

**G.H.Y CULTURE & MEDIA HOLDING CO., LIMITED**

(Company Registration No: 337751)

(Incorporated in the Cayman Islands on 29 May 2018)

OFFERING IN RESPECT OF 21,696,000 OFFERING SHARES**OFFERING PRICE: S\$0.66 PER OFFERING SHARE**

Prior to making a decision to purchase the Offering Shares, you should carefully consider all the information contained in the Prospectus and whether you understand what is described in the Prospectus. This Product Highlights Sheet should be read in conjunction with the Prospectus. You will be subject to various risks and uncertainties, including the potential loss of your entire principal amount invested. You should also consider whether an investment in the Offering Shares is suitable for you taking into account your investment objectives and risk appetite. If you are in doubt as to investing in the Offering Shares, you should consult your legal, financial, tax or other professional adviser. You are responsible for your own investment choices.

This Product Highlights Sheet¹ is an important document.

- It highlights the key information and risks relating to the Offering contained in the Prospectus. It complements the Prospectus².
- You should not purchase the Offering Shares if you do not understand the nature of an investment in shares of a company, our business or are not comfortable with the accompanying risks.
- If you wish to purchase the Offering Shares, you will need to make an application in the manner set out in the Prospectus. If you do not have a copy of the Prospectus, please contact our Company, the Joint Issue Managers and Global Coordinators, or the Joint Underwriters and Bookrunners to ask for one.

Issuer	G.H.Y Culture & Media Holding Co., Limited	Place of incorporation	Cayman Islands
Details of this offer	Offering in respect of 21,696,000 Offering Shares, comprising: (i) 18,696,000 Offering Shares under the Placement; and (ii) 3,000,000 Offering Shares under the Public Offer.	Total amount to be raised in this offer	Gross proceeds of approximately S\$121.7 million and net proceeds of approximately S\$115.1 million from the Offering and the issuance and sale of the Cornerstone Shares, of which approximately S\$101.0 million will be due to our Company.
Offering Price	S\$0.66 per Offering Share	Listing status	An application has been made to the SGX-ST for permission to list for quotation on the Main Board of the SGX-ST all of our issued Shares (including the Vendor Cornerstone Shares), the Offering Shares, the New Cornerstone Shares, the Award Shares and the Option Shares. Our Shares are expected to be listed on 18 December 2020.
Joint Issue Managers and Global Coordinators, and Joint Underwriters and Bookrunners	Joint Issue Managers and Global Coordinators: DBS Bank Ltd. and UOB Kay Hian Private Limited Joint Underwriters and Bookrunners: DBS Bank Ltd., UOB Kay Hian Private Limited and Bank of China Limited, Singapore Branch		

¹ This Product Highlights Sheet does not constitute, or form any part of any offer for sale or subscription of, or solicitation of any offer to buy or subscribe for, any securities nor shall it or any part of it form the basis of, or be relied on in connection with, any contract or commitment whatsoever. This Product Highlights Sheet shall be read in conjunction with the Prospectus.

² The Prospectus, lodged with and registered by the Authority on 2 December 2020 and 11 December 2020, respectively, may be obtained on request, subject to availability, during office hours from DBS Bank Ltd., UOB Kay Hian Private Limited and Bank of China Limited, Singapore Branch at their respective addresses stated in the Prospectus and where applicable, members of the Association of Banks in Singapore, members of the SGX-ST and merchant banks in Singapore. A copy of the Prospectus is also accessible on the SGX-ST's website at <http://www.sgx.com> and the MAS' OPERA website at <https://eservices.mas.gov.sg/opera/>.

OVERVIEW

WHO ARE WE AND WHAT DO WE DO?

Our Group is an entertainment business that focuses on the production and promotion of dramas, films and concerts in the Asia-Pacific region. We have produced TV and web dramas and films in the PRC, Singapore and Malaysia which have been broadcasted and/or distributed on TV networks, such as CCTV, and video streaming platforms in the PRC, such as iQIYI and YOUKU. We have also undertaken the production of concerts for well-known international artistes in Singapore, with upcoming concerts to be held in Singapore, Malaysia and Australia. In addition, we also provide talent management services and costumes, props and make-up services in the PRC and Singapore.

We have established production teams in the PRC and Singapore for both our TV program and film production business and concert production business, and have successfully undertaken and completed the production of a number of dramas, films and concerts since our inception. As at the Latest Practicable Date, our Group has already completed the production or co-production of six dramas and one film series.

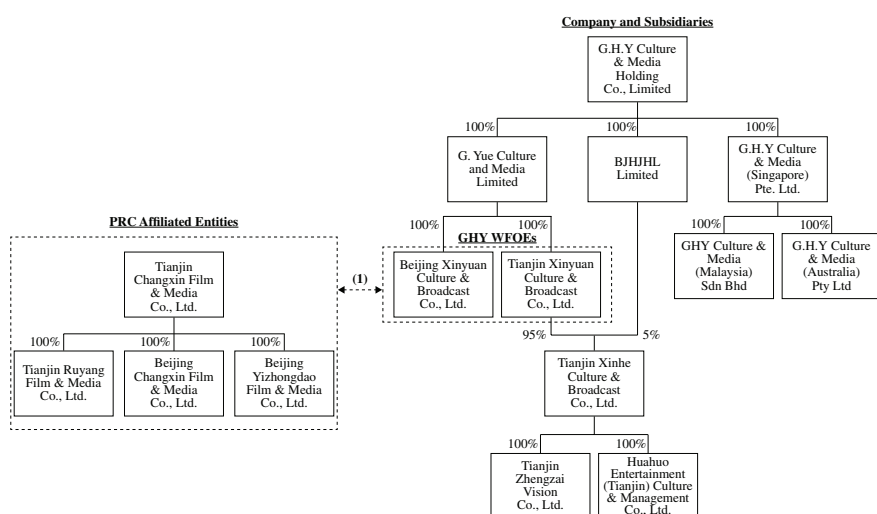
Our Company was incorporated in the Cayman Islands and our Company, as a foreign investor under the current PRC regulatory regime, is unable to own or otherwise hold any equity interest in entities engaged in businesses in which foreign investment is prohibited under the Negative List, promulgated and amended from time to time jointly by the MOFCOM and the NDRC. Under the Negative List, foreign investment is prohibited in certain industries, including TV program and film production and operation (including distribution of TV programs and films produced overseas (海外引进)). Accordingly, in order to engage in such businesses and maintain the necessary licences and permits, we have adopted the Contractual Arrangements, which confer operational control and economic rights over our PRC Affiliated Entities to our Group, while allowing us to comply with the applicable foreign ownership prohibitions in the PRC, including those under the Negative List.

Further Information

Refer to “History and Business” on pages 162 to 217 of the Prospectus for more information on our background and business.

Refer to “Corporate Structure and Ownership – Contractual Arrangements in respect of our PRC Affiliated Entities” on pages 132 to 154 of the Prospectus for more information on the Contractual Arrangements and our PRC Affiliated Entities.

The structure of our Group as at the date of the Prospectus is set out below:



Note:

- (1) Our Company, through our GHY WFOEs, has entered into Contractual Arrangements with the Individual Shareholders and each of our PRC Affiliated Entities (each of which holds the requisite permits for TV program and film production and operation (including distribution of TV programs and films produced overseas (海外引进)) in the PRC), under which our Group is conferred operational control and economic rights over our PRC Affiliated Entities, which allow our Group to exercise control over the business operations of each of our PRC Affiliated Entities and enjoy substantially all the economic rights arising from the business of our PRC Affiliated Entities.

Refer to “Corporate Structure and Ownership” on pages 130 to 161 of the Prospectus for the detailed corporate structure of our Group as at the date of the Prospectus.

WHO ARE OUR DIRECTORS AND KEY EXECUTIVES?

Our Directors are Mr. Guo Jingyu (Executive Chairman and Group CEO), Ms. Yue Lina (Executive Director), Ms. Wang Qing (Executive Director), Mr. Yang Jun Rong (Non-Executive Director), Mr. Yeo Guat Kwang (Lead Independent Director), Mr. Ang Chun Giap (Independent Director), Mr. Sng Peng Chye (Independent Director), Mr. Chen Mingyu (Independent Director) and Dr. Jiang Minghua (Independent Director).

Our key executives are Ms. Low Hui Min (Chief Financial Officer), Mr. Xue Xin (Senior Director of TV Program and Film Production) and Ms. Chan Pui Yin (Senior Director of Concert Organisation and Management).

Refer to “*Management and Corporate Governance*” on pages 218 to 243 of the Prospectus for more information on our Directors and management.

WHO ARE OUR CONTROLLING SHAREHOLDERS?

Upon the completion of the Offering and the issuance of the Cornerstone Shares, Mr. Guo Jingyu, our Executive Chairman and Group CEO and Controlling Shareholder, will beneficially own 640,000,000 Shares, or approximately 59.6% of our issued Shares, through his deemed interest in all of our Shares held by Kang Ru Investments Limited. G.Y Media & Entertainment Limited, Da Yuan Developments Limited, Guo Yue Family Trust and Vistra Trust (Singapore) Pte. Limited are also our Controlling Shareholders, through their respective deemed interests in all of our Shares held by Kang Ru Investments Limited. Each of Mr. Guo Jingyu, G.Y Media & Entertainment Limited, Da Yuan Developments Limited, Guo Yue Family Trust and Vistra Trust (Singapore) Pte. Limited is deemed to have an interest in all our Shares held by Kang Ru Investments Limited by virtue of Section 4 of the Securities and Futures Act of Singapore.

Refer to “*Share Capital and Shareholders – Ownership Structure*” on pages 263 to 267 of the Prospectus for more information.

HOW WAS OUR HISTORICAL FINANCIAL PERFORMANCE AND WHAT IS OUR CURRENT FINANCIAL POSITION?

Our audited combined financial statements have been prepared on the basis that the entities in our Group came under common control from 22 March 2018. We have a short operating history beginning from 22 March 2018, and as such, the only audited combined financial statements included in the Prospectus cover FP2018, FY2019 and 6M2020, with FY2019 being the only full year for which financial information has been provided. In addition, we had limited operations in FP2018. As a result, our audited combined financial statements for FP2018, FY2019 and 6M2020 are not comparable to one another.

Key profit and loss information

	FP2018 (Audited) (S\$'000)	FY2019 (Audited) (S\$'000)	6M2019 (Unaudited) (S\$'000)	6M2020 (Audited) (S\$'000)
Revenue	3,442	66,000	41,622	37,152
Gross Profit	3,108	18,816	11,915	19,558
(Loss) Profit before income tax	(568)	15,396	13,979	14,742
(Loss) Profit for the period (after income tax)	(742)	12,434	11,629	13,010
Basic and diluted EPS (cents) ⁽¹⁾	(0.16)	1.36	1.28	1.43
Adjusted EPS (cents) ⁽²⁾	(0.14)	1.16	1.08	1.21

Notes:

- (1) For comparative purposes, the basic and diluted EPS have been computed based on the profit for the period/year and 910,930,000 Shares immediately prior to the completion of the Offering and the issuance of the New Cornerstone Shares.
- (2) For comparative purposes, the adjusted EPS have been computed based on the profit for the period/year and 1,073,792,000 Shares immediately following the completion of the Offering and the issuance of the New Cornerstone Shares.

Refer to “*Selected Audited Combined Financial Information*” on pages 88 to 92, “*Selected Unaudited Pro Forma Combined Financial Information*” on pages 93 to 95, “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on pages 96 to 129, “*Appendix A – Independent Auditor’s Report and the Audited Combined Financial Statements for the Period from 22 March 2018 to 31 December 2018, Year ended 31 December 2019 and Six Months Period ended 30 June 2020*” on pages A-1 to A-111 and “*Appendix B – Independent Auditor’s Assurance Report and the Compilation of Unaudited Pro Forma Combined Financial Information for the Year ended 31 December 2019 and Six Months Period ended 30 June 2020*” on pages B-1 to B-10 of the Prospectus for more information on our financial performance and position.

Key financial position information

	As at 31 December 2018	As at 31 December 2019	As at 30 June 2020
	(Audited)	(Audited)	(Audited)
	(S\$'000)	(S\$'000)	(S\$'000)
Current assets	38,270	104,488	92,259
Non-current assets	3,257	8,441	11,545
Total assets	41,527	112,929	103,804
Current liabilities	33,389	94,283	61,701
Non-current liabilities	309	1,228	3,800
Total equity	7,829	17,418	38,303

Key cash flows information

	FP2018	FY2019	6M2019	6M2020
	(Audited)	(Audited)	(Unaudited)	(Audited)
	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)
Net cash (used in) generated from operating activities	(7,616)	(11,036)	(12,656)	9,452
Net cash from (used in) investing activities	3,678	(3,483)	(1,934)	(7)
Net cash from (used in) financing activities	17,716	18,107	6,775	(12,569)
Net increase (decrease) in cash and cash equivalents	13,778	3,588	(7,815)	(3,124)
Cash and cash equivalents at date of incorporation/ beginning of year	–	13,778	13,778	17,356
Cash and cash equivalents at end of period	13,778	17,356	5,970	14,233

The most significant factors contributing to our financial performance in FP2018 compared to FY2019 are as follows:

- Our revenue increased by approximately S\$62.6 million from approximately S\$3.4 million in FP2018 to approximately S\$66.0 million in FY2019, mainly due to (a) an increase in revenue contribution from our TV program and film production business segment of approximately S\$57.4 million; (b) revenue contribution from our concert production business segment which commenced in FY2019 of approximately S\$1.3 million; (c) an increase in revenue contribution from our talent management services business of approximately S\$1.2 million; and (d) revenue contribution from our costumes, props and make-up services business segment which commenced in FY2019 of approximately S\$2.6 million.
- Our profit before taxation increased by approximately S\$16.0 million from a loss of approximately S\$0.6 million in FP2018 to a profit of approximately S\$15.4 million in FY2019, mainly due to the increase in revenue.
- For FY2019, we generated cash inflows from operating activities before movement in working capital of approximately S\$49.7 million, with net changes in working capital of approximately S\$60.4 million and income tax paid, interest paid and interest income received of approximately S\$0.3 million in aggregate.

The most significant factors contributing to our financial performance in 6M2020 compared to 6M2019 are as follows:

- Our revenue decreased by S\$4.5 million or 10.7% from approximately S\$41.6 million in 6M2019 to approximately S\$37.2 million in 6M2020, mainly due to the different mix of revenue models under our TV program and film production business segment in 6M2020 as compared to 6M2019 and the timing of recognition of revenue for each revenue model, which was offset by revenue recognised from the two concerts held in 6M2020.
- Our profit before taxation increased by approximately S\$0.8 million from approximately S\$14.0 million in 6M2019 to approximately S\$14.7 million in 6M2020, mainly due to an increase in gross profit.
- For 6M2020, we generated cash inflows from operating activities before movement in working capital of approximately S\$16.8 million, with net changes in working capital of approximately S\$3.4 million and income tax paid of approximately S\$3.4 million and interest paid of approximately S\$0.5 million.

The above factors are not the only factors contributing to our financial performance in FP2018, FY2019 and 6M2020. Please refer to other factors set out in “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 96 to 129 of the Prospectus.

INVESTMENT HIGHLIGHTS

WHAT ARE OUR BUSINESS STRATEGIES AND FUTURE PLANS?

We believe that our key strengths are as follows:

Our ability to produce high quality and well-received dramas and films underpinned by our strong and talented scriptwriting team and end-to-end production capabilities

Producer of high quality and well-received dramas and films. Our success and strong standing in the media and entertainment industry is evidenced by the commercial success of the dramas and films that we have produced, such as “The Little Nyonya 小娘惹” and “Perfect Village 最美的乡村”, which were both released in the PRC in June 2020, and “The Frontliners 最美逆行者”, which was released in the PRC in September 2020, and were broadcasted and distributed on CCTV and/or iQIYI. These dramas were well-received, garnering positive reception, high viewership ratings and strong public interest in the PRC.

Strong team of talented scriptwriters and end-to-end production capabilities. We have a strong in-house script production team led by Mr. Guo Jingyu, who is a well-known scriptwriter in the PRC, and Mr. Xiao Ji Xiang Tian, who has written scripts for several award-winning dramas and films. As we have oversight of the entire production process from beginning to end, we are able to have better control over the process and the final product. At the same time, we are able to maximise our production capabilities in order to consistently produce entertainment content that is commercially successful and maintain a robust pipeline of upcoming drama and film projects.

Our strong network of business relationships and lasting partnerships with distributors and other working partners in the media and entertainment industry. The quality of our dramas and films, as well as the experience of our management team, has enabled our Group to establish a strong network of business relationships with key industry players such as TV networks, video streaming platforms and other production companies in the PRC and in the region, including Singapore.

Refer to “History and Business – Our Competitive Strengths” on pages 179 to 182 of the Prospectus for more information on our competitive strengths.

Our management bench strength is anchored by our visionary founder and experienced key management, many of whom with experience and capabilities spanning the whole of our business value chain. Mr. Guo Jingyu, our Executive Chairman and Group CEO, is a notable producer, director and scriptwriter in the PRC with more than 25 years of experience and has produced and directed several successful dramas and films. Our key management personnel are supported by our Singapore and PRC production teams, which comprise committed members who are industry veterans and have unique knowledge and extensive expertise in the production of dramas and films. We also possess expertise and capabilities across the business value chain with our scriptwriting abilities, costumes, talent management services, props and make-up services, as well as post-production capabilities.

Our growing portfolio of artistes contribute to the success of our concert production business. Despite our relatively short history in the concert production business, we believe that we have established ourselves as a reputable concert production company in Singapore and we intend to further develop our capabilities and experience in the region. This will enable us to forge business relationships with key players in the media and entertainment industry in the region, which will create opportunities for future collaborations and to undertake the production of concerts and other events for such artistes.

Our business strategies and future plans entail the following:

Expand our international reach and regional presence via entry into new markets. We intend to expand our regional reach and strengthen our presence in the Asia-Pacific region, particularly in Southeast Asia, by expanding our foothold in Singapore. Our Directors believe that gaining access to wider audiences in Singapore and Malaysia will provide our Group with exposure in new markets and further opportunities for growth for both our TV program and film production and concert production businesses. We also intend to further expand our concert production business by undertaking the production of concerts for artistes in both the Southeast Asian region and the PRC.

Leverage on technological advances to expand and diversify our pipeline portfolio of entertainment content and products. Our Group intends to capitalise on our ability to keep up-to-date with technological developments and viewership trends that drive consumption growth to further strengthen our online entertainment product offerings. We intend to develop and promote new entertainment content and products in the future, including interactive content and multi-level entertainment products such as comic adaptations and animation works.

Create synergies across the TV program and film production, concert production and talent management services business segments. Our business network and presence across various segments of the media and entertainment industry allows us to develop synergy across our business segments. As our business and operations expand, we believe our business segments will become increasingly complementary, creating synergies across the TV program and film production, concert production and talent management service business segments. This will allow us to be well-positioned to establish ourselves as a key player in the media and entertainment industry in the region.

Nurture future talents and bolster the local talent pool. We believe that in order to expand our regional presence, we will have to develop our production teams in order to undertake more drama and film projects, including large-scale productions which will require a larger team of personnel with more experience and technical expertise. Accordingly, we intend to nurture future talents by supporting initiatives and encouraging them to develop and hone their directing, scriptwriting and producing skills.

Refer to “*History and Business – Our Business Strategies and Future Plans*” on pages 182 to 186 of the Prospectus for more information on our business strategies.

WHAT ARE THE KEY TRENDS, UNCERTAINTIES, DEMANDS, COMMITMENTS OR EVENTS WHICH ARE REASONABLY LIKELY TO HAVE A MATERIAL EFFECT ON US?

Barring unforeseen circumstances (including a prolonged COVID-19 outbreak or a reoccurrence of COVID-19 in the economies that our Group is operating in), our Directors expect the following trends in respect of FY2020 and FY2021: (a) a phased reopening of economies in the PRC, Singapore, Malaysia and Australia after the COVID-19 outbreak, which can help increase the production of dramas and films and boost our concert production business; and (b) an increase in other expenses due to one-off issue expenses, being costs and expenses payable by us in connection with the Offering and the issuance of the New Cornerstone Shares, which are expected to be expensed off in FY2020.

In the event of a prolonged COVID-19 outbreak or a reoccurrence of COVID-19 in the economies our Group is operating in, our Directors expect the following potential impact to our Group's business and financial prospects in respect of FY2020 and FY2021: (a) potential delays in the production schedule of our drama and film projects which are undergoing production or slated to commence production in the future, if measures requiring the closure of workplaces and suspension of business activities are reinstated and/or implemented for a prolonged period of time; (b) an increase in demand for new dramas and films produced or co-produced by our Group by distributors such as video streaming platforms, arising from an increase in demand for new online entertainment content by audiences if stay-home and quarantine measures are reinstated and/or continue to be implemented; and (c) postponement of planned concerts and inability to undertake the production of any concerts until the travel restrictions, closure of public venues and safe-distancing measures imposed by the respective governments have been lifted and the general public's concerns over the COVID-19 outbreak have been allayed.

The above are not the only trends, uncertainties, demands, commitments or events that could affect us. Please refer to the other factors set out in the sections of the Prospectus listed in the column to the right.

Refer to "Notice to Investors – Forward-Looking Statements" on page vii, "Risk Factors – Risks Relating to Our Business and the Industry in which We Operate" on pages 29 to 49, "History and Business – Our Business Strategies and Future Plans" on pages 182 to 186, "History and Business – Trend Information" on pages 215 to 217 and "Appendix J – Industry Report" on pages J-1 to J-53 of the Prospectus for more information.

WHAT ARE THE KEY RISKS WHICH HAD MATERIALLY AFFECTED OR COULD MATERIALLY AFFECT US AND YOUR INVESTMENT IN OUR SECURITIES?

We consider the following to be the most important key risks which had materially affected or could materially affect our business, financial condition, results of operations and prospects, and your investment in our Shares.

If the PRC government deems that the Contractual Arrangements in respect of our PRC Affiliated Entities do not comply with PRC governmental restrictions on foreign investment, or if these regulations, or the interpretation of existing regulations, change in the future, we may be subject to, among others, severe penalties and our current corporate structure, corporate governance and business operations may be materially and adversely affected. As at the Latest Practicable Date, we have not encountered any interference or encumbrance from any PRC government or regulatory authorities in respect of the Contractual Arrangements but there can be no assurance that the PRC government and regulatory authorities will not take a view that is contrary to or otherwise different from the advice of each of the Legal Adviser to our Company as to PRC Law and the Legal Adviser to the Joint Issue Managers and Global Coordinators, and the Joint Underwriters and Bookrunners as to PRC Law as stated in the Prospectus, or adopt new laws and regulations in the future which may invalidate the Contractual Arrangements. In the extreme case, we may be required to unwind the Contractual Arrangements and/or dispose of our PRC Affiliated Entities.

Refer to "Risk Factors" on pages 20 to 72 of the Prospectus for more information on risk factors.

The Contractual Arrangements in respect of our PRC Affiliated Entities may not be as effective in providing control over our PRC Affiliated Entities as direct ownership. Under the Contractual Arrangements, we will have to rely on our PRC Affiliated Entities and the Individual Shareholders to perform their respective obligations in order to exercise our control over our PRC Affiliated Entities. However, if any Individual Shareholder is uncooperative or there is any dispute relating to these contracts that remains unresolved, we will have to enforce our rights under the Contractual Arrangements. Such enforcement will be through the operation of PRC law and/or arbitral or judicial agencies, which may be costly and time-consuming and will be subject to applicable foreign ownership restrictions (for so long as such foreign ownership restrictions remain in force under the prevailing PRC laws and regulations) as well as uncertainties in the PRC legal system.

We are unable to predict the commercial success of our Group's dramas, films and/or concerts with certainty. As we are in the entertainment business, our overall reputation and success depends largely on the commercial success of the dramas, films and/or concerts produced or co-produced by us, which generally depend in part on the popularity of the artiste(s) involved, and may thus be sensitive to rapidly changing public tastes and the demand for those artistes amongst end consumers. Our TV program and film production and concert production businesses therefore depend in part on our ability to anticipate the tastes of consumers and to offer dramas, films and concerts that will appeal to the masses. However, as consumer preferences change from time to time, we may not always be able to anticipate, identify or react to these changes and secure cast members or concert acts which are popular.

We are dependent on third party TV networks and video streaming platforms for the broadcast and/or distribution of our dramas and films. The broadcast and/or distribution of a drama or film which we have produced or co-produced would be undertaken by third party distributors, such as TV networks and/or video streaming platforms, to whom we sell the licensing and/or distribution rights for such dramas and films. In the event that we have already commenced production for a particular drama or film project but is unable to sell the licensing and/or distribution rights for such drama or film to a third party distributor, we would not be able to recover all or any of such sunk cost.

We are dependent on relationships with key agents, managers and artistes for our concert production business and talent management services business. The concert production business is uniquely dependent upon personal and business relationships as our key personnel have to leverage on their existing business contacts and network of relationships with agents, managers and artistes in the media and entertainment industry in order to secure the rights to undertake the production of concerts for artistes. There can be no assurance that such key personnel will remain with us for the long term, or that our Group's relationships with current industry contacts will be retained in the long term.

The above are not the only risk factors that had or could have a material effect on our business, financial condition and results of operations, and your Shares. Please refer to the section entitled "Risk Factors" on pages 20 to 72 of the Prospectus for a discussion on other risk factors and for more information on the above risk factors. Prior to making a decision to purchase the Offering Shares, you should consider all the information contained in the Prospectus.

WHAT ARE THE RIGHTS ATTACHED TO THE SECURITIES OFFERED?

As at the date of the Prospectus, our issued and paid-up share capital was US\$9,109.30, comprising 910,930,000 Shares.

There is only one class of shares in the capital of our Company, being our Shares. The rights and privileges of our Shares are stated in our Articles of Association. Our Shares have identical rights in all respects and rank equally with one another. Save as provided in our Articles of Association, there shall be no restriction on the transfer of fully paid-up Shares (except where required by law or the rules or regulations of the SGX-ST).

Refer to "*Share Capital and Shareholders*" on pages 260 to 269 and "*Appendix C – Description of Our Shares*" on pages C-1 to C-9 of the Prospectus for more information.

HOW WILL THE PROCEEDS FROM THE OFFERING BE USED?

The net proceeds from the Offering and the issuance and sale of the Cornerstone Shares (after deducting underwriting commission and the estimated offering expenses, but excluding any discretionary incentive fees, where applicable) will be approximately S\$115.1 million, of which approximately S\$101.0 million will be due to us. We will not receive any proceeds from the sale of the Vendor Cornerstone Shares by the Vendors.

We intend to use the gross proceeds due to us from the Offering and the issuance of the New Cornerstone Shares as follows:

Use of Gross Proceeds	Estimated amount (S\$ million)	As a dollar amount for each S\$1.00 of the gross proceeds due to us from the Offering and the issuance of the New Cornerstone Shares
Expansion of our TV program and film production business via investment in production, acquisitions, joint ventures and/or strategic alliances	64.5	0.60
Expansion of our concert production business via investment in production, acquisitions, joint ventures and/or strategic alliances	21.5	0.20
General working capital purposes	15.0	0.14
Issue Expenses	6.5	0.06
Total	107.5	1.00

Refer to “Use of Proceeds” on pages 73 to 76 of the Prospectus for more information on our use of proceeds.

WILL WE BE PAYING DIVIDENDS AFTER THE OFFER?

We do not have a fixed dividend policy. The declaration and payment of future dividends will be subject to the level of our cash and retained earnings, our actual and projected financial performance, our projected levels of capital expenditure and expansion plans, our working capital requirements and general financial condition, the terms of borrowing arrangements (if any) and any other factors deemed relevant by our Directors.

Our Board has on 18 November 2020 declared interim dividends of S\$10.0 million in respect of FY2020 to be paid to the persons who were registered shareholders of our Company as at 30 September 2020 (“**Existing Shareholders**”), which were determined based on the available profits of our Group as at 30 June 2020, as set out in our audited combined financial statements for 6M2020 (“**Interim Dividends**”). As at the Latest Practicable Date, the Interim Dividends have not yet been paid to the Existing Shareholders as the payment of the Interim Dividends is conditional upon the fulfilment of certain conditions, including entry into the Contractual Arrangements, receipt by the Company of dividend payment(s) from the relevant subsidiaries and PRC Affiliated Entities, and the Listing of our Company on the Main Board of the SGX-ST. Subject to the fulfilment of the conditions, the Interim Dividends will be paid within six months from the date of the Listing, subject to the level of our cash and retained earnings, actual and projected financial performance, expected future earnings, cash flow, working capital requirements, general business and financing conditions, as well as other factors which our Directors may determine appropriate and which our Audit and Risk Management Committee will monitor until the Interim Dividends have been fully paid.

Refer to “Dividends” on pages 77 to 78 of the Prospectus for more information on our dividend policy.

Currently, our Board intends to recommend dividends of at least 30.0% of our net profit after tax generated in FY2020 (excluding the Interim Dividends of S\$10.0 million declared by our Board in FY2020) and FY2021 (collectively, the “**Proposed Dividend**”). Investors should note that the foregoing statements, including the statement on the Proposed Dividend, are merely statements of our present intention and shall not constitute legally binding obligations on our Company or legally binding statements in respect of our future dividends (including those proposed for FY2020 and FY2021), which may be subject to modification (including reduction or non-declaration thereof) at our Directors’ sole and absolute discretion. As we do not have a fixed dividend policy, investors should not treat the Proposed Dividend as an indication of our future dividend policy. No inference should or can be made from any of the foregoing statements as to our actual future profitability or ability to pay dividends.

DEFINITIONS

“6M2019”	:	The six-month financial period ended 30 June 2019
“6M2020”	:	The six-month financial period ended 30 June 2020
“Articles of Association”	:	The articles of association of our Company, as amended from time to time
“Audit and Risk Management Committee”	:	The audit and risk management committee of our Company
“Authority”	:	Monetary Authority of Singapore
“Award Shares”	:	The new Shares which may be allotted and issued from time to time pursuant to the vesting of the share awards under the GHY Performance Share Plan
“Beijing Changxin”	:	Beijing Changxin Film & Media Co., Ltd.
“Beijing Yizhongdao”	:	Beijing Yizhongdao Film & Media Co., Ltd.
“Board”	:	The board of Directors of our Company
“CCTV”	:	China Central Television (中国中央电视台)
“CEO”	:	Chief Executive Officer
“Company”	:	G.H.Y Culture & Media Holding Co., Limited
“Contractual Arrangements”	:	The agreements entered into between our GHY WFOEs, the Individual Shareholders and/or our PRC Affiliated Entities pursuant to which our Group is conferred operational control and economic rights over our PRC Affiliated Entities which allow our Group to exercise control over each of our PRC Affiliated Entities and enjoy substantially all the economic rights arising from the business of our PRC Affiliated Entities
“Controlling Shareholder”	:	A person who (a) holds directly or indirectly 15.0% or more of the total number of issued Shares (excluding treasury shares and subsidiary holdings) in our Company; or (b) in fact exercises control over our Company
“Cornerstone Agreements”	:	The separate cornerstone agreements dated 30 November 2020, 1 December 2020 or 2 December 2020, as the case may be, entered into between (a) each of the Cornerstone Investors; and (b) our Company, or our Company and the Vendors
“Cornerstone Investors”	:	Epical Entertainment Limited, Hong Kong Chixin Investment Co., Limited, ICH Capital Pte Ltd, iQIYI International Singapore Pte. Ltd., King Kong Media Production Pte. Ltd., Mr. Ron Sim Chye Hock, Qilin Asset Management Pte. Ltd., Songful Global Investment Ltd, V3 Brands Pte. Ltd. and Yinson Capital Pte Ltd
“COVID-19”	:	Coronavirus Disease 2019
“Directors”	:	The directors of our Company
“EPS”	:	Earnings per Share
“FP2018”	:	The financial period from 22 March 2018 to 31 December 2018
“FY”	:	Financial year ended or ending 31 December

<i>“GHY Employee Share Option Scheme”</i>	:	The GHY Employee Share Option Scheme adopted by our Company on 25 November 2020, the rules of which are set out in the section entitled “Appendix I – Rules of the GHY Employee Share Option Scheme” to the Prospectus
<i>“GHY Performance Share Plan”</i>	:	The GHY Performance Share Plan adopted by our Company on 25 November 2020, the rules of which are set out in the section entitled “Appendix H – Rules of the GHY Performance Share Plan” to the Prospectus
<i>“GHY WFOEs”</i>	:	Tianjin Xinyuan Culture & Broadcast Co., Ltd. and Beijing Xinyuan Culture & Broadcast Co., Ltd.
<i>“Group”</i>	:	Our Company, our subsidiaries and our PRC Affiliated Entities as at the date of the Prospectus
<i>“Individual Shareholders”</i>	:	Mr. Guo Jingyu and Mr. Xue Xin
<i>“iQIYI”</i>	:	iQIYI Inc. (爱奇艺) and its subsidiaries and associated companies
<i>“Latest Practicable Date”</i>	:	20 November 2020, being the latest practicable date prior to the lodgement of the Prospectus with the MAS
<i>“Listing”</i>	:	The admission of our Shares to the Official List of the SGX-ST
<i>“MOFCOM”</i>	:	Ministry of Commerce of the PRC (中华人民共和国商务部)
<i>“NDRC”</i>	:	National Development and Reform Commission of the PRC (中华人民共和国国家发展和改革委员会)
<i>“Negative List”</i>	:	The Special Administrative Measures for Access of Foreign Investment (Negative List) (2020 version) of the PRC (外商投资准入特别管理措施(负面清单)(2020年版)), as amended, supplemented or otherwise modified from time to time
<i>“New Cornerstone Shares”</i>	:	141,166,000 Shares to be issued by our Company pursuant to the Cornerstone Agreements
<i>“Offering”</i>	:	The Placement and the Public Offer
<i>“Offering Shares”</i>	:	21,696,000 new Shares offered by our Company in the Offering
<i>“Option Shares”</i>	:	The new Shares which may be allotted and issued from time to time upon the exercise of the share options granted under the GHY Employee Share Option Scheme
<i>“PRC”</i>	:	People’s Republic of China
<i>“PRC Affiliated Entities”</i>	:	Beijing Changxin, Tianjin Changxin, Beijing Yizhongdao and Tianjin Ruyang
<i>“Share”</i>	:	An ordinary shares of US\$0.00001 each in the capital of our Company
<i>“Tianjin Changxin”</i>	:	Tianjin Changxin Film & Media Co., Ltd.
<i>“Tianjin Ruyang”</i>	:	Tianjin Ruyang Film & Media Co., Ltd.
<i>“TV”</i>	:	Television
<i>“Vendors”</i>	:	Taiho Holding Ltd and Mr. Ho Ah Huat
<i>“Vendor Cornerstone Shares”</i>	:	21,540,000 Shares to be sold by the Vendors pursuant to the Cornerstone Agreements
<i>“YOUKU”</i>	:	Youku Tudou Inc. (优酷), a subsidiary of Alibaba Group Holding Limited

CONTACT INFORMATION

WHO CAN YOU CONTACT IF YOU HAVE ENQUIRIES RELATING TO OUR OFFER?

The Issuer

G.H.Y Culture & Media Holding Co., Limited

Principal Place of Business (Singapore) : 988 Toa Payoh North, #07-08,
Singapore 319002
Telephone Number : +65 6352 6778
Website : <https://www.ghyculturemedia.com>
Email Address : enquiries@ghyculturemedia.com

Joint Underwriters and Bookrunners

DBS Bank Ltd.

Address : 12 Marina Boulevard Level 46,
Marina Bay Financial Centre Tower 3,
Singapore 018982
Telephone Number : 1800 111 1111

UOB Kay Hian Private Limited

Address : 8 Anthony Road, #01-01,
Singapore 229957
Telephone Number : +65 6590 6880/+65 6590 6288

Bank of China Limited, Singapore Branch

Address : 4 Battery Road, Level 21,
Bank of China Building,
Singapore 049908
Telephone Number : 1800 669 5566