



COURT OF THE CAYMAN ISLANDS

FINANCIAL SERVICES DIVISION

FSD CAUSE NO. 96 OF 2025 (DDJ)

IN THE MATTER OF THE COMPANIES ACT (2025 REVISION) AND THE EXEMPTED LIMITED PARTNERSHIP ACT (2025 REVISION)

AND IN THE MATTER OF METACLASS MANAGEMENT ELP

AND IN THE MATTER OF CHIZICHENG STRATEGY INVESTMENT LIMITED (IN ITS PERSONAL CAPACITY AND IN ITS CAPACITY AS THE GENERAL PARTNER OF METACLASS MANAGEMENT ELP)

WINDING UP PETITION

To the Grand Court of the Cayman Islands

The humble petition of Baoli Ma (the “**Petitioner**”) of Room 1606, Tower B, Le Cheng Centre, Chaoyang District, Beijing, People’s Republic of China presented against (i) Metaclass Management ELP (the “**Partnership**”) and (ii) Chizicheng Strategy Investment Limited, in its personal capacity and in its capacity as the general partner of the Partnership (the “**General Partner**”), **shows that:-**

1 The Petitioner seeks orders pursuant to section 36(3) of the Exempted Limited Partnership Act (2025 Revision) (the “**ELP Act**”) and section 92(d) of the Companies Act (2025 Revision) (the “**Companies Act**”) that, *inter alia*:

1.1 The Partnership and its affairs be wound up under the supervision of the Court on the ground that the Partnership, acting by its General Partner, is unable to pay its debts within the meaning of section 93 of the Companies Act and/or section 2 of the ELP Act; and

1.2 The General Partner be wound up under the supervision of the Court on the ground that the General Partner is unable to pay (a) its debts in its personal capacity within the meaning of section 93 of the Companies Act and/or (b) the debts of the Partnership in its capacity as the general partner of the Company within the meaning of the ELP Act; and

This **WINDING UP PETITION** is filed by Campbells LLP, Attorneys-at-Law for the Petitioner, whose address for service is Floor 4, Willow House, Cricket Square, George Town, Grand Cayman, Cayman Islands (ref JMH/17373-43853).

1.3 David Griffin of FTI Consulting (Cayman Islands) and Kenneth Fung of FTI Consulting (Hong Kong) be appointed as joint official liquidators (“JOLs”) of:

- (a) the Partnership with sole authority to act for and on behalf of the Partnership and to wind down the affairs of the Partnership in accordance with the ELP Act; and
- (b) the General Partner with sole authority to act for and on behalf of the General Partner and to wind down the affairs of the General Partner in accordance with the Companies Act.

1.4 All rights or property of every description of the Partnership, including all choses in action, held or deemed to be held by the General Partner, shall vest without the requirement for further formalities in the JOLs and shall be held by the JOLs in accordance with the ELP Act.

The Petitioner

2 The Petitioner is an individual and the founder of a former Nasdaq listed company, BlueCity Holdings Limited (“**BlueCity**”), and served as its chairman and CEO until its privatisation in August 2022. BlueCity is an LGBTQ focused internet technology company providing comprehensive services to diverse users around the world.

The Partnership and the General Partner

3 The Partnership was established as an exempted limited partnership under the laws of the Cayman Islands on 20 January 2022 with registration number 116456. The principal businesses of the Partnership operate in Mainland China.

4 The General Partner is the sole general partner of the Partnership. The General Partner is an exempted company incorporated in the Cayman Islands on 11 January 2022 with registration number 385933. The principal business of the General Partner is being the general partner of the Partnership. It does not have any other business carried out by itself or through any of its subsidiaries.

5 It is understood that the Partnership has two limited partners:

5.1 Newborn Town Inc., a company listed on the Hong Kong stock exchange (HK.9911) (“**Newborn Town**”), and China’s largest social networking product developer targeting on global markets; and

- 5.2 Spriver Tech Limited (“**Spriver**”), a BVI business company incorporated in the British Virgin Islands with limited liability on 22 August 2018. The General Partner was a wholly owned subsidiary of Spriver until 2 August 2023, when it was acquired by Newborn Town, at which time Newborn Town became the sole shareholder of the General Partner.
- 6 The Partnership is governed by the terms of an amended and restated exempted limited partnership agreement dated 4 July 2022 entered into between the General Partner, Newborn Town and Spriver. The Partnership was established for the purpose of the privatisation of BlueCity.
- 7 The registered office of the Partnership is situated at Harneys Fiduciary (Cayman) Limited, P.O. Box 10240, 4th Floor, Harbour Place, 103 South Church Street, George Town, Grand Cayman KY1-1002, Cayman Islands.
- 8 The registered office of the General Partner is situated at Harneys Fiduciary (Cayman) Limited, P.O. Box 10240, 4th Floor, Harbour Place, 103 South Church Street, George Town, Grand Cayman KY1-1002, Cayman Islands.
- 9 Following Newborn Town’s acquisition of the General Partner in August 2023, the General Partner, the Partnership and BlueCity became consolidated entities of Newborn Town and its subsidiaries.

The Partnership’s indebtedness to the Petitioner

- 10 As detailed below, in the conduct of the business of the Partnership, the Partnership (acting by its General Partner) has incurred debts of at least US\$5,500,000.00 (the “**Principal Debt**”) which is due and payable to the Petitioner. Such due and payable debts constitute a debt of the Partnership which is (i) payable out of the assets of the Partnership held by the General Partner on a statutory trust pursuant to section 16(1) of the ELP Act and (ii) in the event that the assets of the Partnership are inadequate to discharge the debt in full, payable by the General Partner personally pursuant to section 4(2) of the ELP Act.
- 11 On 15 January 2025, the Petitioner served a statutory demand dated 10 January 2025 (the “**Partnership Statutory Demand**”) on the Partnership at its registered office pursuant to section 93 of the Companies Act demanding payment of US\$6,071,725.00 (the “**Partnership Statutory Demand**”).

Debt”), comprised of the Principal Debt, together with accrued contractual interest of US\$571,725.00 as at 10 January 2025.

- 12 The Partnership (acting by its General Partner) has neglected to pay the Partnership Statutory Demand Debt within the 21 day statutory period (i.e. by 5 February 2025), or to secure or compound the same to the satisfaction of the Petitioner.
- 13 Accordingly, the Partnership (acting by its General Partner) is unable to pay its debts within the meaning of section of 93 of the Companies Act.
- 14 Further or alternatively, to the extent that the General Partner cannot pay the debts and obligations of the Partnership in the ordinary course of business as they fall due out of the assets of the Partnership, without recourse to the separate assets of the General Partner not contributed or committed to the Partnership, the Partnership is insolvent within the meaning of section 2 of the ELP Act. By virtue of section 2 of ELP Act, the deemed insolvency of the Partnership means the General Partner is unable to pay the debts of the Partnership.

General Partner – Statutory Demand

- 15 Given the failure of the Partnership (acting by its General Partner) to pay the Partnership Statutory Demand Debt and in circumstances where the General Partner is personally liable for the Partnership debts in the event that the assets of the Partnership are inadequate to discharge the debt in full, on 12 March 2025, the Petitioner also served a statutory demand dated 5 March 2025 on the General Partner at its registered office pursuant to section 93 of the Companies Act, demanding payment of US\$6,610,825.00 (the “**GP Statutory Demand Debt**”), comprised of the Principal Debt, together with the accrued contractual interest of US\$660,825.00 as at 5 March 2025.
- 16 The General Partner has neglected to pay the GP Statutory Demand Debt within the 21 day statutory period (i.e. by 2 April 2025), or to secure or compound the same to the satisfaction of the Petitioner.
- 17 Accordingly, the General Partner is unable to pay its debts within the meaning of section of 93 of the Companies Act.

18 Accordingly, the Petitioner seeks an order that the business and affairs of both the General Partner and the Partnership be wound up by the JOLs, pursuant to section 92(d) of the Companies Act and section 36(3) of the ELP Act.

The Principal Debt

19 The Principal Debt referred to in the Partnership Statutory Demand and the GP Statutory Demand is a contractual debt due and payable by the Partnership (acting by its General Partner) to the Petitioner, which arises out of a Letter Agreement dated 30 April 2022, which in turn relates to a Merger Agreement dated 30 April 2022, both defined and detailed below.

The Merger Agreement

20 Pursuant to an Agreement and Plan of Merger dated 30 April 2022 (the “**Merger Agreement**”) by and among Multelements Limited (“**Multelements**”) (as Parent), Diversefuture Limited (“**Diversefuture**”) (as Merger Sub) and BlueCity (as Surviving Company), Diversefuture was merged with and into BlueCity, with BlueCity being the surviving company of the merger and becoming a wholly owned subsidiary of Multelements (the “**Merger**”).

21 Pursuant to the Merger Agreement:

21.1 each of the 3,153,155 shares of BlueCity beneficially owned by the Petitioner were cancelled and exchanged for the right to receive the Per Share Merger Consideration (as defined in the Merger Agreement); and

21.2 each of the 2,495,419 shares of BlueCity beneficially owned by the Petitioner were cancelled in exchange for shares in the capital of Multelements.

22 The Merger Agreement was approved by BlueCity’s shareholders at an extraordinary general meeting on 29 July 2022 and the Merger was closed on 12 August 2022.

23 As a result of the Merger:

23.1 BlueCity became a wholly owned subsidiary of Multelements and ceased to be a publicly traded company;

- 23.2 Each share of BlueCity issued and outstanding immediately prior to the effective time of the merger were cancelled and ceased to exist; and
- 23.3 The Partnership (acting by its General Partner) acquired 67.4% voting interests of Mutelements and Mutelements became a subsidiary of the Partnership.
- 24 On 12 August 2022 (the date of the closing of the Merger), the shareholders of Mutelements (including the Petitioner) entered into a shareholders agreement to regulate the affairs of Mutelements (an exempted company with limited liability incorporated in the Cayman Islands) and the rights of shareholders.

The Letter Agreement

- 25 To govern certain actions after the closing of the Merger, the Petitioner (as Founder), BlueCity Media Limited (as Founder Holdco) and the Partnership (acting by its General Partner) (as Sponsor) entered into the Letter Agreement dated 30 April 2022 (the "**Letter Agreement**").
- 26 The Letter Agreement is expressed to be governed by the laws of Hong Kong and further provides that any disputes arising out of the Letter Agreement be submitted to the Hong Kong International Arbitration Centre ("**HKIAC**") to be resolved in accordance with the HKIAC Administered Arbitration Rules in Hong Kong.
- 27 Section 6 of the Letter Agreement refers to various payment arrangements in connection with the closing of the Merger, including section 6(e), which provides that the Partnership (as Sponsor) shall pay or cause to be paid an amount in U.S. dollar cash equal to US\$2,750,000.00 to the Petitioner on each of the following dates:
- a. the later of 30 October 2022 and the date that is two months after the closing of the Merger pursuant to the Merger Agreement (the "**Initial Date**");
 - b. the date that is six months from the Initial Date;
 - c. the date that is twelve months from the Initial Date; and
 - d. the date that is eighteen months from the Initial Date.

- 28 The closing of the Merger took place on 12 August 2022. Therefore, the Initial Date pursuant to the Letter Agreement is 30 October 2022 (being later than the date two months after the closing of the Merger).
- 29 Accordingly, pursuant to the Letter Agreement, the Partnership (acting by its General Partner) is obliged to, *inter alia*, pay to the Petitioner an amount in U.S. dollar cash equal to US\$2,750,000.00 on each of (a) 30 October 2022; (b) 30 April 2023; (c) 30 October 2023; and (d) 30 April 2024 (the “Instalments”). If the assets of the Partnership are insufficient to pay the Instalments on their due dates, the General Partner is liable for those debts and obligations pursuant to section 4(2) of the ELP Act.
- 30 Pursuant to section 6(e) of the Letter Agreement, the Partnership (acting by its General Partner) paid to the Petitioner an amount in U.S. dollar cash equal to US\$2,750,000.00 by way of bank transfer on each of 30 October 2022 and 30 April 2023, i.e. a total of US\$5,500,000.00, as payment of the first two Instalments due.
- 31 Pursuant to section 6(h) of the Letter Agreement, if the Partnership fails to pay any amount payable under section 6 on its due date, interest shall accrue on any such unpaid amount from the due date to the date of actual payment (both before and after judgment) at a rate equal to 0.03% per diem.
- 32 Section 6(h) of the Letter Agreement also provides that the payments contemplated by section 6 do not include and are in addition to any other amounts that the Petitioner is entitled to receive in connection with the Merger, any other dividend or distribution from the Group Companies (as defined in the Letter Agreement) or other agreements with the Partnership or other persons, and no such amounts should be set off against the payments contemplated by section 6, or vice versa.
- 33 The Petitioner asserts that the Principal Debt and default interest accrued (as referred to in both the Partnership Statutory Demand Debt and the GP Statutory Demand Debt) is not the subject of a bona fide dispute on substantial grounds.

The Petition Debt

34 As at the date of this Petition, the Partnership (acting by its General Partner) or alternatively, the General Partner, is indebted to the Petitioner for the sum of US\$6,226,825.00 (the “**Petition Debt**”), consisting of:

34.1 US\$5,500,000.00, being the Principal Debt;

34.2 US\$660,825.00, being the default interest accrued to the date of the GP Statutory Demand Debt; and

34.3 US\$66,000.00, being the outstanding default interest accrued from the date of the GP Statutory Demand to the date of this Petition pursuant to section 6(h) of the Letter Agreement.

Grounds for Winding Up

35 In the circumstances, the Partnership is deemed to be unable to pay its debts pursuant to section 93 of the Companies Act, which applies by virtue of section 36(3) of the ELP Act, and further or alternatively, the Partnership is deemed to be insolvent within the meaning of section 2 of the ELP Act. By virtue of section 2 of ELP Act, the deemed insolvency of the Partnership means the General Partner is unable to pay the debts of the Partnership.

36 The General Partner is also deemed to be unable to pay its debts pursuant to section 93 of the Companies Act.

Nomination of Joint Official Liquidators

37 The Petitioner nominates David Griffin of FTI Consulting (Cayman Islands) Limited, Suite 3206, 53 Market Street, Camana Bay, Grand Cayman KY1-1203, Cayman Islands and Kenneth Fung of FTI Consulting (Hong Kong) Limited, Level 35, Oxford House, Taikoo Place, 979 King’s Road, Quarry Bay, Eastern District, Hong Kong to be appointed as JOLs of the Partnership and of the General Partner.

YOUR PETITIONER THEREFORE HUMBLY PRAYS THAT:

- 1 The affairs of the Partnership be wound up under the supervision of the Court in accordance with section 92(d) of the Companies Act and section 36(3) of the ELP Act.
- 2 The affairs of the General Partner be wound up under the supervision of the Court in accordance with section 92(d) of the Companies Act.
- 3 David Griffin of FTI Consulting (Cayman Islands) Limited and Kenneth Fung of FTI Consulting (Hong Kong) Limited be appointed as JOLs of:
 - 3.1 the Partnership with sole authority to act for and on behalf of the Partnership and to wind down its affairs in accordance with the ELP Act; and
 - 3.2 the General Partner with sole authority to act for and on behalf of the General Partner to wind down its affairs in accordance with the Companies Act.
- 4 The JOLs be authorised to act jointly and severally in their capacity as liquidators of the Partnership and the General Partner.
- 5 The JOLs shall not be required to give security for their appointment.
- 6 All rights or property of every description of the Partnership, including all choses in action, held or deemed to be held by the General Partner as the general partner of the Partnership, shall vest without the requirement for further formalities in the JOLs and shall be held by the JOLs in accordance with the ELP Act.
- 7 The JOLs be at liberty to engage staff in the Cayman Islands, Hong Kong and the PRC to assist the JOLs in the performance of their function.
- 8 The JOLs be at liberty to appoint Cayman Islands counsel to advise and assist them in the performance of their duties on terms which comply with CWR Order 25.
- 9 Subject to section 109(2) of the Companies Act, the JOLs' remuneration and expenses shall:

- 9.1 for costs associated with the winding up of the Partnership, constitute a liability of the Partnership and shall be paid out of the assets of the Partnership (or the assets of the General Partner if the Partnership assets are inadequate); and
- 9.2 for costs associated with the winding up of the General Partner, constitute a liability of the General Partner and shall be paid out of the assets of the General Partner,
- in accordance with the Companies Winding Up Rules (2023 Consolidation) and Part III of the Insolvency Practitioners' Regulations (2023 Consolidation).
- 10 No disposition of the property of the Partnership and/or the General Partner by or with the authority of the JOLs in carrying out their duties and functions and the exercise of their powers under this Order shall be voided by virtue of section 99 of the Companies Act.
- 11 No suit, action or other proceeding shall be proceeded with or commenced against the Partnership or the General Partner in its personal capacity and/or its capacity as the general partner of the Partnership, except with leave of the Court and subject to such terms as the Court may impose.
- 12 The Petitioner's costs of and incidental to the Petition shall be paid out of the assets of the Partnership (or the assets of the General Partner if the Partnership assets are inadequate) as an expense of the liquidation, to be taxed on the indemnity basis if not agreed with the JOLs.
- 13 Such other orders and directions may be made as the Court thinks fit.

Dated this 14th day of April 2025



Campbells LLP

Attorneys-at-Law for the Petitioner

It is intended that this Petition be served on:

- 1 The Partnership (acting by its General Partner); and**
- 2 The General Partner.**

Notice of Hearing

TAKE NOTICE THAT the hearing of this Petition will take place at the Law Courts, George Town, Grand Cayman, Cayman Islands on **May 28 2025** at **10:00 am/pm**.

Any correspondence or communication with the Court relating to the hearing of this Petition should be addressed to the Registrar of the Financial Services Division of the Grand Court at PO Box 495, George Town, Grand Cayman KY1-1106, Cayman Islands; Tel: 3459494296.