOMMENDATION

The Directors consider that all of the resolutions to be proposed at the Annual General Meeting are in the interests of the Group and the Shareholders as a whole. The Directors therefore recommend the Shareholders to vote in favour of all the resolutions to be proposed at the Annual General Meeting.

Yours faithfully,
By order of the Board
Newborn Town Inc.
LIU Chunhe
Chairman

The following are the particulars of the Directors (as required by the Listing Rules) proposed to be re-elected at the Annual General Meeting.

1. EXECUTIVE DIRECTORS

Mr. LIU Chunhe (劉春河), former name Liu Zhonghua (劉中華), aged 35, is the founder of the Group. Mr. Liu Chunhe currently serves as the Chairman of the Board, executive Director and the chief executive officer of the Company. Mr. Liu Chunhe also holds directorships in various subsidiaries of the Company, including NewBornTown Mobile Technology, NewBornTown Network Technology, Shandong NewBornTown, Solo X Technology, Newborn Town International and Great Sailing. Mr. Liu Chunhe has been the Chairman and the Manager of Beijing Newborn Town Group Ltd. (北京赤子城集團有限公司) since July 2020. Mr. Liu Chunhe is responsible for the overall management, strategies planning and decision-making of the Company. Mr. Liu Chunhe, as a member of the Controlling Shareholders Group, acts in concert with Mr. Li Ping, consisting of the Controlling Shareholders Group of the Company.

Mr. Liu Chunhe graduated from Shandong University (山東大學) majoring in electronic information science and technology and obtained his bachelor's degree in science in July 2007. In March 2010, he obtained his master's degree in communication and information system from Beijing University of Posts and Telecommunications (北京郵電大學).

As at the Latest Practicable Date, Mr. Liu Chunhe had interests in 306,928,420 Shares of the Company. Save as disclosed herein, Mr. Liu Chunhe does not have any interest in the Shares within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Liu Chunhe does not hold any directorships in other listed public companies in Hong Kong or overseas, in the last three years.

Save as disclosed above, Mr. Liu Chunhe does not hold any other positions with the Company and its subsidiaries.

Save as disclosed above, Mr. Liu Chunhe does not have any relationship with any Directors, senior management, substantial or controlling Shareholders of the Company.

Mr. Liu Chunhe entered into a service contract with the Company on 12 September 2018. His service contract was for an initial fixed term of three years (subject to re-nomination and re-election by the Company in annual general meeting), until termination. The remuneration of Mr. Liu Chunhe will be determined by the Board of the Company with reference to the results of the Group and his performance.

Save as disclosed above, in relation to the re-election of Mr. Liu Chunhe as Director, there is no other information which is required to be disclosed pursuant to any of the requirements of paragraph 13.51(2) of the Listing Rules; and there is no other matter which needs to be brought to the attention of the Shareholders.

Mr. LI Ping (李平), aged 31, is a co-founder, an executive Director and chief operating officer of the Company. He joined the Group in July 2011 and is responsible for overall operation and management of our business. Mr. Li Ping also holds directorships in NewBornTown Mobile Technology and Great Sailing. Mr. Li Ping has been a director of Beijing Fantasy Dream Technology Co., Ltd.(北京奇幻夢想科技有限公司) since December 2020, an executive director and general manager of Hainan NewBornTown Network Technology Co., Ltd.(海南赤子城網絡技術有限公司) since January 2021 and a director of Beijing Newborn Town Group Ltd. (北京赤子城集團有限公司) since January 2021. Mr. Li Ping, as a member of the Controlling Shareholders Group, acts in concert with Mr. Liu Chunhe, consisting of the Controlling Shareholders Group of the Company.

Mr. Li Ping obtained his bachelor's degree in engineering from Hebei Normal University of Science and Technology (河北科技師範學院) in June 2011.

As at the Latest Practicable Date, Mr. Li Ping had interests in 306,928,420 Shares of the Company. Save as disclosed herein, Mr. Li Ping does not have any interest in the Shares within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Li Ping does not hold any directorships in other listed public companies in Hong Kong or overseas, in the last three years.

Save as disclosed above, Mr. Li Ping does not hold any other positions with the Company and its subsidiaries.

Save as disclosed above, Mr. Li Ping does not have any relationship with any Directors, senior management, substantial or controlling Shareholders of the Company.

Mr. Li Ping entered into a service contract with the Company on 22 June 2019. His service contract was for an initial fixed term of three years (subject to re-nomination and re-election by the Company in annual general meeting), until termination. The remuneration of Mr. Li Ping will be determined by the Board of the Company with reference to the results of the Group and his performance.

Save as disclosed above, in relation to the re-election of Mr. Li Ping as Director, there is no other information which is required to be disclosed pursuant to any of the requirements of paragraph 13.51(2) of the Listing Rules; and there is no other matter which needs to be brought to the attention of the Shareholders.

Mr. YE Chunjian (葉椿建), aged 29, an executive Director of the Company. Mr. Ye Chunjian has been serving as a founding partner of Beijing Mico World Technology Co., Ltd. (北京米可世界科技有限公司) since February 2017, and its director and manager since June 2018, an executive director and general manager of Hainan Jidu Kongjian Internet Technology Co., Ltd. (海南幾度空間網絡科技有限責任公司) since January 2019, a director of Beijing

Newborn Town Group Ltd. (北京赤子城集團有限公司) since January 2021, and an executive director and manager of Xiaoshitou Online (Beijing) Technology Co., Ltd. (小石頭在線(北京)科技有限公司) since February 2021.

Prior to that, Mr. Ye Chunjian served as the chief technology officer of NewBornTown Mobile Technology (Beijing) Holdings Co., Ltd. (赤子城移動科技(北京)股份有限公司) from July 2014 to January 2017, a director of NewBornTown Network Technology (Beijing) Co., Ltd. (赤子城網絡技術(北京)有限公司) from September 2014 to May 2019, and a director of NewBornTown Mobile Technology (Beijing) Holdings Co., Ltd. from August 2015 to March 2018.

Mr. Ye Chunjian graduated from Beijing University of Technology (北京工業大學) in July 2014 with a bachelor's degree in engineering.

As at Latest Practicable Date, Mr. Ye Chunjian does not have any interest in the Shares of the Company within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Ye Chunjian does not hold any directorships in other listed public companies in Hong Kong or overseas, in the last three years.

Save as disclosed above, Mr. Ye Chunjian does not hold any other positions with the Company and its subsidiaries.

Save as disclosed above, Mr. Ye Chunjian does not have any relationship with any Directors, senior management, substantial or controlling Shareholders of the Company.

Mr. Ye Chunjian entered into a service contract with the Company on 1 April 2021. His service contract was for an initial fixed term of three years (subject to re-nomination and re-election by the Company in annual general meeting), until termination. During the continuance of his appointment, Mr. Ye Chunjian is entitled to a remuneration of approximately RMB495,000 per annum with discretionary bonus to be determined with reference to his target performance of the relevant year. The remuneration and benefits of Mr. Ye Chunjian were determined with reference to his working experience, duties and responsibilities with the Company and the prevailing market situation.

Save as disclosed above, in relation to the re-election of Mr. Ye Chunjian as Director, there is no other information which is required to be disclosed pursuant to any of the requirements of paragraph 13.51(2) of the Listing Rules; and there is no other matter which needs to be brought to the attention of the Shareholders.

Mr. SU Jian (蘇鑒), aged 46, an executive Director of the Company. Mr. Su Jian has been serving as the chief executive officer of Beijing Mico World Technology Co., Ltd. since May 2014, the chairman of the board and general manager of Shenzhen Yike Technology Co., Ltd. (深圳一刻科技有限公司) since June 2016, an executive director and general manager of

Shenzhen Leyuyou Internet Technology Co., Ltd. (深圳樂娛游網絡科技有限公司) since April 2018, a director of Beijing Mico World Technology Co., Ltd. since October 2020 and a director of Beijing Newborn Town Group Ltd. since January 2021.

Prior to that, Mr. Su Jian served as the chief representative for the Asia-Pacific region and the chief marketing officer for the Middle East and the Commonwealth of Independent States region of ZTE Corporation (中興通訊股份有限公司) from May 2004 to June 2007, the general manager for South American regional countries of ZTE Corporation from June 2007 to June 2010 and the head of innovative business of ZICT Technology Co., Ltd. (深圳中興網信科技有限公司) from June 2010 to May 2014.

Mr. Su Jian graduated from Zhengzhou University of Light Industry (鄭州輕工業大學) in July 1997 with a bachelor's degree in engineering.

As at Latest Practicable Date, Mr. Su Jian does not have any interest in the Shares of the Company within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Su Jian does not hold any directorships in other listed public companies in Hong Kong or overseas, in the last three years.

Save as disclosed above, Mr. Su Jian does not hold any other positions with the Company and its subsidiaries.

Save as disclosed above, Mr. Su Jian does not have any relationship with any Directors, senior management, substantial or controlling Shareholders of the Company.

Mr. Su Jian entered into a service contract with the Company on 1 April 2021. His service contract was for an initial fixed term of three years (subject to re-nomination and re-election by the Company in annual general meeting), until termination. During the continuance of his appointment, Mr. Su Jian is entitled to a remuneration of RMB490,000 per annum with discretionary bonus to be determined with reference to his target performance of the relevant year. The remuneration and benefits of Mr. SU were determined with reference to his working experience, duties and responsibilities with the Company and the prevailing market situation.

Save as disclosed above, in relation to the re-election of Mr. Su Jian as Director, there is no other information which is required to be disclosed pursuant to any of the requirements of paragraph 13.51(2) of the Listing Rules; and there is no other matter which needs to be brought to the attention of the Shareholders.

2. INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. PAN Xiya (潘細亞), aged 64, was appointed as an independent non-executive Director of the Company in December 2019. Mr. Pan Xiya is responsible for providing independent advice and judgement to our Board. Mr. Pan Xiya joined Haibao Life Insurance Co., Ltd. in April 2017 as the leader of preparatory team and has been the Chairman of the Board of Haibao Life Insurance Co., Ltd. (海保人壽保險股份有限公司) since August 2018. Mr. Pan Xiya has rich experience in strategic planning, financial operation, business expansion, risk management, compliance and internal control of banks and insurance companies.

Mr. Pan Xiya graduated from Sichuan College for Sanitary Management Officials (四川省衛生管理幹部學院) in June 1987 majoring in sanitary management, graduated from Sichuan International Studies University (四川外語學院) in July 1992 majoring in English and graduated from CPC Chongqing Party School (中共重慶市委黨校) in June 2000 majoring in regional economics.

As at Latest Practicable Date, Mr. Pan Xiya does not have any interest in the Shares of the Company within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Pan Xiya does not hold any directorships in other listed public companies in Hong Kong or overseas, in the last three years.

Save as disclosed above, Mr. Pan Xiya does not hold any other positions with the Company and its subsidiaries.

Save as disclosed above, Mr. Pan Xiya does not have any relationship with any Directors, senior management, substantial or controlling Shareholders of the Company.

Mr. Pan Xiya entered into a letter of appointment with the Company on 11 December 2019. His appointment was for a term of three years from the Listing Date (subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Articles of Association), until termination. During the continuance of his appointment, Mr. Pan Xiya shall be entitled to a remuneration of HKD100,000 per annum or such sum as the Company may from time to time decide with reference to the results of the Group and his performance.

Save as disclosed above, in relation to the re-election of Mr. Pan Xiya as Director, there is no other information which is required to be disclosed pursuant to any of the requirements of paragraph 13.51(2) of the Listing Rules; and there is no other matter which needs to be brought to the attention of the Shareholders.

Mr. CHI Shujin (池書進), aged 36, was appointed as an independent non-executive Director of the Company in December 2019. Mr. Chi Shujin is responsible for providing independent advice and judgement to our Board. Mr. Chi Shujin is a director and the CFO of Beijing Siwei Zaowu Information Technology Holdings Co., Ltd. (北京思維造物信息科技股份有限公司) since September 2017.

Mr. Chi Shujin graduated from Beijing Jiaotong University (北京交通大學) in July 2007 majoring in science.

As at Latest Practicable Date, Mr. Chi Shujin does not have any interest in the Shares of the Company within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Chi Shujin does not hold any directorships in other listed public companies in Hong Kong or overseas, in the last three years.

Save as disclosed above, Mr. Chi Shujin does not hold any other positions with the Company and its subsidiaries.

Save as disclosed above, Mr. Chi Shujin does not have any relationship with any Directors, senior management, substantial or controlling Shareholders of the Company.

Mr. Chi Shujin entered into a letter of appointment with the Company on 11 December 2019. His appointment was for a term of three years from the Listing Date (subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Articles of Association), until termination. During the continuance of his appointment, Mr. Chi Shujin shall be entitled to a remuneration of HKD100,000 per annum or such sum as the Company may from time to time decide with reference to the results of the Group and his performance.

Save as disclosed above, in relation to the re-election of Mr. Chi Shujin as Director, there is no other information which is required to be disclosed pursuant to any of the requirements of paragraph 13.51(2) of the Listing Rules; and there is no other matter which needs to be brought to the attention of the Shareholders.

Mr. HUANG Sichen (黃斯沉), aged 33, an independent non-executive Director, who has extensive experience in financial management, corporate governance and investment of high-tech enterprises. Mr. Huang Sichen has been serving as a director of Beijing Zhenghe Island Information Technology Co., Ltd. (北京正和島信息科技有限公司) since July 2011, a managing partner of Beijing Prestige Angel Investment Management Co., Ltd. (北京貴格天使投資管理有限公司) since November 2014, the chairman of the board and general manager of Beijing Beetle Sports International & Investment Co., Ltd. since March 2015, a director of Shangkequan (Beijing) Cultural Communication Co., Ltd. (尚客圈(北京)文化傳播有限公司) since September 2015, a director of Beijing Youluqianxing Technology Development Co., Ltd. (北京有路前行科技發展有限公司) since May 2017, and a founding partner of Fenrir Partners Group Limited since March 2020.

Prior to that, Mr. Huang Sichen served as an analyst in the investment banking department of BOC International Holdings Limited (中銀國際控股有限公司) from June 2013 to May 2015.

Mr. Huang Sichen graduated from the University of Southern California in May 2010 with a double bachelor's degree in accounting and commerce. Mr. Huang Sichen qualified as a chartered financial analyst (CFA) in June 2011.

As at Latest Practicable Date, Mr. Huang Sichen does not have any interest in the Shares of the Company within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Huang Sichen does not hold any directorships in other listed public companies in Hong Kong or overseas, in the last three years.

Save as disclosed above, Mr. Huang Sichen does not hold any other positions with the Company and its subsidiaries.

Save as disclosed above, Mr. Huang Sichen does not have any relationship with any Directors, senior management, substantial or controlling Shareholders of the Company.

Mr. Huang Sichen entered into a letter of appointment with the Company on 1 April 2021. His appointment was for a initial term of three years (subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Articles of Association), until termination. During the continuance of his appointment, Mr. Huang Sichen is entitled to a remuneration of HKD100,000 per annum. The remuneration of Mr. Huang Sichen was determined with reference to his working experience, duties and responsibilities with the Company and the prevailing market situation.

Save as disclosed above, in relation to the re-election of Mr. Huang Sichen as Director, there is no other information which is required to be disclosed pursuant to any of the requirements of paragraph 13.51(2) of the Listing Rules; and there is no other matter which needs to be brought to the attention of the Shareholders.

The following is an explanatory statement required by the Stock Exchange to be sent to the Shareholders under the Listing Rules in connection with the proposed Repurchase Mandate.

1. LISTING RULES

The Listing Rules permit companies with a primary listing on the Stock Exchange to repurchase their shares on the Stock Exchange subject to certain restrictions, the most important of which are summarised below:

- (i) the shares proposed to be repurchased by a company must be fully paid-up;
- (ii) the company has previously sent to its shareholders an explanatory statement complying with the Listing Rules; and
- (iii) all on market repurchase of shares by a company with its primary listing on the Stock Exchange must be approved in advance by an ordinary resolution, either by way of a specific approval in relation to specific transactions or by a general mandate to the directors of the Company to make such repurchase, and a copy of such resolution together with the necessary documentation have been delivered to the Stock Exchange in accordance with the Listing Rules.

2. ISSUED SHARES

As at the Latest Practicable Date, the issued share capital of the Company comprised 998,850,000 Shares of nominal value of US\$0.0001 each. Subject to the passing of the resolution granting the Repurchase Mandate and on the basis that no further Shares are issued or repurchased before the Annual General Meeting, the Company will be allowed to repurchase a maximum of 99,885,000 Shares which represent 10% of the issued Shares, during the period ending on the earliest of: (i) the conclusion of the next annual general meeting of the Company; (ii) the expiration of the period within which the next annual general meeting of the Company is required by any applicable laws or the Articles of Association to be held; or (iii) the revocation or variation of the authority given under the resolution by an ordinary resolution of the Shareholders in general meeting.

3. REASONS AND FUNDING OF REPURCHASES

The Directors believe that it is in the best interests of the Company and the Shareholders as a whole to seek a general authority from the Shareholders to enable the Company to repurchase its Shares. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or its earnings per Share and will only be made when the Directors believe that such a repurchase will benefit the Company and the Shareholders as a whole.

Repurchases of Shares will be financed out of funds legally available for the purpose in accordance with the Articles of Association, the Listing Rules and the applicable laws and regulations of the Cayman Islands. The Companies Law provides that the amount of capital repaid in connection with a share repurchase may be paid out of the profits of the Company or the proceeds of a fresh issue of Shares made for the purposes of the repurchase or out of capital subject to and in accordance with the Companies Law. The amount of premium payable on repurchase may only be paid out of either the profits of the Company or out of the share premium account before or at the time the Company's Shares are repurchased in the manner provided for in the Companies Law.

The Directors have no present intention to purchase any Shares and they would only exercise the power to purchase in circumstances where they consider that the purchase would be in the best interests of the Company. The Directors consider that if the Repurchase Mandate was to be exercised in full, it may not have a material adverse impact on the working capital or the gearing position of the Company, as compared with the positions disclosed in the audited consolidated financial statements of the Company as at 31 December 2020, being the date to which the latest published audited consolidated financial statements of the Company were made up. The Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or on the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

4. TAKEOVERS CODE

If as a result of a repurchase of Shares pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. Accordingly, a Shareholder, or a group of Shareholders acting in concert (within the meaning of the Takeovers Code), depending on the level of increase in the Shareholder's interest, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code. To the best knowledge of the Company, as at the Latest Practicable Date, Controlling Shareholders Group were interested in 306,928,420 shares of the Company, representing 30.73% of the total issued share capital of the Company. In the event that the Directors exercise the proposed Repurchase Mandate in full, the shareholding of Controlling Shareholders Group would be increased to approximately 34.14% of the total issued share capital of the Company, based upon their shareholding as at the Latest Practicable Date.

Save as aforesaid, the Directors are not aware of any consequences which may give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code. The Directors do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, give rise to an obligation to make a mandatory offer in accordance with Rule 26 of the Takeovers Code and/or result in the aggregate number of Shares held by the public Shareholders falling below the prescribed minimum percentage required by the Stock Exchange.

5. DIRECTORS, THEIR CLOSE ASSOCIATES AND CORE CONNECTED PERSONS

None of the Directors nor, to the best of their knowledge having made reasonable enquiries, any of their close associates has any present intention, in the event that the Repurchase Mandate is approved by Shareholders, to sell any Shares to the Company. No core connected person (as defined in the Listing Rules) of the Company has notified the Company that he/she/it has any present intention to sell Shares to the Company, or has undertaken not to do so, in the event that the Repurchase Mandate is approved by the Shareholders.

6. UNDERTAKING OF THE DIRECTORS

The Directors have undertaken to the Stock Exchange to exercise the power of the Company to make repurchases pursuant to the proposed Repurchase Mandate in accordance with the Listing Rules, the applicable laws of the Cayman Islands and in accordance with the Memorandum and Articles of Association.

7. SHARE REPURCHASE MADE BY THE COMPANY

During the six months prior to the Latest Practicable Date, the Company purchased its own Shares as follows:

Date of Purchase	No. of Shares purchased by the Company	Price per Share		Aggregate
		Highest <i>HK\$</i>	Lowest <i>HK\$</i>	Consideration paid <i>HK\$</i>
2020/9/29	150,000	1.49	1.49	223,500
2020/9/30	150,000	1.49	1.49	223,500
2020/10/5	150,000	1.49	1.49	223,500
2020/10/6	150,000	1.51	1.51	226,500
2020/10/7	150,000	1.50	1.50	225,000
2020/10/8	100,000	1.56	1.50	151,440
2020/10/9	100,000	1.54	1.54	154,000
2020/10/14	100,000	1.59	1.59	159,000
2020/10/15	100,000	1.54	1.54	154,000

8. MARKET PRICES OF SHARES

The following table shows the highest and lowest prices at which the Shares have been traded on the Stock Exchange during the 12 months preceding the Latest Practicable Date:

Month	Highest Price	Lowest Price
	<i>HK\$</i>	<i>HK\$</i>
2020		
April	1.87	1.66
May	2.04	1.55
June	2.23	1.63
July	2.80	1.76
August	1.96	1.62
September	1.85	1.40
October	2.45	1.45
November	2.18	1.78
December	1.99	1.74
2021		
January	3.38	1.70
February	11.54	2.59
March	6.60	3.37
April (up to the Latest Practicable Date)	5.97	4.55

The following is a summary of the principal terms of the Share Option Scheme to be conditionally approved and adopted by the Company at the Annual General Meeting. It does not form part of, nor is it intended to be part of the rules of the Share Option Scheme and it would not be taken as affecting the interpretation of the rules of the Share Option Scheme required to be included in the Share Option Scheme pursuant to the Listing Rules.

1. PURPOSE OF THE SCHEME

The purpose of the Scheme is to attract, retain and motivate talented employees to strive towards long term performance targets set by the Group and to provide them with an incentive to work better for the interest of the Group. The Scheme will link the value of the Company with the interests of the Participants, enabling the Participants and the Company to develop together and promote the Company's corporate culture.

2. PARTICIPANTS

Any Director or Employee who the Board considers, in its sole discretion, have contributed or will contribute to the Group.

The basis of eligibility of the Participant to the grant of any Options shall be determined by the Board (or as the case may be, where required under the Listing Rules, the independent non-executive Directors) from time to time on the basis of the Participant's work experience, knowledge in the industry, contribution or potential contribution to the development and growth of the Group. The Directors consider this basis of determination to be fair and reasonable to the Company and the Shareholders as a whole. The Board considers that the Share Option Scheme will incentivise employees of the Group to contribute positively, and facilitate the retention and the recruitment of high-calibre staff of the Group.

3. MAXIMUM NUMBER OF SHARES FOR WHICH OPTIONS MAY BE GRANTED

- (i) Subject to sub-paragraph 3(ii):
 - (a) The total number of Shares which may be issued upon exercise of Options to be granted under the Scheme or any other share option schemes adopted by the Company (and to which the provisions of Chapter 17 of the Listing Rules are applicable) shall not exceed 10% of the aggregate of the Shares in issue on the Adoption Date. Options which have lapsed shall not be counted in calculating the 10% limit.
 - (b) The Company may refresh the 10% limit set out in sub-paragraph 3(i)(a) with Shareholders' approval provided that each such limit (as refreshed) may not exceed the 10% of the Shares in issue as at the date of the Shareholders' approval. Options previously granted under the Scheme and any other share option schemes adopted by the Company (and to which the provisions of

Chapter 17 of the Listing Rules are applicable) (including those outstanding, cancelled or lapsed in accordance with the relevant scheme or exercised options) will not be counted for the purpose of calculating the limit to be refreshed. In such case, the Company shall send a circular to its Shareholders containing the information required under the Listing Rules.

- (c) The Company may seek separate approval by Shareholders in general meeting for granting Options beyond the 10% limit set out in sub-paragraph 3(i)(a) provided that the Options in excess of the limit are granted only to Participants specially identified by the Company before such approval is sought. In such case, the Company shall send a circular to its Shareholders containing the information required under the Listing Rules.
- (ii) Notwithstanding anything in sub-paragraph 3(i) and subject to paragraphs 4 and 5, the total number of Shares which may be issued upon exercise of all Options granted and yet to be exercised under the Scheme or any other share option schemes adopted by the Company (and to which the provisions of Chapter 17 of the Listing Rules are applicable) must not exceed 30% of the Shares in issue from time to time. No Options may be granted under the Scheme and any other share option schemes of the Company if this will result in such limit being exceeded.

4. MAXIMUM ENTITLEMENT TO EACH PARTICIPANT

- (i) Subject to sub-paragraph 4(ii) and paragraph 5, the total number of Shares issued and to be issued upon exercise of the Options granted to each Participant (including both exercised, cancelled and outstanding Options) under the Scheme or any other share option schemes adopted by the Company (and to which the provisions of Chapter 17 of the Listing Rules are applicable) in any 12-month period must not exceed 1% of the Shares in issue.
- (ii) Notwithstanding sub-paragraph 4(i), any further grant of Options which would result in the number of Shares issued as aforesaid exceeding the said 1% limit must be subject to separate prior Shareholders' approval with the relevant Participant and his close associates (as defined under the Listing Rules) (or his associates (as defined under the Listing Rules) if the Participant is a connected person) abstaining from voting. The Company shall send a circular to its Shareholders containing the information required under the Listing Rules. The number and terms (including the exercise price) of the Options to be granted to such Participant shall be fixed before the Shareholders' approval of the grant of such Options and the date of Board meeting for proposing such further grant should be taken as the Offer Date for the purpose of calculating the Exercise Price.

5. GRANT OF OPTIONS TO CONNECTED PERSONS

- (i) In addition to paragraph 4, each grant of Options to any Director, chief executive or substantial shareholder of the Company (or any of their respective associates) (as such terms are defined in rule 1.01 of the Listing Rules) shall be subject to the prior approval of the independent non-executive Directors of the Company (excluding any independent non-executive Director who is a proposed Grantee of the Option).
- (ii) Where any grant of Options to a substantial shareholder or an independent non-executive Director of the Company, or any of their respective associates (as defined under the Listing Rules), would result in the Shares issued and to be issued upon exercise of all Options already granted and to be granted (including Options exercised, cancelled and outstanding) to such person in the 12-month period up to and including the date of such grant:
 - (a) representing in aggregate over 0.1% (or such other higher percentage as may from time to time be specified by the Stock Exchange) of the Shares in issue; and
 - (b) having an aggregate value, based on the closing price of the Shares as stated in the daily quotation sheets issued by the Stock Exchange on the date of such grant, in excess of HK\$5 million (or such other higher amount as may from time to time be specified by the Stock Exchange),

such grant of Options shall be subject to prior approval by the Shareholders (voting by way of poll) in general meeting. The Grantee, his associates (as defined in the Listing Rules) and all core connected persons (as defined in the Listing Rules) of the Company shall abstain from voting in favour at such general meeting. The Company shall send a circular to its Shareholders containing the information required under the Listing Rules.

All core connected persons (as defined in the Listing Rules) of the Company shall abstain from voting at such general meeting, except that any connected person may vote against the relevant resolution at the general meeting provided that his intention to do so has been stated in the circular to be sent to the Shareholders in connection therewith. Any such party may change his mind as to whether to abstain or vote against the resolution, in which case the Company shall, if it becomes aware of the change before the date of the general meeting, immediately despatch a circular to the Shareholders or publish an announcement notifying the Shareholders of the change and, if known, the reason for such change. Where the circular is despatched or the announcement is published less than ten (10) Business Days before the date originally scheduled for the general meeting, the meeting shall be adjourned before considering the relevant resolution to a date that is at least ten (10) Business Days from the date of despatch of the circular or publication of the announcement by the chairman.

6. TIME OF ACCEPTANCE AND EXERCISE OF OPTIONS

An Offer shall be made to a Participant by letter in such form as the Board may from time to time determine requiring the Participant to undertake to hold the Option on the terms on which it is to be granted and to be bound by the provisions of the Scheme and shall remain open for acceptance by the Participant to whom an Offer is made for a period of 28 days from the Offer Date, provided that no such Offer shall be open for acceptance after the tenth anniversary of the Adoption Date or after the Scheme has been terminated in accordance with its provisions.

An Offer shall be deemed to have been accepted when the duplicate letter comprising acceptance of the Offer is duly signed by the Grantee with the number of Shares in respect of which the Offer is accepted clearly stated therein, together with a remittance in favour of the Company of HK\$1.00 (receipt of which shall be deemed to be acknowledged by the Company upon receipt of the duplicate letter comprising acceptance of the offer letter duly signed by the Grantee) by way of consideration for the grant thereof, is received by the Company. Such remittance shall not be refundable.

A Grantee (or where permitted under sub-paragraph 12(ii), his or her legal personal representative(s)) may exercise his or her Option in whole or in part (but, if in part, only in respect of a Board Lot or any integral multiple thereof) in the manner as set out in paragraph 12 by giving notice in writing to the Company stating that the Option is thereby exercised and specifying the number of Shares to be subscribed. Each notice exercising a Share Option must be accompanied by a remittance for the aggregate amount of the Exercise Price multiplied by the number of Shares in respect of which the notice is given. Within 28 days after receipt of the notice and remittance and, where appropriate, receipt of the financial advisors' or the Auditors' certificate pursuant to paragraph 14, the Company shall allot, and shall instruct the Hong Kong Share Registrar to issue, the relevant Shares to the Grantee (or his or her personal representatives) credited as fully paid and issue to the Grantee (or his or her personal representatives) a share certificate in respect of the Shares so allotted.

An Option may be exercised during the Option Period which shall not be more than ten (10) years commencing on the Offer Date and expiring on the last day of such period subject to paragraph 12.

Subject to such terms and conditions as the Board may determine, there is no minimum period for which an Option must be held before it can be exercised.

7. PERFORMANCE TARGETS

Subject to such terms and conditions as the Board may determine, no performance target need to be achieved by the Grantee before the Options can be exercised.

8. EXERCISE PRICE

Subject to any adjustments made pursuant to the terms of the Scheme, the Exercise Price shall be at a price determined by the Board at its absolute discretion and notified to the Participant and shall be at least the highest of:

- (i) the closing price of the Shares as stated in the daily quotation sheet issued by the Stock Exchange on the Offer Date;
- (ii) the average closing price of the Shares as stated in the daily quotation sheets issued by the Stock Exchange for the five Business Days immediately preceding the Offer Date; and
- (iii) the nominal value of a Share on the Offer Date.

9. LIFE OF THE SHARE OPTION SCHEME

Subject to paragraph 16, the Scheme shall be valid and effective for a period of ten (10) years commencing on the Adoption Date after which period no further Options will be granted but the provisions of the Scheme shall in all other respects remain in full force and effect and Options which are granted during the life of the Scheme may continue to be exercisable in accordance with their terms of issue.

10. RANKING OF SHARES

Options granted under the Share Option Scheme do not carry any right to vote in any general meeting of the Company, or any right, dividend, transfer or any other rights, including those arising on the liquidation of the Company. The Shares to be allotted upon the exercise of a Share Option will not carry voting rights until completion of the registration of the Grantee (or any other person) as the holder thereof. Subject to the aforesaid, the Shares to be allotted and issued upon the exercise of an Option will be subject to the provisions of the Articles of Association and will rank *pari passu* with the fully paid Shares in issue as from the date of exercise of the Option and in particular will entitle the holders to participate in all dividends or other distributions paid or made on or after the date of exercise of the Option other than any dividend or other distribution previously declared or recommended or resolved to be paid or made if the record date therefor is before the date of exercise of the Option, provided always that when the date of exercise of the Option falls on a date upon which the register of members of the Company is closed then the exercise of the Option shall become effective on the first Business Day in Hong Kong on which the register of members of the Company is re-opened.

11. ADJUSTMENT

If there is any alteration in the capital structure of the Company while any Options remains exercisable, whether by way of capitalisation of profits or reserves, rights issue, consolidation, subdivision or reduction of the share capital of the Company (other than an issue of Shares as consideration in respect of a transaction to which the Company is a party), such corresponding alterations (if any) shall be made to:

- (a) the number of Shares (without fractional entitlements) subject to the Options so far as unexercised; and/or
- (b) the Subscription Price; and/or
- (c) the maximum number of Shares for which further Options may be granted under the Share Option Plan.

Except alterations made on a capitalization issue, any alteration to the number of Shares which is the subject of the Options and/or the Subscription Price shall be conditional on the auditors or the independent financial adviser appointed by the Company confirming by the issue of certificate to the Board that the alteration is in their opinion fair and reasonable, is made on the basis that the proportion of the issued share capital of the Company to which a Grantee is entitled after such alteration shall remain the same as that to which he was entitled before such alteration. No such alteration shall be made to the effect which would be to enable any Share to be issued at less than its nominal value (where applicable) or which would result in the aggregate amount payable on the exercise of any Options in full being increased.

12. TRANSFERABILITY OF OPTIONS

An Option shall be personal to the Grantee and shall not be assignable or transferable. No Grantee shall in any way sell, transfer, charge, mortgage, encumber or create any interests in favour of any third party over or in relation to any Option.

13. RIGHTS ATTACHING TO OPTIONS

Subject as hereinafter provided and subject to the terms and conditions upon which an Option was granted, the Option may be exercised by the Grantee at any time during the Option Period, provided that:

- (i) (a) in the event a Grantee (being an Employee or a Director of any member of the Group) ceases to be an Employee or a Director for any reason other than (i) his or her death, (ii) his or her retirement, or (iii) on one or more of the grounds of termination of employment, appointment or directorship specified in sub-paragraph 12(i)(b) or 13(vi), the Grantee may exercise the Option up to his or her entitlement at the date of cessation (to the extent he or she is entitled to

exercise at the date of cessation but not already exercised) on the date of such cessation which date shall be the last actual working day with the Group whether salary is paid in lieu of notice or not (provided that such exercise is during the relevant Option Period), failing which it will lapse;

- (b) in the case where the Grantee is an Employee or a Director and where the Grantee ceases to be an Employee or a Director of the Group by reason of the termination of his or her employment, appointment or directorships on the grounds that he or she has become insolvent or has made any arrangements or compositions with his or her creditors generally or by reason of actual financial difficulties, the Grantee shall only be entitled to exercise the Options up to the entitlement of such Grantee as at the date on which such Grantee ceased to be an Employee or a Director of the Group (to the extent not already exercised) on the date of such cessation (provided that such exercise is during the relevant Option Period), failing which it will lapse;
- (ii) in the event the Grantee dies before exercising the Option in full and none of the events for termination of employment or engagement under sub-paragraph 13(vi) then exists with respect to such Grantee, the personal representative(s) of the Grantee shall be entitled within a period of six months from the date of death (provided that such exercise is during the relevant Option Period) to exercise the Option up to the entitlement of such Grantee as at the date of death (to the extent not already exercised), failing which it will lapse;
- (iii) in the event the date of retirement of a Grantee falls before the date of the Grantee exercising the Option in full and none of the events for termination of employment or engagement under sub-paragraph 13(vi) then exists with respect to such Grantee, the Grantee shall be entitled within a period of six months from the date of retirement (provided that such exercise is during the relevant Option period) to exercise the Option up to the entitlement of such Grantee as at the date of retirement (to the extent not already exercised), failing which it will lapse;
- (iv) if a general offer by way of voluntary offer, takeover or otherwise (other than by way of scheme of arrangement pursuant to sub-paragraph 12(v) below) is made to all the holders of Shares (or all such holders other than the offeror, any person controlled by the offeror and any person acting in association or concert with the offeror) and such offer becomes or is declared unconditional prior to the expiry date of the relevant Option, the Company shall forthwith give notice thereof to the Grantee and the Grantee shall be entitled to exercise the Option to its full extent or, if the Company shall give the relevant notification, to the extent notified by the Company at any time within such period as shall be notified by the Company;

- (v) if a general offer for Shares by way of scheme of arrangement is made to all the holders of Shares and has been approved by the necessary number of holders of Shares at the requisite meetings, the Company shall forthwith give notice thereof to all the Grantees and any Grantee may at any time thereafter (but before such time as shall be notified by the Company) exercise the Option to its full extent or, if the Company shall give the relevant notification, to the extent notified by the Company;
- (vi) in the event a notice is given by the Company to its Shareholders to convene a Shareholders' meeting for the purpose of considering and, if thought fit, approving a resolution to voluntarily wind-up the Company, the Company shall forthwith give notice thereof to all the Grantees and any Grantee may at any time thereafter (but before such time as shall be notified by the Company) exercise the Option to its full extent or, if the Company shall give the relevant notification, to the extent notified by the Company, and the Company shall as soon as possible and in any event no later than three days prior to the date of the proposed Shareholders' meeting, allot, issue and register in the name of the Grantee such number of fully-paid Shares which fall to be issued on exercise of such Option;
- (vii) in the event of a compromise or arrangement, other than a scheme of arrangement contemplated in sub-paragraph 12(v) above, between the Company and its members and/or creditors being proposed in connection with a scheme for the reconstruction or amalgamation of the Company (which may cause the Option no longer exercisable), the Company shall give notice thereof to all the Grantees on the same day as it first gives notice of the meeting to its members and/or creditors to consider such a scheme or arrangement and any Grantee may at any time thereafter (but before such time as shall be notified by the Company) exercise the Option to its full extent or, if the Company shall give the relevant notification, to the extent notified by the Company, and the Company shall as soon as possible and in any event no later than three days prior to the date of the proposed meeting, allot, issue and register in the name of the Grantee such number of fully-paid Shares which fall to be issued on exercise of such Option; and
- (viii) in the event of the consummation of the sale, transfer or other disposition of all or substantially all of the Company's assets or the holders of Shares approve a plan of complete liquidation of the Company, the Company shall forthwith give notice thereof to all the Grantees and any Grantee may at any time thereafter (but before such time as shall be notified by the Company) exercise the Option to its full extent or, if the Company shall give the relevant notification, to the extent notified by the Company.

Upon the occurrence of any of the events referred to in sub-paragraphs 12(iv) to 12(viii), the Company may in its discretion and notwithstanding the terms of the relevant Option also give notice to a Grantee that his or her Option may be exercised at any time within such period

as shall be notified by the Company and/or to the extent (not being less than the extent to which it could then be exercised in accordance with its terms) notified by the Company. If the Company gives such notice that any Option shall be exercised in part only, the balance of the Option shall lapse.

14. LAPSE OF OPTION

An Option shall lapse automatically (to the extent vested but not already exercised) on the earliest of:

- (i) the expiry of the Option Period (subject to the provisions of paragraph 9);
- (ii) the expiry of the periods for exercising the Option as referred to in sub-paragraphs 12(i), (ii), (iii), (iv), (vii) or (viii);
- (iii) subject to the scheme of arrangement becoming effective, the expiry of the period for exercising the Option referred to in sub-paragraph 12(v);
- (iv) subject to sub-paragraph 12(vi), the date of commencement of the winding up of the Company;
- (v) the date on which the Grantee commits a breach of paragraph 11;
- (vi) the date on which:

the Grantee (being an Employee or a Director of any member of the Group) ceases to be an Employee or a Director by reason of the termination of his or her employment, appointment or directorship on the grounds that he or she has been guilty of serious misconduct or has been convicted of any criminal offence involving his or her integrity or honesty or on any other ground on which an employer would be entitled to terminate his or her employment summarily,

provided that whether any one or more of the events specified in the above occur in relation to a Grantee shall in the reasonable opinion of the Board be solely and conclusively determined by the Board;

- (vii) where the Grantee is an Employee or a Director of a member of the Group (other than the Company), the date on which such member ceases to be a member of the Group;
- (viii) where there are circumstances not referred to in paragraph 12, the date the Grantee ceases to be a Participant for any reason, unless the Board otherwise determines; and
- (ix) the date on which the Option is cancelled by the Board as provided in paragraph 15.

Unless the Board otherwise determines, an Option granted but not yet vested with the Grantee shall also lapse automatically in the event that the Grantee being an Employee or a Director ceases to be an Employee or a Director, as the case may be, for whatever reason.

15. REORGANIZATION OF CAPITAL STRUCTURE

In the event of any capitalization issue, rights issue, sub-division or consolidation of Shares or reduction of share capital of the Company, but excluding, for the avoidance of doubt, any alteration in the capital structure of the Company as a result of an issue of Shares as consideration in a transaction to which the Company is a party, the Board shall determine what adjustment is required to be made to the Exercise Price and/or the number of Shares to be issued on exercise of the Options, and the auditors or financial advisors engaged by the Company for such purpose shall certify in writing to the Board that such adjustments satisfy the requirements set out in Rule 17.03(13) of the Listing Rules and the note thereto and the supplementary guidance attached to the letter from the Stock Exchange dated 5 September, 2005 to all issuers relating to share option schemes (the “**Supplemental Guidance**”). The capacity of the auditors or financial advisor in this paragraph is that of experts and not of arbitrators and their certification shall, in the absence of manifest error, be final and binding on the Company and the Grantees. The costs of the auditors or financial advisor shall be borne by the Company.

Any such adjustments shall give the participant the same proportion of the equity capital of the Company (as interpreted in accordance with the Supplemental Guidance) and any adjustments to the advantage of the Participants to the Exercise Price or to the number of Shares subject to the Options must be approved by the Shareholders in general meeting, and no adjustment may be made to the extent that Shares would be issued at less than their nominal value. In addition, any adjustment to be made will comply with the Listing Rules, the Supplemental Guidance and any future guidance/interpretation of the Listing Rules issued by the Stock Exchange from time to time.

16. CANCELLATION OF OPTIONS

The Board may cancel Options previously granted to, but not yet exercised by, a Grantee. Where the Company cancels Options and offers new Options to the same Grantee, the offer of such new Options may only be made with available Options to the extent not yet granted (excluding the cancelled Options) within the limit approved by the Shareholders as mentioned in paragraph 3 above.

17. TERMINATION OF THE SHARE OPTION SCHEME

The Company by ordinary resolution of the Shareholders, or the Board, may at any time terminate the operation of this Scheme, and in such event, no further Options will be offered or granted, but in all other respects the Scheme shall remain in full force and effect. Any granted but unexercised Options shall continue to be exercisable in accordance with their terms of issue after the termination of the Scheme.

18. ALTERATION OF THE SHARE OPTION SCHEME

Subject to the terms set out in the paragraph below, the Board may amend any of the provisions of the Scheme (including without limitation amendments in order to comply with changes in legal or regulatory requirements and amendments in order to waive any restrictions, imposed by the provisions of the Scheme, which are not found in Chapter 17 of the Listing Rules) at any time (but not so as to affect adversely any rights which have accrued to any Grantee at that date). Those specific provisions of the Scheme which relate to the matters set out in Rule 17.03 of the Listing Rules cannot be altered to the advantage of the Participants, and no changes to the authority of the Board or administrators of the Scheme in relation to any alteration of the terms herein shall be made, without the prior approval of Shareholders in general meeting.

Any alterations to the terms and conditions of the Scheme which are of a material nature, or any change to the terms of Options granted, must be approved by the Shareholders in general meeting, except where the alterations take effect automatically under the existing terms of the Scheme. The Scheme so altered must comply with Chapter 17 of the Listing Rules.

Any change to the authority of the Board or administrators of the Scheme in relation to any alteration to the terms of the Scheme must be approved by Shareholders of the Company in general meeting.

19. RESTRICTIONS ON THE TIME OF GRANT OF OPTIONS

The Company may not grant any Options after inside information has come to its knowledge until it has announced the information. In particular, it may not grant any Option during the period commencing one month immediately before the earlier of:

- (i) the date of the Board meeting (as such date is first notified to the Stock Exchange under the Listing Rules) for approving the Company's results for any year and half-year (whether or not required under the Listing Rules); and
- (ii) the deadline for the Company to announce its results for any year or half-year under the Listing Rules (whether or not required under the Listing Rules),

and ending on the date of the results announcement. No Option may be granted during any period of delay in publishing a results announcement.

NOTICE OF ANNUAL GENERAL MEETING

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



NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the annual general meeting (the “**Meeting**”) of Newborn Town Inc. (the “**Company**”) will be held at 12/F, Tower A, CEC Development Building, Sanyuanqiao, Chaoyang District, Beijing, PRC on Monday, 31 May 2021 at 10:00 a.m. at for considering and, if thought fit, passing, with or without amendments, the following resolutions as ordinary resolutions of the Company:

ORDINARY RESOLUTIONS

1. To receive and adopt the audited consolidated financial statements of the Company and its subsidiaries and the reports of the directors and auditor for the year ended 31 December 2020.
2. (a) To re-elect the following retiring directors of the Company (the “**Directors**”):
 - (i) Mr. LIU Chunhe, as an executive Director
 - (ii) Mr. LI Ping, as an executive Director
 - (iii) Mr. YE Chunjian, as an executive Director
 - (iv) Mr. SU Jian, as an executive Director
 - (v) Mr. PAN Xiya, as an independent non-executive Director
 - (vi) Mr. CHI Shujin, as an independent non-executive Director
 - (vii) Mr. HUANG Sichen, as an independent non-executive Director
- (b) To authorise the board of Directors (the “**Board**”) to fix the remuneration of the Directors.

NOTICE OF ANNUAL GENERAL MEETING

3. To re-appoint PricewaterhouseCoopers as auditor of the Company and authorise the Board to fix its remuneration.
4. To consider and, if thought fit, pass the following resolutions as ordinary resolutions:

(A) **“That:**

- (i) subject to paragraph (iii) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue or otherwise deal with additional shares in the capital of the Company or securities convertible into shares, or options, warrants or similar rights to subscribe for shares or such convertible securities of the Company and to make or grant offers, agreements and/or options (including bonds, warrants and debentures convertible into shares of the Company) which may require the exercise of such powers be and is hereby generally and unconditionally approved;
- (ii) the approval in paragraph (i) above shall be in addition to any other authorisation given to the Directors and shall authorise the Directors during the Relevant Period (as hereinafter defined) to make or grant offers, agreements and/or options which may require the exercise of such power after the end of the Relevant Period;
- (iii) the aggregate number of shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to options or otherwise) by the Directors during the Relevant Period (as hereinafter defined) pursuant to paragraph (i) above, otherwise than pursuant to (1) a Rights Issue (as hereinafter defined); or (2) the grant or exercise of any option under the share option scheme of the Company or any other option, scheme or similar arrangement for the time being adopted for the grant or issue to the directors, officers and/or employees of the Company and/or any of its subsidiaries of shares or rights to acquire shares of the Company; or (3) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the articles of association of the Company in force from time to time; or (4) any issue of shares in the Company upon the exercise of rights of subscription or conversion under the terms of any existing convertible notes issued by the Company or any existing securities of the Company which carry rights to subscribe for or are convertible into shares of the Company, shall not exceed the aggregate of 20 per cent of the number of issued shares of the Company as at the date of passing this resolution and the said approval shall be limited accordingly; and

NOTICE OF ANNUAL GENERAL MEETING

(iv) for the purpose of this resolution:

(a) “Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:

(1) the conclusion of the next annual general meeting of the Company;

(2) the expiration of the period within which the next annual general meeting of the Company is required by any applicable laws or the articles of association of the Company to be held; and

(3) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting; and

(b) “Rights Issue” means an offer of shares of the Company, or an offer or issue of warrants, options or other securities giving rights to subscribe for shares, open for a period fixed by the Directors to holders of shares of the Company or any class thereof whose names appear on the register of members on a fixed record date in proportion to their then holdings of such shares or class thereof (subject to such exclusion or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or, having regard to any restrictions or obligations under the laws of, or the requirements of, or the expense or delay which may be involved in determining the exercise or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction applicable to the Company, any recognised regulatory body or any stock exchange applicable to the Company).”

(B) “That:

(i) subject to paragraph (iii) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase shares of the Company on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) or on any other stock exchange on which the shares of the Company may be listed and recognized for this purpose by the Securities and Futures Commission and the Stock Exchange under the Code on Share Buy-backs and, subject to and in accordance with all applicable laws and the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”), be and is hereby generally and unconditionally approved;

NOTICE OF ANNUAL GENERAL MEETING

- (ii) the approval in paragraph (i) of this resolution above shall be in addition to any other authorisation given to the Directors and shall authorise the Directors on behalf of the Company during the Relevant Period (as hereinafter defined) to procure the Company to repurchase its shares at a price determined by the Directors;
- (iii) the aggregate number of the shares of the Company, which may be repurchased by the Company during the Relevant Period (as hereinafter defined) pursuant to the approval in paragraph (i) above shall not exceed 10 per cent of the number of the issued shares of the Company as at the date of passing of this resolution, and the said approval shall be limited accordingly;
- (iv) subject to the passing of each of the paragraphs (i), (ii) and (iii) of this resolution, any prior approvals of the kind referred to in paragraphs (i), (ii) and (iii) of this resolution which had been granted to the Directors and which are still in effect be and are hereby revoked; and
- (v) for the purpose of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:

- (a) the conclusion of the next annual general meeting of the Company;
- (b) the expiration of the period within which the next annual general meeting of the Company is required by any applicable laws or the articles of association of the Company to be held; and
- (c) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting.”

- (C) “**That** conditional upon the resolutions numbered 4(A) and 4(B) set out in the notice convening this meeting being passed, the general mandate granted to the Directors to exercise the powers of the Company to allot, issue and otherwise deal with new shares of the Company and to make or grant offers, agreements and options which might require the exercise of such powers pursuant to the ordinary resolution numbered 4(A) set out in the notice convening this meeting be and is hereby extended by the addition to the number of the shares of the Company which may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to such general mandate of an amount representing the number of the shares of the Company repurchased by the Company under the authority granted pursuant to ordinary resolution numbered 4(B) set out in the notice convening this meeting, provided that such extended amount shall not exceed 10 per cent of the number of the issued shares of the Company as at the date of passing of this resolution.”

NOTICE OF ANNUAL GENERAL MEETING

5. “**That** subject to and conditional upon the Stock Exchange granting approval of the listing of and permission to deal in the shares falling to be issued pursuant to the exercise of any options granted under the share option scheme referred to in the circular despatched to the shareholders of the Company on the same day as this notice, the terms of which are set out in the printed document marked “A” now produced to this meeting and for the purpose of identification signed by the Chairman of this meeting hereof (the “**Share Option Scheme**”), the Share Option Scheme be and is hereby approved and adopted by the Company and that the directors of the Company be authorised, at their sole discretion, to:
- (a) grant options in accordance with the Share Option Scheme, provided that the total number of shares of the Company which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other share option schemes of the Company (if any), shall not exceed 10% of the issued shares of the Company as at the date of passing this resolution;
 - (b) alter and/or modify the Share Option Scheme from time to time provided that such alteration and/or modification is effected in accordance with the provisions of the Share Option Scheme relating to the alteration and/or modification and subject to Chapter 17 of the Listing Rules;
 - (c) allot and issue from time to time such number of shares of the Company as may be required to be allotted and issued pursuant to the exercise of options granted under the Share Option Scheme and subject to the Listing Rules; and
 - (d) take all such steps as may be necessary, desirable and/or expedient to implement the Share Option Scheme.”

By order of the Board
Newborn Town Inc.
LIU Chunhe
Chairman

Hong Kong, 14 April 2021

Registered office:
The offices of Maples Corporate Services Limited
PO Box 309
Ugland House
Grand Cayman, KY1-1104
Cayman Islands

*Principal place of business
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Room 1903-4, Floor 19
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161 Des Voeux Road Central
Hong Kong

NOTICE OF ANNUAL GENERAL MEETING

Notes:

- (i) Ordinary resolution numbered 4(C) will be proposed to the shareholders for approval provided that ordinary resolutions numbered 4(A) and 4(B) are passed by the shareholders of the Company.
- (ii) A shareholder entitled to attend and vote at the Meeting is entitled to appoint another person as his/her proxy to attend and vote instead of him/her; a proxy need not be a shareholder of the Company. A shareholder who is the holder of two or more shares may appoint more than one proxy to represent him/her and vote on his/her behalf at the Meeting. On a poll, votes may be given either personally or by proxy.
- (iii) In the case of joint holders, any one of such joint holders may vote at the Meeting, either in person or by proxy, in respect of such share as if he/she were solely entitled thereto, but if more than one of such joint holders be present at the Meeting, the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the vote(s) of the other joint holder(s) and for this purpose seniority shall be determined as that one of the said persons so present whose name stands first on the register of members of the Company in respect of such share shall alone be entitled to vote in respect thereof.
- (iv) In order to be valid, a form of proxy must be deposited at the Hong Kong branch share registrar and transfer office of the Company, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong together with the power of attorney or other authority (if any) under which it is signed (or a notarially certified copy thereof) not less than 48 hours before the time appointed for the holding of the above meeting (i.e. before 10:00 a.m. on 29 May 2021) or any adjournment thereof. The completion and return of the form of proxy shall not preclude shareholders of the Company from attending and voting in person at the above meeting (or any adjourned meeting thereof) if they so wish.
- (v) The transfer books and register of members of the Company will be closed from Wednesday, 26 May 2021 to Monday, 31 May 2021, both days inclusive, during which period no share transfers can be registered. In order to qualify for attending the Meeting, all transfers accompanied by the relevant share certificates must be lodged with the Hong Kong branch share registrar and transfer office of the Company, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Tuesday, 25 May 2021.

As at the date of this notice, the executive Directors of the Company are Mr. LIU Chunhe, Mr. LI Ping, Mr. YE Chunjian and Mr. SU Jian; and the independent non-executive Directors of the Company are Mr. PAN Xiya, Mr. CHI Shujin and Mr. HUANG Sichen.