

**SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NEW YORK: COMMERCIAL DIVISION**

In re DOUYU INTERNATIONAL HOLDINGS LIMITED SECURITIES LITIGATION	:	Index No. 651703/2020
This Document Relates To:	:	Part 53 – Justice Andrew Borrok
THE CONSOLIDATED ACTION.	:	Motion Sequence No. <u>009</u>

**AFFIRMATION OF PLAINTIFF PAVEL KOVALENKO
IN SUPPORT OF PLAINTIFFS’ MOTION FOR FINAL APPROVAL OF CLASS
ACTION SETTLEMENT AND PLAINTIFFS’ COUNSEL’S MOTION FOR
ATTORNEYS’ FEES AND LITIGATION EXPENSES**

I, Pavel Kovalenko, affirm this 24th day of October, 2022, under the penalties of perjury under the laws of New York, which may include a fine or imprisonment, (a) that I am physically located outside the geographic boundaries of the United States, Puerto Rico, the United States Virgin Islands, or any territory or insular possession subject to the jurisdiction of the United States, (b) that the statements set forth in this Affirmation are true, and (c) that I understand that this document may be filed in an action or proceeding in a court of law.

1. I am one of the two Court-appointed class representatives in the above-captioned securities class action (the “Action”). I submit this affidavit in support of: (1) Plaintiffs’ Motion for Final Approval of the Proposed Settlement and the Proposed Plan of Allocation; (2) Plaintiffs’ and Class Counsel’s Application for an award of Attorneys’ Fees and Litigation Expenses (which also includes my application for a service award of \$5,000 for the time and effort I have spent on behalf of the Class in this matter).

2. As a representative plaintiff – and as the first plaintiff to have filed a securities class action in this Court against DouYu International Holdings Limited (“DouYu”) and various

DouYu-affiliated defendants – I have consistently understood that, throughout these proceedings, I have had the obligation to do my best to represent not only my own interests, but also to faithfully represent the best interests of all other members of the proposed Class.¹ I respectfully submit that I have discharged those duties to the best of my ability, including by: (a) consulting regularly with my counsel at Scott+Scott Attorneys at Law LLP (“Scott+Scott”); (b) producing documents in response to document requests served on me by Defendants; (c) reviewing important litigation briefs and court orders (including briefs in connection with DouYu’s appeal); and (d) otherwise generally following the course of the litigation and the mediation process that ultimately resulted in the \$15 million settlement.

3. As reflected on my brokerage account statements, my only transactions in DouYu ADSs during the Class Period consisted of my purchase of 707 ADSs on July 17, 2019, at a price of \$12.30 per ADS. Accordingly, like other members of the Settlement Class, I suffered losses as a result of my class period transactions in DouYu ADSs.

4. I chose to be involved in this action as a plaintiff and potential class representative because I was committed to vigorously prosecuting this lawsuit. Indeed, I have been actively involved in the prosecution of this Action, beginning with my decision in early 2020 to retain Scott+Scott and the subsequent filing of my complaint against DouYu in this Court on March 13, 2020. NYSCEF No. 1. In connection with my efforts on behalf of the Class, over the past two and half years I have, among other things:

¹ In connection with earlier proceedings, I submitted an affirmation in August 2021 (NYSCEF No. 104) in support of certification of a proposed class that consisted of all investors who purchased DouYu American Depositary Shares (“ADSs”) “pursuant or traceable to” the Registration Statement and Prospectus (the “Offering Materials”) for DouYu’s July 17, 2019 initial public offering (“IPO”). Although I am aware that the proposed “Settlement Class” under the proposed Settlement is worded somewhat differently, I understand that as a practical matter there is no substantive difference between the two class definitions.

- Researched and followed the performance of DouYu ADSs;
- Contacted counsel, specifically the specialist securities class action firm Scott+Scott, to discuss the basis of possible securities claims against the Defendants;
- Reviewed drafts of my initial complaint, and of my (and my co-lead plaintiff Marcus Chelf's) subsequent Consolidated Complaint, which were filed against Defendants;
- Reviewed and discussed with counsel the Court's March 16, 2021 order denying Defendants' motions to dismiss the Consolidated Complaint;
- Searched for, located, and produced documents in response to Defendants' Requests for Production of Documents;
- Reviewed extensive case filings and other documents relating to the case, and participated in multiple telephone conferences with both Mr. Fredericks and his colleague, Jonathan Zimmerman, of Scott+Scott, to discuss my responses to the above discovery requests;
- Read and reviewed the numerous briefs and pleadings filed in this Court throughout the case, and worked with my counsel to prepare my Affirmation in Support of Class Certification;
- Consulted regularly with my counsel at Scott+Scott (primarily Mr. Fredericks and Mr. Zimmerman) by phone, Zoom, and email regarding important developments in this case (including, beginning in the summer of 2021, the possibility of mediating, overall settlement objectives, and potential settlement terms);
- Reviewed, before the September 2021 mediation, the various pre-mediation briefs submitted to the Mediator by both Class Counsel and counsel for Defendant DouYu; and
- Engaged in various settlement-related discussions with my counsel, including both (a) discussions before and after the September 2021 mediation in New York, and (b) later discussions regarding the "mediator's proposal" of December 2021, which forms the basis of the proposed \$15 million Settlement.


5. In total, I conservatively estimate that I have spent roughly 25 hours in connection with discharging my duties as a lead plaintiff and class representative in this Action.

6. Based on the time and effort I have spent on this case, the success achieved in obtaining an excellent \$15 million settlement on behalf of the Class, and my understanding from

my counsel that service awards are regularly awarded in similar circumstances by New York courts, I respectfully ask the Court to approve my request for a service award of \$5,000.²

7. I also understand that all Class Counsel (including certain counsel who represent an identical class in a separate action brought in the federal courts) intend to seek a total aggregate award of attorneys’ fees in the amount of 33⅓% of the \$15 million Settlement Fund, plus reimbursement of their reasonable expenses. I know that my counsel here agreed to represent me and the Class on a fully contingent basis, and to advance all litigation costs and expenses, so that they risked being paid nothing at all if this case was unsuccessful – and I am advised that all other Class Counsel also agreed to work for the Class on the same basis. Based on my experience working with my counsel at Scott+Scott, my understanding that contingent fees of 1/3 of the recovery are not unusual, the excellent result achieved, and my understanding that a 1/3 fee (even if awarded in full) will not result in a significant “multiple” on the value of counsels’ time (*i.e.* hourly rates x hours spent) spent on this case, I support counsel’s fee and expense application.

8. In sum, I respectfully request the Court approve: (1) Plaintiffs’ Motion for Final Approval of the Proposed Settlement and the Proposed Plan of Allocation; (2) Counsel’s Motion for Attorneys’ Fees and Litigation Expenses, and (3) my application for a service award in the amount of \$5,000.

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Pavel Kovalenko

² I note that a service award of \$5,000 would equate to my being paid roughly \$200 per hour for the roughly 25 hours I spent on this case. While I understand that any award that may be made to me is made at the discretion of the Court, as a software developer and university graduate with a B.S. degree, I respectfully submit that an award that equates to a payment of roughly \$200 per hour is reasonable.

PRINTING SPECIFICATIONS STATEMENT

1. Pursuant to 22 N.Y.C.R.R. §202.70(g), Rule 17, the undersigned counsel certifies that the foregoing affirmation was prepared on a computer using Microsoft Word. A proportionally spaced typeface was used as follows:

Name of Typeface: Times New Roman

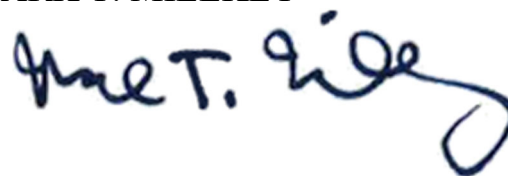
Point Size: 14

Line Spacing: Double

2. The total number of words in the affirmation, inclusive of point headings and footnotes and exclusive of the caption, signature block, and this Certification, is 1,222 words.

DATED: October 27, 2022

ROBBINS GELLER RUDMAN
& DOWD LLP
MARK T. MILLKEY



MARK T. MILLKEY

58 South Service Road, Suite 200
Melville, NY 11747
Telephone: 631/367-7100
631/367-1173 (fax)
mmillkey@rgrdlaw.com