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Starrise Media Holdings Limited

星宏傳媒控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1616)

**DISCLOSEABLE TRANSACTION IN RELATION TO
THE ACQUISITION OF THE ENTIRE ISSUED SHARES IN
DIGITAL LIGHT YEAR TECHNOLOGY CO., LIMITED
INVOLVING THE ISSUE OF CONSIDERATION SHARES UNDER
GENERAL MANDATE**

INTRODUCTION

The Board is pleased to announce that on 18 November 2021 (after trading hours), the Purchaser (a direct wholly-owned subsidiary of the Company) has entered into the Sale and Purchase Agreement with the Vendor, pursuant to which the Vendor has conditionally agreed to sell, and the Purchaser has conditionally agreed to purchase the Sale Shares, representing the entire issued shares of the Target Company at the Consideration of HK\$29,200,000, which shall be fully settled and discharged at Completion by the allotment and issuance of the Consideration Shares at the Issue Price of HK\$0.158 per Consideration Share.

Upon Completion, the Target Company will become an indirect wholly-owned subsidiary of the Company and the financial results of the Target Company will be consolidated in the Group's financial statements.

ISSUE OF CONSIDERATION SHARES UNDER GENERAL MANDATE

The Consideration Shares will be allotted and issued under the General Mandate. As at the date of this announcement, no new Shares have been issued under the General Mandate. Accordingly, the General Mandate is sufficient for the allotment and issue of the Consideration Shares and the issue of the Consideration Shares will not be subject to the approval of Shareholders.

LISTING RULES IMPLICATIONS

As one or more than one of the applicable percentage ratios (as defined under the Listing Rules) in relation to the Acquisition are more than 5% but lower than 25%, the Acquisition constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting and announcement requirements under the Listing Rules.

Shareholders and potential investors of the Company should note that the Completion of the Acquisition is subject to the satisfaction of certain condition precedent under the Sale and Purchase Agreement, and the Completion may or may not proceed. Shareholders and potential investors of the Company are therefore advised to exercise caution when dealing in the Shares.

THE ACQUISITION

The Board is pleased to announce that on 18 November 2021 (after trading hours), the Purchaser, a direct wholly-owned subsidiary of the Company, entered into the Sale and Purchase Agreement with the Vendor and the Guarantor, pursuant to which the Vendor has conditionally agreed to sell, and the Purchaser has conditionally agreed to purchase the Sale Shares, representing the entire issued shares of the Target Company at the Consideration of HK\$29,200,000, which shall be fully settled and discharged at Completion by the allotment and issuance of the Consideration Shares at the Issue Price of HK\$0.158 per Consideration Share.

THE SALE AND PURCHASE AGREEMENT

The principal terms of the Share and Purchase Agreement are set out below:

Date: 18 November 2021 (after trading hours)

Parties:

1. Tai Group Co., Limited, as the Vendor;
2. Star Will Investments Limited, as the Purchaser; and
3. Deng Di, as the Guarantor.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Vendor and its respective ultimate beneficial owners are third parties independent from the Company and its connected persons (as defined in the Listing Rules) as at the date of this announcement.

Assets to be acquired

Pursuant to the terms of the Sale and Purchase Agreement, the Vendor has conditionally agreed to sell, and the Purchaser has conditionally agreed to purchase the Sale Shares, representing the entire issued shares of the Target Company.

Consideration

The total Consideration is HK\$29,200,000, which shall be fully settled and discharged at Completion by the Company's issuance and allotment of 184,810,126 Consideration Shares under the General Mandate at the Issue Price of HK\$0.158 per Consideration Share.

The Consideration was determined after arm's length negotiations between the Purchaser and the Vendor, taking into account the unaudited consolidated net asset value (the "NAV") of the Target Company in the amount of HK\$29,246,405.30 as at 15 November 2021 and the results of due diligence performed. In particular, the Target Group (through Beijing Millennium Light Year Information Technology Co., Ltd*) owned a number of intellectual properties (the "IP") rights including invention patents regarding cloud computing and cloud gaming as at the date of this announcement respectively, the value of which were reflected in the NAV of the Target Company as at 15 November 2021.

Consideration Shares

The 184,810,126 Consideration Shares represent:

- (i) approximately 9.40% of the total issued Shares of the Company as at the date of the Acquisition Agreement; and
- (ii) approximately 8.59% of the total issued Shares of the Company as enlarged by the allotment and issue of the Consideration Shares, assuming that no further Shares have been issued or repurchased from the date of this announcement to Completion.

The Consideration Shares will be allotted and issued under the General Mandate. The Consideration Shares, when allotted and issued, shall be credited as fully paid and rank pari passu amongst themselves and with all other Shares in issue of the Company.

Issue Price

The Issue Price of HK\$0.158 per Consideration Share represents:

- (i) an equivalent of the closing price of HK\$0.158 per Share as quoted on the Stock Exchange on the date of the Sale and Purchase Agreement; and
- (ii) a discount of approximately 0.63% to the average closing price of HK\$0.159 per Share as quoted on the Stock Exchange for the five consecutive trading days immediately prior to the date of the Sale and Purchase Agreement.

The Issue Price was determined after arm's length negotiation between the Vendor and the Purchaser with reference to the prevailing market price of the Shares. The Directors consider the Issue Price is fair and reasonable and in the interests of the Company and its Shareholders as a whole.

Conditions precedent

Completion of the Sale and Purchase Agreement is conditional upon, inter alia, the following conditions (the “**Conditions**”) being fulfilled or waived (where applicable):

- (a) the Purchaser having completed its due diligence over, inter alia, the business, assets, financial results and performance, material contracts, legal and corporate structure of the Target Group, and being satisfied with the result of such due diligence in its absolute discretion;
- (b) no events having occurred (or would reasonably be expected to occur) which may result in any material adverse effect on the Target Group between the date of the latest accounts of the Target Company and Completion;
- (c) all of the warranties given by the Vendor being true, accurate and not misleading at all time between the date of the Sale and Purchase Agreement and Completion;
- (d) each of the core technical personnel and senior management as selected by the Purchaser (collectively, the “**Core Management and Technical Team**”) having entered into an employment contract with the Target Group, for a term of not less than 2 years from the Completion Date and on terms in accordance with prevailing market rate;
- (e) the Purchaser having obtained a valuation report from an independent valuer, in form and substance satisfactory to the Purchaser in its absolute discretion, showing that the fair value of the net assets of the Target Group as at 15 November 2021 is not less than HK\$29,200,000; and
- (f) the parties having complied with all applicable requirements under the Listing Rules, and/or having completed, obtained and fulfilled all necessary approvals, notices and clearances of any relevant authorities (including but not limited to the Stock Exchange granting the listing of, and permission to deal in, the Consideration Shares) or other relevant third parties as required in relation to the Sale and Purchase Agreement and the transaction contemplated thereunder, if applicable.

Each of the Purchaser and the Vendor shall use its reasonable endeavours to procure that all Conditions above are satisfied on or before 31 December 2021 (the “**Long Stop Date**”). The Purchaser may at its sole discretion waive any of the above Conditions (a) to (e) at any time by written notice to the Vendor.

If the Conditions are not fulfilled or waived before the Long Stop Date (or such other date as the parties may agree in writing), the Sale and Purchase Agreement shall lapse and become null and void and the parties shall be released from all obligations thereunder save for liabilities for any antecedent breaches thereof.

Guarantee by the Guarantor

The Guarantor unconditionally and irrevocably guarantee and warrant to the Purchaser the due and timely observance and performance by the Vendor of all commitments and obligations that ought to be observed and performed under the Sale and Purchase Agreement, and covenant to indemnify the Purchaser in full against all losses and damages as a result of any failure of the Vendor to perform or comply with their obligations under the Sale and Purchase Agreement.

Completion

Completion shall take place within 3 business days after the day on which the last Condition is fulfilled or waived or such other date as the parties may otherwise agree in writing.

INFORMATION OF THE VENDOR AND THE GUARANTOR

The Vendor is a company incorporated Hong Kong with limited liability. Based on the information provided by the Vendor, it is an investment holding company with its subsidiaries being principally engaged in the provision of cloud gaming, software development and technology consulting services in the PRC, and its entire issued shares are beneficially owned by the Guarantor.

Based on the information provided by the Vendor, the Guarantor is a PRC citizen. Details of the background and experience of the Guarantor is set out under the paragraph “Core Management and Technical Team” in section “INFORMATION OF THE TARGET GROUP” below.

INFORMATION OF THE TARGET GROUP

The Target Company

The Target Company is an investment holding company incorporated in Hong Kong with limited liability. As at the date of this announcement, the Target Company is wholly owned by the Vendor.

Beijing Millennium Light Year Information Technology Co., Ltd* (北京千禧光年信息技術有限公司) (“**Beijing Millennium**”)

Beijing Millennium is a limited liability company established in the PRC and is principally engaged in the business of, inter alia, the provision of cloud gaming, software development and technology consulting services. As at the date of this announcement, Beijing Millennium is wholly owned by the Target Company.

Xi’an Digital Light Year Software Development Co., Ltd* (西安數字光年軟件開發有限公司) (“**Xi’an Digital Light Year**”)

Xi’an Digital Light Year is a limited liability company established in the PRC and is principally engaged in the business of, inter alia, the provision of software development, internet data, digital content production services. As at the date of this announcement, Xi’an Digital Light Year is owned as to 70% by Beijing Millennium and as to 30% by Xi’an Qujiang Cultural and Commercial Industry Investment Partnership* (西安曲江文商產業投資合作企業(有限合伙)) (“**Xi’an Qujiang**”).

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, each of the equity owners of the members of the Target Group and their respective ultimate beneficial owners are third parties independent from the Company and its connected persons (as defined in the Listing Rules) as at the date of this announcement.

Financial Information of the Target Group

The Target Company has been an investment holding company since the incorporation of the Target Company and does not hold any assets other than its shareholding in Beijing Millennium; whilst no audited accounts or management accounts have been prepared by Xi'an Digital Light Year for the two financial years ended 31 December 2020 since it was incorporated in August 2021. Set out in the below are financial information of Beijing Millennium (being the major operating subsidiary of the Target Group) for the two financial years ended 31 December 2020:

	For the year ended 31 December 2019 RMB Approximately	For the year ended 31 December 2020 RMB Approximately
Revenue	0	0
Profit/(loss) before tax	(2,933)	(68)
Profit/(loss) after tax	(2,933)	(68)

Core Management and Technical Team

As part of the Conditions to the Acquisition, the Group shall select and retain several key managerial and technical personnel as the Core Management and Technical Team in the Target Group to oversee the day-to-day business operations of the Target Group, including Mr. Deng Di, Mr. Zhou Bing, Mr. Xu Chao and Mr. Xu Hongpeng. Set out in the below are their biographical details:

Mr. Deng Di (“**Mr. Deng**”), aged 40, is the chairman of the board of Beijing Millennium. Since graduating from the Tsinghua University in 2003 with a bachelor degree, Mr. Deng has been actively involved and has over 10 years of experience in the fields of cloud computing and block-chain technology. He is titled “expert in cloud computing” by the Chinese Ministry of Industry and Information Technology in 2013 and he was awarded the Industry Contribution Award (China) in the 2020 Davos Block-chain Economic Forum. He is currently the executive director of the China Mergers & Acquisitions Association, a director at the China Block-chain Professional Committee and a member of the China National Internet Financial Security Technical Expert Committee. He actively involves in the promotion and development of Metaverse in China, including his participations in the forums relating to Metaverse and in the Hong Kong Block-chain Association as the honorary chairman. After completion of the Acquisition, Mr. Deng will remain as the chairman of the board of Beijing Millennium and will continue to be responsible for the overall planning, extension and implementation of business projects (particularly in Metaverse-related projects) of the Target Group.

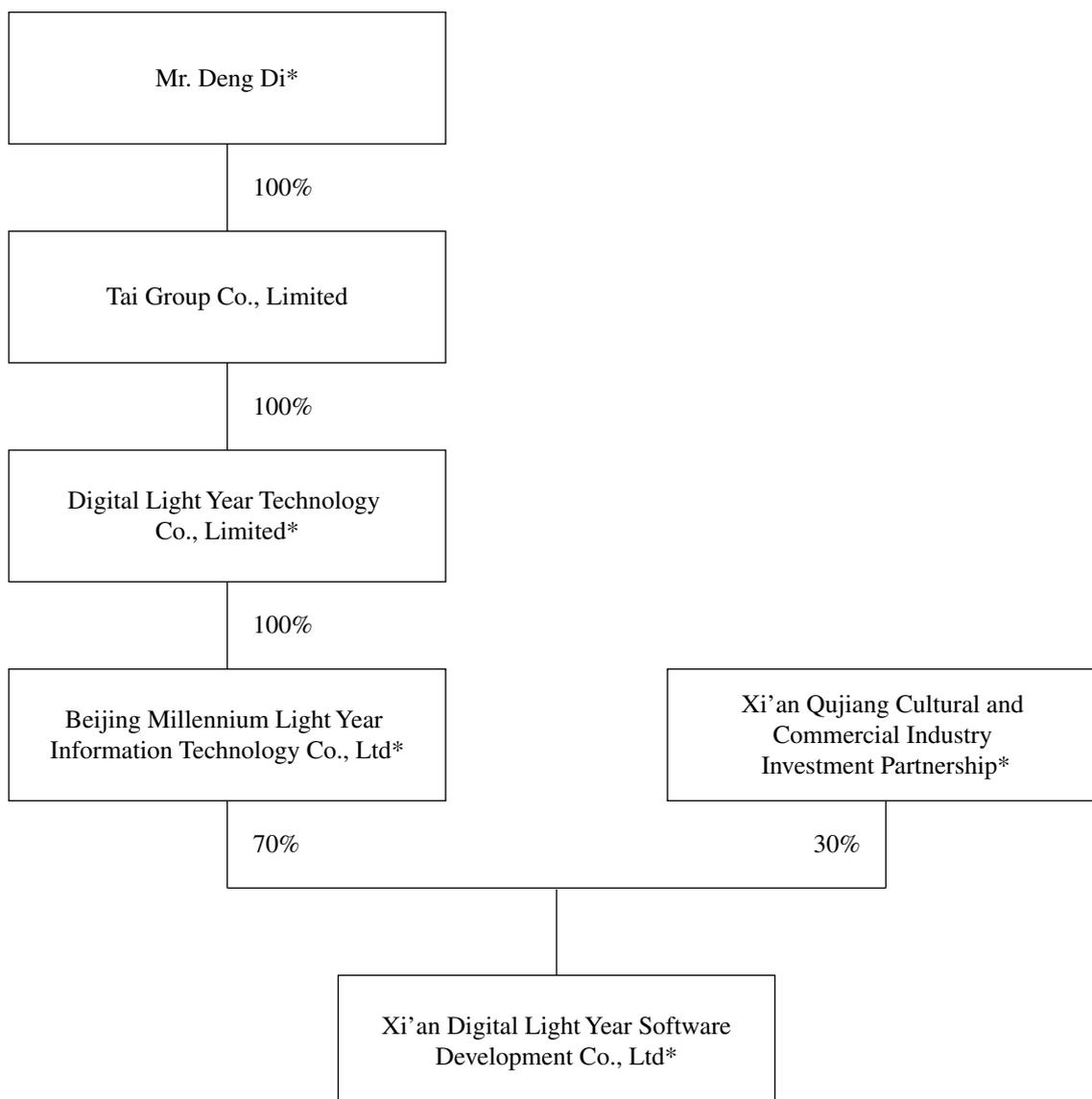
Mr. Zhou Bing (“**Mr. Zhou**”), aged 49, is the chief strategy officer of Xi’an Digital Light Year. Mr. Zhou has obtained a master’s degree in computer science and engineering from the Helsinki University of Technology in 2003, followed by another master’s degree in business management from the Tsinghua University in 2020. Mr. Zhou has accumulated various experiences including in the field of energy technology and online commerce. Mr. Zhou has over 10 years of experience in the field of financial technology, with 4 years of particular emphasis in block-chain applications and cryptocurrency exchange. From 2008 to 2014, he worked as a research and development director in a multinational technology and telecommunications corporation. He co-authored the book “In-Depth Understanding of Enterprise-Level Block-Chain Quorum and IPFS”* (《深入理解企業級區塊鏈Quorum和IPFS》) in 2021, and is currently the co-chairman of the Hong Kong Block-chain Association. After completion of the Acquisition, Mr. Zhou will remain as the chief strategy officer of Xi’an Digital Light Year and will continue to be responsible for the strategic planning and deployment of business projects (particularly in Metaverse-related projects) of the Target Group.

Mr. Xu Chao, aged 35, is the research and development supervisor of Xi’an Digital Light Year. Mr. Xu Chao graduated from the Chongqing University with a bachelor degree specialising in measurement and control technology in 2009 and is an expert in the application of C++ programming. From 2011 to 2016, Mr. Xu Chao previously worked as senior development engineer at a number of top gaming companies, from which he gained vast experience in developing of virtual reality worlds/platforms, specifically with the application of virtual reality interaction, artificial intelligence (“**AI**”) and in the area of system optimisation. After completion of the Acquisition, Mr. Xu Chao will remain as the research and development supervisor of Xi’an Digital Light Year and will continue to be responsible for the development and designing of business projects (particularly in Metaverse-related projects) of the Target Group.

Mr. Xu Hongpeng, aged 30, is the director for visual design of Xi’an Digital Light Year. From 2019 to 2020, Mr. Xu Hongpeng was responsible for the visual design for a world championship series of a widely-popular video game organised by a renowned esports organisation in China and has accumulated considerable experience in formulating and the designing of aesthetic themes, as well as output verification for projects. After completion of the Acquisition, Mr. Xu Hongpeng will remain as the visual design director of Xi’an Digital Light Year and will continue to be responsible for the visual design and the creation of merchandise in relation to business projects (particularly in Metaverse-related projects) of the Target Group.

GROUP STRUCTURE OF THE TARGET GROUP

As at the date of this Announcement, the shareholding structure of the Target Group is as follows:



REASONS FOR AND BENEFITS OF THE ACQUISITION

The principal business of the Company is investment holding. The Group is principally engaged in the licensing of drama series and films and the production of drama series and films, and distribution and related services. As at the date of this announcement, the Purchaser is a company incorporated in the British Virgin Islands with limited liability and a direct wholly-owned subsidiary of the Company.

As disclosed in the Company's Annual Report for the year ended 31 December 2020, the unexpected COVID-19 pandemic has made a significant impact on China's film and movie industry. In particular, the government imposed various quarantine and crowd-control measures since early 2020 in order to prevent further spreading of COVID-19, causing unexpected delays in the filming and release schedules of the movies and closure of theatres and cinemas until mid-2020. The increasing popularity in television and internet dramas that focus on providing cultural and entertainment values (e.g. online variety shows, short videos, game shows), together with the policy imposed by the National Radio and Television Administration limiting the number of episodes of dramas, further imposed challenges to the traditional drama industry in China.

Whilst the Group's financial performance has shown signs of recovery by recognising revenue of approximately RMB74.4 million for the six months ended 30 June 2021 (30 June 2020: approximately RMB30.5 million), the Group has been actively exploring opportunities to diversify its business portfolio and broaden its source of income in case of resurgence of COVID-19 confirmed cases or other unforeseen circumstances that would adversely affect the Group's existing Media Business. Minded that the Group has developed and maintained an abundant amount of IP resources through its wholly-owned subsidiaries Beijing Starrise Pictures Co., Ltd and Beijing Starwise Culture Media Co., Ltd, the Board has been also considering innovative solutions and business opportunities that could maximise the value and utilisation of the IP resources available to the Group whilst keeping the Group in trend with the recent developments in the media industry. With the understanding that the commercial applications of IPs through "Metaverse" has become increasingly popular around the world and in China, the Group began to explore the concept of "Metaverse" and related business opportunities.

"Metaverse" is the convergence of physical, augmented and virtual reality in a shared digital space. Utilising 3D-reconstruction technologies, avatar software and infrastructures such as cloud engine, Metaverse can reconstruct a digital world replica of a physical world with digital identities as an interface for users to enter the digital world. Block-chain technologies and non-fungible tokens (NFT) that allow digital items or properties to be owned, sold and transferred within the digital world further realise the commercial application of Metaverse. Recent applications of Metaverse includes Facebook's development of online collaborative software to facilitate online meeting and social networking on a Metaverse platform, reconstruction of the universe of a popular science fiction "Three-Body" in an exhibition and creation of VR content using scripts and identities of the drama series and film IPs.

Having considered that:

- (i) the Acquisition would allow the Group to utilise the IPs owned by the Target Group (representing over 60% of the NAV of the Target Company as at 15 November 2021 which form the basis for determination of the Consideration) and the Group's existing IPs, with the view to further maximise the commercial value of these IPs and diversify the medium for utilising and exploiting the IPs available to the Group through, for instance, the Metaverse. In particular, given the ease of access and increasing reliance on technology and internet by people around the globe, the digital world created in Metaverse would not be subject to any geographical constraints and will be able to reach and be accessed by a wider audience which made digital interactions in such Metaverse possible even under terrible weather conditions or quarantine measures;
- (ii) the Company, having understood all the licences, infrastructure, softwares and technological support that are essential or necessary for the operation of the Target Group's business, conducted its independent due diligence on the licences and resources owned or otherwise available to the Target Group, the background and qualifications of the Core Management and Technical Team as well as the progress of negotiations with cooperative partners to launch new projects involving the construction of commercialised Metaverse; and
- (iii) the Consideration, which would be satisfied by the issuance of Consideration Shares upon Completion pursuant to the Sale and Purchase Agreement, was determined after arm's length negotiations between the Purchaser and the Vendor with reference to the NAV of the Target Company as at 15 November 2021 and the prevailing market price of the Shares. Such NAV of the Target Company is mainly attributable to the value of the IPs owned by the Target Group,

the Directors consider that the terms of the Acquisition (including the Consideration and the issuance of the Consideration Shares under General Mandate) are fair and reasonable, on normal commercial terms and the Acquisition is in the interest of the Company and the Shareholders as a whole.

ISSUE OF CONSIDERATION SHARES UNDER GENERAL MANDATE

At the annual general meeting of the Company held on 28 May 2021, a resolution was passed by the Shareholders to grant to the Directors the General Mandate to, amongst other things, allot, issue and deal with new Shares not exceeding 20% of the total number of Shares of the Company in issue as at the date of passing such resolution. Accordingly, the Company is authorised to issue a maximum of 329,250,816 Shares under the General Mandate.

The Consideration Shares will be allotted and issued under the General Mandate. As at the date of this announcement, no new Shares have been issued under the General Mandate. Accordingly, the General Mandate is sufficient for the allotment and issue of the Consideration Shares and the issue of the Consideration Shares will not be subject to the approval of Shareholders.

APPLICATION FOR LISTING

Application will be made by the Company to the Stock Exchange for the listing of, and permission to deal in, the Consideration Shares.

EFFECT ON SHAREHOLDING STRUCTURE OF THE COMPANY

As at the date of this announcement, the Company has 1,966,766,900 Shares in issue. Set out below is the shareholder structure of the Company (i) as at the date of this announcement; and (ii) immediately after the issuance and allotment of the Consideration Share, assuming that no further Shares have been issued or repurchased from the date of this announcement to Completion:

Shareholders	Immediately before issuance and allotment of the Consideration Share		Immediately after the issuance and allotment of the Consideration Share	
	<i>No. of Shares</i>	<i>Approximate %</i>	<i>No. of Shares</i>	<i>Approximate %</i>
Cinedigm Corp.	366,590,397	18.64%	366,590,397	17.04%
Aim Right Ventures Limited (<i>Note 1</i>)	320,512,820	16.29%	320,512,820	14.90%
Excel Orient (Hong Kong) Limited	307,809,902	15.65%	307,809,902	14.31%
Jinbi Market (Hong Kong) Limited (<i>Note 2</i>)	303,609,790	15.44%	303,609,790	14.11%
He Han	13,998,000	0.71%	13,998,000	0.65%
Public Shareholder				
The Vendor	–	–	184,810,126	8.59%
Other Public Shareholders	654,245,991	33.27%	654,245,991	30.41%
Total	<u>1,966,766,900</u>	<u>100.00%</u>	<u>2,151,577,026</u>	<u>100.00%</u>

Notes:

- Aim Right is a limited liability company incorporated in the BVI wholly owned by Mr. Liu Zhihua.
- Jinbi Market HK is a company incorporated in Hong Kong with limited liability, the entire issued share capital of which is wholly owned by Yunnan Jinma Biji Tourism Hypermall Co., Ltd.* (雲南金馬碧雞旅遊商城股份有限公司) (“**Yunnan Jinma**”).

The entire issued share capital of Yunnan Jinma is owned as to 83.72% by Kunming Municipal Infrastructure Integrated Development and Construction (Group) Shares Co., Ltd.* (昆明市政基礎設施綜合開發建設(集團)股份有限公司) (“**Kunming Construction**”), as to 2.33% by Pioneer Investment Co., Ltd.* (先鋒投資有限公司) (“**Pioneer Investment**”) and the remaining 13.95% being held by 4 other independent third parties with their respective shareholdings not exceeding 10% of the issued share capital of Yunnan Jinma.

The entire issued share capital of Kunming Construction is owned (a) as to 69.34% by Pioneer Investment, which in turn is owned as to 70% by Shi Zhengmin (石政民) and 30% by Shi Yimin (石義民); (b) 8.17% by Chen Hongbing (陳宏兵); and (c) as to the remaining 22.49% being held by 4 other independent third parties (with their ultimate beneficial shareholders being State-own Legal-person Shareholder) with their respective shareholdings not exceeding 10% of the issued share capital of Kunming Construction.

LISTING RULES IMPLICATIONS

As more than one of the applicable percentage ratios (as defined under the Listing Rules) in relation to the Acquisition are more than 5% but lower than 25%, the Acquisition constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting and announcement requirements under the Listing Rules.

Shareholders and potential investors of the Company should note that the Completion of the Acquisition is subject to fulfilment (or waiver, if applicable) of certain conditions precedent under the Sale and Purchase Agreement, and the Completion may or may not proceed. Shareholders and potential investors of the Company are therefore advised to exercise caution when dealing in the Shares.

DEFINITIONS

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

“Acquisition”	the acquisition of the Sale Shares by the Purchaser from the Vendor pursuant to the terms and conditions of the Sale and Purchase Agreement
“Board”	the board of Directors
“business day(s)”	a day (other than a Saturday, Sunday or public holiday or a day on which a typhoon signal no. 8 or above or black rainstorm signal is hoisted in Hong Kong between 9:00 a.m. to 5:00 p.m.) on which licensed banks in Hong Kong are generally open for business throughout their normal business hours
“Company”	Starrise Media Holdings Limited, a company incorporated in the Cayman Islands on 24 February 2010 as an exempted company with limited liability, whose Shares are listed on the Main Board of the Stock Exchange
“Completion”	completion of the Acquisition in accordance with the terms and conditions of the Sale and Purchase Agreement
“Completion Date”	the day where all Conditions Precedent have been satisfied or 3 business days after the Purchaser has waived such an requirement or any other date as mutually agreed by the Vendor and the Purchaser in writing
“Consideration”	the sum of HK\$29,200,000 to be paid by the Purchaser to the Vendor for the Sale Shares

“Consideration Share(s)”	the 184,810,126 new Share(s) to be allotted and issued by the Company at the Issue Price to the Vendor as the Consideration
“Director(s)”	the director(s) of the Company
“General Mandate”	the general mandate granted to the Directors by the Shareholders at the annual general meeting of the Company 28 May 2021 to allot, issue and deal with up to 20% of the then issued share capital as at 28 May 2021
“Group”	the Company and its subsidiaries from time to time
“Guarantor”	Mr. Deng Di
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Issue Price”	the issue price of HK\$0.158 per Consideration Share
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Metaverse”	the convergence of physical, augmented and virtual reality in a shared digital space
“PRC”	The People’s Republic of China, which for the purpose of this announcement, excludes Hong Kong, Macau and Taiwan
“Purchaser”	Star Will Investments Limited, a company incorporated in British Virgin Islands with limited liability and a direct wholly-owned subsidiary of the Company
“Sale and Purchase Agreement”	the sale and purchase agreement dated 18 November 2021 entered into between the Purchaser, the Vendor and the Guarantor in relation to the Acquisition
“Sale Shares”	10,000 ordinary shares of the Target Company which represent in total 100% of the entire issued shares of the Target Company

“Share(s)”	the ordinary share(s) with nominal value of US\$0.01 each in the capital of the Company
“Shareholder(s)”	holder(s) of the Share(s) from time to time
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Company”	Digital Light Year Technology Co., Limited (previously known as Allied Fortune Asia Limited), a company incorporated in Hong Kong with limited liability and wholly-owned by the Vendor as at the date of this announcement
“Target Group”	the Target Company and its subsidiaries
“US”	the United States of America
“US\$”	the lawful currency of the US
“Vendor”	Tai Group Co., Limited, a company incorporated in Hong Kong with limited liability
“%”	per cent

By order of the Board
Starrise Media Holdings Limited
LIU Dong
Chairman

Beijing, the PRC, 18 November 2021

As at the date of this announcement, the Board comprises seven Directors, namely Mr. LIU Dong, Mr. LIU Zongjun, Ms. YANG Qinyan and Mr. HE Han as executive Directors; and Mr. LAM Kai Yeung, Ms. LIU Chen Hong and Mr. KWOK Pak Shing as independent non-executive Directors.

* *for identification purpose only*