China International Capital Corporation Hong Kong Securities Limited
29/F, One International Finance Centre
1 Harbour View Street
Central
Hong Kong

May 22, 2025

The Board of Directors
Shouhui Group Limited (手回集團有限公司) (the "Company")
89 Nexus Way
Camana Bay
Grand Cayman
KY1-9009
Cayman Islands

Dear Sirs/Madams,

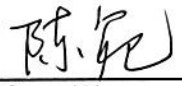
We, China International Capital Corporation Hong Kong Securities Limited, being the joint sponsor, refer to the prospectus of the Company dated May 22, 2025 (the "**Prospectus**") in connection with the Company's proposed global offering and listing of its shares on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**").

We hereby give, and confirm that we have not withdrawn, our written consent to the issue of the Prospectus by the Company, with the inclusion therein of all references to our name, qualification, confirmations and opinions, in the form and context in which they respectively appear in the Prospectus.

We hereby consent to you releasing a copy of this letter to the Registrar of Companies in Hong Kong and the Stock Exchange and referring to it in the Prospectus. We also hereby consent to making a copy of this letter available on display as described in the Prospectus.

-signature page to follow-

For and on behalf of
China International Capital Corporation Hong Kong Securities Limited



Name: Chen Wan
Title: Managing Director

Huatai Financial Holdings (Hong Kong) Limited
62/F, The Center
99 Queen's Road Central
Hong Kong

May 22, 2025

The Board of Directors
Shouhui Group Limited (手回集團有限公司) (the "Company")
89 Nexus Way
Camana Bay
Grand Cayman
KY1-9009
Cayman Islands

Dear Sirs/Madams,

We, Huatai Financial Holdings (Hong Kong) Limited, being the joint sponsor, refer to the prospectus of the Company dated May 22, 2025 (the "**Prospectus**") in connection with the Company's proposed global offering and listing of its shares on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**").

We hereby give, and confirm that we have not withdrawn, our written consent to the issue of the Prospectus by the Company, with the inclusion therein of all references to our name, qualification, confirmations and opinions, in the form and context in which they respectively appear in the Prospectus.

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-signature page to follow-

For and on behalf of
Huatai Financial Holdings (Hong Kong) Limited

Name: Jason Wong
Title: Executive Director

KPMG
8th Floor, Prince's Building
Central, Hong Kong
G P O Box 50, Hong Kong
Telephone +852 2522 6022
Fax +852 2845 2588
Internet kpmg.com/cn

The Board of Directors
Shouhui Group Limited
89 Nexus Way
Camana Bay
Grand Cayman
KY1-9009
Cayman Islands

Your ref: LCHC/SZFS1

22 May 2025

Dear Sirs

We refer to the prospectus dated 22 May 2025 in connection with the proposed initial listing of shares of Shouhui Group Limited (the "Company") on the Main Board of The Stock Exchange of Hong Kong Limited (the "Prospectus"), a copy of which is attached and stamped by us on its front cover for the purpose of identification.

We hereby consent to the inclusion of our accountants' report dated 22 May 2025 on the historical financial information for the years ended 31 December 2022, 2023 and 2024 and our report dated 22 May 2025 on the pro forma financial information as at 31 December 2024 in the Prospectus, and the references to our name in the form and context in which they are included.

Yours faithfully

KPMG

Certified Public Accountants
Hong Kong

KPMG, a Hong Kong (SAR) partnership and a member firm of the KPMG global organisation of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee.

手回集团

手回集團有限公司
SHOUHUI GROUP LIMITED

(Incorporated in the Cayman Islands with limited liability)

Stock code：02621

GLOBAL OFFERING

Joint Sponsors, Overall Coordinators, Joint Global Coordinators, Joint Bookrunners and Joint Lead Managers

CICC 中金公司　　华泰国际 HUATAI INTERNATIONAL

Overall Coordinator, Joint Global Coordinator, Joint Bookrunner and Joint Lead Manager

建银国际 CCB International

Joint Global Coordinator, Joint Bookrunner and Joint Lead Manager

CITIC SECURITIES

Joint Bookrunners and Joint Lead Managers

招銀国际 CMB INTERNATIONAL　富途證券　百惠金控 PATRONS　TradeGo Markets

老虎證券　邁時資本 MAXA CAPITAL

IMPORTANT: If you are in any doubt about any of the contents of this prospectus, you should seek independent professional advice.

手回集团

KPMG FS3 FOR IDENTIFICATION ONLY HONG KONG

Shouhui Group Limited
手回集團有限公司

(Incorporated in the Cayman Islands with limited liability)

GLOBAL OFFERING

Number of Offer Shares under the Global Offering	:	**24,358,400 Shares (subject to the Over-allotment Option)**
Number of Hong Kong Offer Shares	:	**2,436,000 Shares (subject to reallocation)**
Number of International Offer Shares	:	**21,922,400 Shares (subject to reallocation and the Over-allotment Option)**
Maximum Offer Price (subject to a Downward Offer Price Adjustment)	:	**HK$8.08 per Offer Share, plus brokerage of 1.0%, SFC transaction levy of 0.0027%, Stock Exchange trading fee of 0.00565% and AFRC transaction levy of 0.00015% (payable in full on application in Hong Kong dollars and subject to refund) (If the Offer Price is set at 10% below the bottom end of the indicative Offer Price range after making a Downward Offer Price Adjustment, the Offer Price will be HK$5.84 per Offer Share)**
Nominal value	:	**US$0.00001 per Share**
Stock code	:	**2621**

Joint Sponsors, Overall Coordinators, Joint Global Coordinators, Joint Bookrunners and Joint Lead Managers

CICC 中金公司　　华泰国际 HUATAI INTERNATIONAL

Overall Coordinator, Joint Global Coordinator, Joint Bookrunner and Joint Lead Manager

建银国际 CCB International

Joint Global Coordinator, Joint Bookrunner and Joint Lead Manager

CITIC SECURITIES

Joint Bookrunners and Joint Lead Managers

招银国际 CMB INTERNATIONAL　富途證券　百惠金控 PATRONS　TradeGo Markets　老虎證券　邁時資本 MAXA CAPITAL

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

A copy of this prospectus, having attached thereto the documents specified in "Documents Delivered to the Registrar of Companies and Available on Display" in Appendix V, has been registered by the Registrar of Companies in Hong Kong as required by Section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong). The Securities and Futures Commission and the Registrar of Companies in Hong Kong take no responsibility as to the contents of this prospectus or any other documents referred to above.

The Offer Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws of the United States and may not be offered, sold, pledged, or transferred within the United States, except in reliance on an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act. The Offer Shares may be offered, sold or delivered outside of the United States in offshore transactions in accordance with Regulation S.

The Offer Price is expected to be determined by agreement between the Sponsor-Overall Coordinators (for themselves and on behalf of the Underwriters) and us on or around Wednesday, May 28, 2025. If, for any reason, the Offer Price is not agreed by 12:00 noon on Wednesday, May 28, 2025, the Global Offering will not proceed and will lapse. The Offer Price will be no more than HK$8.08 per Offer Share and is currently expected to be no less than HK$6.48 per Offer Share (subject to a Downward Offer Price Adjustment) unless otherwise announced. Applicants for Hong Kong Offer Shares may be required to pay, on application (subject to application channels), the maximum Offer Price of HK$8.08 per Offer Share together with a brokerage of 1.0%, a SFC transaction levy of 0.0027%, Stock Exchange trading fee of 0.00565% and AFRC transaction levy of 0.00015%.

The Sponsor-Overall Coordinators (for themselves and on behalf of the Underwriters) may, with our consent, reduce the number of Offer Shares being offered under the Global Offering and/or the indicative Offer Price range above stated in this prospectus at any time on or prior to the morning of the last day for lodging applications under the Hong Kong Public Offering. In such a case, notices of the reduction of the number of Offer Shares and/or the indicative Offer Price range will be published on the websites of the Stock Exchange at www.hkexnews.hk and our Company at www.shouhui-tech.com not later than the morning of the last day for lodging applications under the Hong Kong Public Offering.

Prior to making an investment decision, prospective investors should consider carefully all of the information set out in this prospectus, including the risk factors set out in "Risk Factors". Prospective investors of the Hong Kong Offer Shares should note that the obligations of the Hong Kong Underwriters under the Hong Kong Underwriting Agreement are subject to termination by the Sponsor-Overall Coordinators (for themselves and on behalf of the Hong Kong Underwriters) if certain grounds arise prior to 8:00 a.m. on the Listing Date. For more details, please refer to the section headed "Underwriting — Underwriting Arrangements and Expenses — The Hong Kong Public Offering — Grounds for termination".

ATTENTION

We have adopted fully electronic application process for the Hong Kong Public Offering. We will not provide printed copies of this prospectus to the public in relation to the Hong Kong Public Offering.

This prospectus is available at the websites of the Stock Exchange at www.hkexnews.hk and our Company at www.shouhui-tech.com. If you require a printed copy of this prospectus, you may download and print from the website addresses above.

May 22, 2025

IMPORTANT NOTICE TO INVESTORS: FULLY ELECTRONIC APPLICATION PROCESS

We have adopted a fully electronic application process for the Hong Kong Public Offering. We will not provide printed copies of this prospectus to the public in relation to the Hong Kong Public Offering.

This prospectus is available at the website of the Stock Exchange at www.hkexnews.hk under the "*HKEXnews > New Listings > New Listing Information*" section, and our website at www.shouhui-tech.com. If you require a printed copy of this prospectus, you may download and print from the website addresses above.

To apply for the Hong Kong Offer Shares, you may:

(1) apply online via the **HK eIPO White Form** service at **www.hkeipo.hk**; or

(2) apply through the **HKSCC EIPO** channel to electronically cause HKSCC Nominees to apply on your behalf by instructing your **broker** or **custodian** who is a HKSCC Participant to give **electronic application instructions** via HKSCC's FINI system to apply for the Hong Kong Offer Shares on your behalf.

We will not provide any physical channels to accept any application for the Hong Kong Offer Shares by the public. The contents of the electronic version of this prospectus are identical to the printed document as registered with the Registrar of Companies in Hong Kong pursuant to Section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

If you are an **intermediary**, **broker** or **agent**, please remind your customers, clients or principals, as applicable, that this prospectus is available online at the website addresses above.

Please refer to the section headed "How to Apply for Hong Kong Offer Shares" in this prospectus for further details of the procedures through which you can apply for the Hong Kong Offer Shares electronically.

Your application through the **HK eIPO White Form** service or the **HKSCC EIPO** channel must be for a minimum of 400 Hong Kong Offer Shares and in one of the numbers set out in the table. If you are applying through the **HK eIPO White Form** service, you may refer to the table below for the amount payable for the number of Shares you have selected. You must pay the respective maximum amount payable on application in full upon application for Hong Kong Offer Shares. If you are applying through the **HKSCC EIPO** channel, you are required to prefund your application based on the amount specified by your broker or custodian, as determined based on the applicable laws and regulations in Hong Kong.

No. of Hong Kong Offer Shares applied for	Maximum Amount payable[2] on application/ successful allotment	No. of Hong Kong Offer Shares applied for	Maximum Amount payable[2] on application/ successful allotment	No. of Hong Kong Offer Shares applied for	Maximum Amount payable[2] on application/ successful allotment	No. of Hong Kong Offer Shares applied for	Maximum Amount payable[2] on application/ successful allotment
	HK$		*HK$*		*HK$*		*HK$*
400	3,264.59	8,000	65,291.90	70,000	571,304.08	900,000	7,345,338.12
800	6,529.19	10,000	81,614.87	80,000	652,918.94	1,000,000	8,161,486.80
1,200	9,793.78	12,000	97,937.85	90,000	734,533.81	1,100,000	8,977,635.48
1,600	13,058.38	14,000	114,260.81	100,000	816,148.68	1,218,000[1]	9,940,690.92
2,000	16,322.97	16,000	130,583.78	200,000	1,632,297.35		
2,400	19,587.57	18,000	146,906.77	300,000	2,448,446.05		
2,800	22,852.16	20,000	163,229.73	400,000	3,264,594.72		
3,200	26,116.76	30,000	244,844.60	500,000	4,080,743.40		
3,600	29,381.35	40,000	326,459.47	600,000	4,896,892.08		
4,000	32,645.95	50,000	408,074.35	700,000	5,713,040.75		
6,000	48,968.92	60,000	489,689.21	800,000	6,529,189.45		

(1) Maximum number of Hong Kong Offer Shares you may apply for and this is 50% of the Hong Kong Offer Shares initially offered.

(2) The amount payable is inclusive of brokerage, SFC transaction levy, the Stock Exchange trading fee and AFRC transaction levy. If your application is successful, brokerage will be paid to the Exchange Participants (as defined in the Listing Rules) or to the **HK eIPO White Form** Service Provider (for applications made through the application channel of the **HK eIPO White Form** service) while the SFC transaction levy, the Stock Exchange trading fee and the AFRC transaction levy will be paid to the SFC, the Stock Exchange and the AFRC, respectively.

No application for any other number of Hong Kong Offer Shares will be considered and any such application is liable to be rejected.

If there is any change in the following expected timetable of the Hong Kong Public Offering, our Company will issue an announcement to be published on the website of the Stock Exchange at ***www.hkexnews.hk*** and the website of our Company at ***www.shouhui-tech.com***.

	Date[1]
Hong Kong Public Offering commences	9:00 a.m. on Thursday, May 22, 2025
Latest time to complete electronic applications under the **HK eIPO White Form** service through the designated website at **www.hkeipo.hk**[2]	11:30 a.m. on Tuesday, May 27, 2025
Application lists open[3]	11:45 a.m. on Tuesday, May 27, 2025
Latest time to (a) lodge completing payment of **HK eIPO White Form** applications by effecting internet banking transfers(s) or PPS payment transfer(s) and (b) giving **electronic application instructions** to HKSCC[4]	12:00 noon on Tuesday, May 27, 2025

If you are instructing your **broker** or **custodian** who is a HKSCC Participant to submit **electronic application instructions** on your behalf through HKSCC's FINI system in accordance with your instruction, you are advised to contact your **broker** or **custodian** for the latest time for giving such instructions which may be different from the latest time as stated above.

Application lists close[3]	12:00 noon on Tuesday, May 27, 2025
Expected Price Determination Date[5]	on or before 12:00 noon, Wednesday, May 28, 2025
Where applicable, announcement of the Offer Price being set below HK$6.48 (the bottom end of the indicative Offer Price range) after making a Downward Offer Price Adjustment (see "Structure of the Global Offering — Announcement of Offer Price Reduction" on the website of the Stock Exchange at **www.hkexnews.hk** and our website at **www.shouhui-tech.com** on or before	Thursday, May 29, 2025

Announcement of the Offer Price, the level of indications of interest in the International Offering, the level of applications in the Hong Kong Public Offering and the basis of allocation of the Hong Kong Public Offering to be published on the website of the Stock Exchange at **www.hkexnews.hk** and the website of our Company at **www.shouhui-tech.com**[6] on or before . . . . . Thursday, May 29, 2025

The results of allocations in the Hong Kong Public Offering (with successful applicants' identification document numbers, where appropriate) to be available through a variety of channels, including:

- in the announcement to be posted on our website and the website of the Stock Exchange at **www.shouhui-tech.com** and **www.hkexnews.hk**, respectively . . . . . Thursday, May 29, 2025

- from "Allotment Results" page in the designated results of allocations website at **www.tricor.com.hk/ipo/result** or **www.hkeipo.hk/IPOResult** with a "search by ID" function from . . . . . 11:00 p.m. on Thursday, May 29, 2025 to 12:00 midnight on Wednesday, June 4, 2025

- from the allocation results telephone enquiry line by calling +852 3691 8488 between 9:00 a.m. and 6:00 p.m. from . . . . . Friday, May 30, 2025 to Wednesday, June 4, 2025 (excluding Saturday, Sunday and public holiday in Hong Kong)

Share certificates in respect of wholly or partially successful applications to be dispatched or deposited into CCASS on or before[7] . . . . . Thursday, May 29, 2025

HK eIPO White Form e-Auto Refund payment instructions/refund checks in respect of wholly or partially successful applications if the final Offer Price is less than the maximum Offer Price per Offer Share initially paid on application (if applicable) or wholly or partially unsuccessful applications to be dispatched on or before[8][9] . . . . . Friday, May 30, 2025

Dealings in the Shares on the Stock Exchange expected to commence at . . . . . 9:00 a.m. on Friday, May 30, 2025

Notes:

(1) Unless otherwise stated, all times and dates refer to Hong Kong local times and dates.

(2) You will not be permitted to submit your application under the **HK eIPO White Form** service through the designated website at **www.hkeipo.hk** after 11:30 a.m. on the last day for submitting applications. If you have already submitted your application and obtained an application reference number from the designated website prior to 11:30 a.m., you will be permitted to continue the application process (by completing payment of application monies) until 12:00 noon on the last day for submitting applications, when the application lists close.

(3) If there is/are a "black" rainstorm warning signal or a No. 8 typhoon warning signal or above and/or Extreme Conditions, (collectively "**Bad Weather Signals**") in force in Hong Kong at any time between 9:00 a.m. and 12:00 noon on Tuesday, May 27, 2025, the application lists will not open and will close on that day. For further details, please see the section headed "How to Apply for Hong Kong Offer Shares — E. Bad Weather Arrangements" in this prospectus.

(4) Applicants who apply for Hong Kong Offer Shares by giving **electronic application instructions** to HKSCC via HKSCC's FINI system should refer to the section headed "How to Apply for Hong Kong Offer Shares — 2. Application Channels" in this prospectus.

(5) The Price Determination Date is expected to be on or about Wednesday, May 28, 2025, and in any event, not later than 12:00 noon on Wednesday, May 28, 2025. If, for any reason, the Offer Price is not agreed between the Sponsor-Overall Coordinators (for themselves and on behalf of the Underwriters) and us on or before 12:00 noon on Wednesday, May 28, 2025, the Global Offering will not proceed and will lapse.

(6) None of the websites or any of the information contained on the websites forms part of this prospectus.

(7) Share certificates will only become valid at 8:00 a.m. on the Listing Date provided that the Global Offering has become unconditional and the right of termination described in the section headed "Underwriting — Underwriting Arrangements and Expenses — Hong Kong Public Offering — Grounds for Termination" in this prospectus has not been exercised. Investors who trade Shares on the basis of publicly available allocation details prior to the receipt of Share certificates or prior to the Share certificates becoming valid evidence of title do so entirely at their own risk.

(8) e-Auto Refund payment instructions/refund cheques will be issued in respect of wholly or partially unsuccessful applications pursuant to the Hong Kong Public Offering and in respect of wholly or partially successful applications in the event that the final Offer Price is less than the price payable per Offer Share on application. Part of the applicant's identification document number, or, if the application is made by joint applicants, part of the identification document number of the first-named applicant, provided by the applicant(s) may be printed on the refund check, if any. Such data would also be transferred to a third party for refund purposes. Banks may require verification of an applicant's identification document number before encashment of the refund check. Inaccurate completion of an applicant's identification document number may invalidate or delay encashment of the refund check.

(9) Applicants who have applied on the **HK eIPO White Form** service for 1,000,000 or more Hong Kong Offer Shares may collect Share certificates in person from our Hong Kong Share Registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong from 9:00 a.m. to 1:00 p.m. on Friday, May 30, 2025 or such other date as notified by us as the date of dispatch/collection of Share certificates/e-Auto Refund payment instructions. Applicants being individuals who are eligible for personal collection may not authorize any other person to collect on their behalf. If you are a corporate applicant which is eligible for personal collection, your authorized representative must bear a letter of authorization from your corporation stamped with your corporation's chop. Both individuals and authorized representatives must produce evidence of identity acceptable to our Hong Kong Share Registrar at the time of collection.

Applicants who have applied for Hong Kong Offer Shares through the HKSCC EIPO channel should refer to the section headed "How to Apply for Hong Kong Offer Shares — D. Despatch/Collection of Share Certificates and Refund of Application Monies" in this prospectus for details.

Applicants who have applied through the **HK eIPO White Form** service and paid their applications monies through single bank accounts may have refund monies (if any) dispatched to the bank account in the form of e-Auto Refund payment instructions. Applicants who have applied through the **HK eIPO White Form** service and paid their application monies through multiple bank accounts may have refund monies (if any) dispatched to the address as specified in their application instructions in the form of refund checks in favor of the applicant (or, in the case of joint applications, the first-named applicant) by ordinary post at their own risk.

Share certificates and/or refund checks for applicants who have applied for less than 1,000,000 Hong Kong Offer Shares and any uncollected Share certificates will be dispatched by ordinary post, at the applicants' risk, to the addresses specified in the relevant applications.

Further information is set out in the sections headed "How to Apply for Hong Kong Offer Shares — D. Despatch/Collection of Share Certificates and Refund of Application Monies."

The above expected timetable is a summary only. You should refer to the sections headed "Structure of the Global Offering" and "How to Apply for Hong Kong Offer Shares" for details of the structure of the Global Offering, including the conditions of the Global Offering, and the procedures for application for the Hong Kong Offer Shares.

If the Global Offering does not become unconditional or is terminated in accordance with its terms, the Global Offering will not proceed. In such case, the Company will make an announcement as soon as practicable thereafter.

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IMPORTANT NOTICE TO PROSPECTIVE INVESTORS

This prospectus is issued by our Company solely in connection with the Hong Kong Public Offering and the Hong Kong Offer Shares and does not constitute an offer to sell or a solicitation of an offer to buy any security other than the Hong Kong Offer Shares offered by this prospectus pursuant to the Hong Kong Public Offering. This prospectus may not be used for the purpose of making, and does not constitute, an offer or invitation in any other jurisdiction or in any other circumstances. No action has been taken to permit a public offering of the Offer Shares in any jurisdiction other than Hong Kong and no action has been taken to permit the distribution of this prospectus in any jurisdiction other than Hong Kong. The distribution of this prospectus for purposes and the offering and sale of the Offer Shares in other jurisdictions are subject to restrictions and may not be made except as permitted under the applicable securities laws of such jurisdictions pursuant to registration with or authorization by the relevant securities regulatory authorities or an exemption therefrom.

*You should rely only on the information contained in this prospectus to make your investment decision. The Hong Kong Public Offering is made solely on the basis of the information contained and the representations made in this prospectus. We have not authorized anyone to provide you with information that is different from what is contained in this prospectus. Any information or representations not contained or made in this prospectus must not be relied on by you as having been authorized by our Company, the Joint Sponsors, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, any of the Underwriters, any of our or their respective directors, officers, employees, partners, agents or representatives, or any other party involved in the Global Offering. Information contained in our website, **www.shouhui-tech.com**, does not form part of this prospectus.*

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This summary aims to give you an overview of the information contained in this prospectus and is qualified in its entirety by, and should be read in conjunction with, the full text of this prospectus. As this is a summary, it does not contain all the information that may be important to you and we urge you to read the entire prospectus carefully before making your investment decision. There are risks associated with any investment. Some of the particular risks in investing in the Offer Shares are set out in the section headed "Risk Factors" in this prospectus. You should read that section carefully before you decide to invest in the Offer Shares.

OVERVIEW

We are a life and health insurance intermediary service provider in China, dedicated to providing insurance service solutions to policyholders and the insured online through life and health insurance transaction and service platforms. The insurance products distributed by us, including those jointly developed with insurance companies, are underwritten by insurance companies, and we do not bear any underwriting risks. Most of our customers are insurance companies in China. Our suppliers primarily consist of insurance agents, promotional service providers and licensed brokerages and agencies. According to Frost & Sullivan, the market size of China's life and health insurance market in terms of GWP amounted to RMB3.8 trillion in 2023. We primarily compete with insurance intermediaries and in-house sales force of insurance companies. In addition, we also compete against other market players including bancassurance channels and concurrent-business insurance agencies. In 2023, the GWP of the life and health insurance intermediary market in China reached RMB237 billion, which accounted for 6.3% of the total GWP in China's life and health insurance market. We ranked eighth in terms of GWP in the life and health insurance intermediary market in China in 2023, with a market share of 2.9%. Online intermediaries dominated China's life and health insurance intermediary market and accounted for 89.1% of the total GWP in China's life and health insurance intermediary market in 2023. We are the second largest online insurance intermediary in China in terms of GWP of long-term life and health insurance in 2023, with a market share of 7.3%, following a prominent player in the market with a share of 45.5%. We are the second largest online insurance intermediary in China in terms of FYP of long-term life and health insurance in 2023.

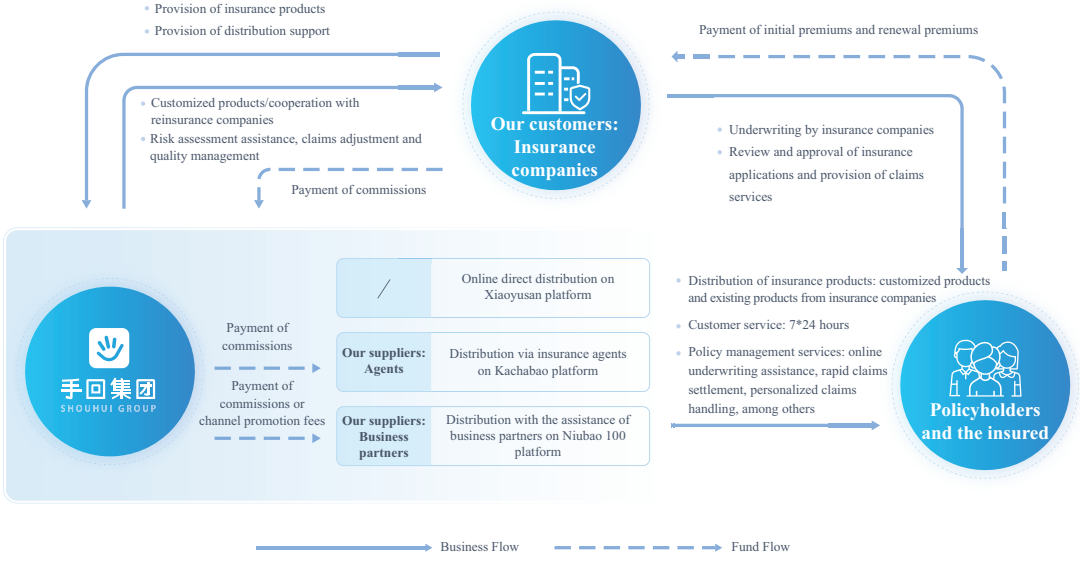
We derive revenue primarily from commissions paid by insurance companies for successful distribution of insurance products underwritten by them to policyholders and the insured through us. We provide insurance transaction services to insurance companies we collaborate with, most of which are major insurance companies in the PRC. Our revenue is generally calculated based on a percentage of the premiums of insurance policies distributed through us. During the Track Record Period, we collaborated with over 110 insurance companies, including over 70% of life and health insurance companies in China. Leveraging latest technologies and our extensive experience from the internet industry, we have built a comprehensive service system capable of serving policyholders and the insured.

We distribute life and health insurance products through three distribution channels facilitated by our three platforms, namely (1) online direct distribution on Xiaoyusan, (2) distribution via insurance agents on Kachabao, and (3) distribution with the assistance of business partners on Niubao 100. Policyholders may purchase directly through Xiaoyusan which allows the policyholders to complete the purchase on a single platform. We utilize Kachabao to assist our insurance agents to serve policyholders and the insured and Niubao 100 to expand our reach to a larger population of policyholders and the insured. Our platforms support insurance agents and business partners by facilitating distribution and providing comprehensive support throughout the insurance transaction process. We pay commissions or channel promotion fees to our insurance agents and business partners for successful distribution based on the commissions we receive from insurance companies.

- **Online direct distribution on Xiaoyusan.** Policyholders may purchase directly through Xiaoyusan, which allows the policyholders to complete the purchase on a single platform and is designed as the direct distribution platform for our customized and selected insurance products. Xiaoyusan enhances the overall experience of policyholders covering various stages of insurance transactions, including product search, product recommendation, online consultation, personalized insurance plans, product purchases and policy management. In 2024, revenue from online direct distribution on Xiaoyusan amounted to RMB293.1 million and accounted for 21.3% of our total revenue from insurance transaction services.

- **Distribution via insurance agents on Kachabao.** We distribute insurance products via insurance agents on our Kachabao platform. Our insurance agents serve as crucial channels through which we reach policyholders and the insured, deliver information about insurance product offerings, and facilitate the distribution process. Our insurance agents are individual insurance sales practitioners with professional knowledge and experience in different insurance products. Our agents can complete the process of online training, business expansion, insurance transactions and policy management on Kachabao. As of December 31, 2024, we had built a distribution network with over 27,000 insurance agents, out of which over 16,000 distributed insurance products in 2024, covering 15 provincial-level administrative regions in China. In 2024, revenue from distribution via insurance agents on Kachabao amounted to RMB220.1 million and accounted for 15.9% of our total revenue from insurance transaction services.

- **Distribution with the assistance of business partners on Niubao 100.** We distribute insurance products with the assistance of business partners on our Niubao 100 platform. We collaborate with various business partners including (i) self-media traffic channels such as media and advertising companies that have accumulated a large number of user groups with insurance needs and key opinion leaders; and (ii) licensed brokerages and agencies. We engage self-media traffic channels to generate traffic and promote the insurance products online. In addition, licensed brokerages and agencies rely on their own agents or brokers to promote and distribute the insurance products. Our Niubao 100 platform provides business partners, specifically licensed brokerages and agencies, with support throughout the insurance transaction process, including online product selection and recommendation, and online transaction and service assistance. During the Track Record Period, we had over 1,100 business partners. In 2024, revenue from distribution with the assistance of business partners on Niubao 100 amounted to RMB864.6 million and accounted for 62.8% of our total revenue from insurance transaction services.



The table below sets forth the revenue generated from insurance transaction services by online platform and distribution channel, in absolute amounts and as percentages of our total revenue from insurance transaction services for the periods indicated.

	For the year ended December 31,					
	2022		2023		2024	
	Revenue	*%*	*Revenue*	*%*	*Revenue*	*%*
	(RMB in thousands, except for percentages)					
Niubao 100 (Business partners)						
– Self-media traffic channels	180,413	22.5	599,460	36.8	404,642	29.4
– Licensed brokerages and agencies	343,561	42.9	501,656	30.8	459,932	33.4
Sub-total	**523,974**	**65.4**	**1,101,116**	**67.6**	**864,574**	**62.8**
Xiaoyusan (Direct distribution)	173,846	21.6	317,604	19.5	293,121	21.3
Kachabao (Insurance agents)	103,850	13.0	209,898	12.9	220,056	15.9
Total	**801,670**	**100.0**	**1,628,618**	**100.0**	**1,377,751**	**100.0**

As a licensed provider of insurance transactions and services, we operate mainly via online platforms in distributing long-term life insurance products, long-term critical illness insurance products, long-term medical and other insurance products, as well as short-term insurance products. We focus on long-term life and health insurance products. The nature of these long-term life and health insurance products and their service cycles have enabled us to build and strengthen long-lasting relationships with policyholders and the insured. We believe this connection allows us to provide insurance services catering to diverse needs of policyholders and the insured at different stages of life, thereby generating a continuous stream of income.

The decrease in our revenue from insurance transaction services from RMB1,628.6 million in 2023 to RMB1,377.8 million in 2024 was mainly attributable to the decrease in revenue from Niubao 100 platform from RMB1,101.1 million in 2023 to RMB864.6 million in 2024, which was further attributable to (i) the decrease in revenue generated from self-media traffic channels from RMB599.5 million in 2023 to RMB404.6 million in 2024 and (ii) to a lesser extent the decrease in revenue generated from licensed brokerages and agencies from RMB501.7 million in 2023 to RMB459.9 million in 2024. The decrease in revenue generated from self-media traffic channels was primarily because self-media traffic channels historically focused on long-term life insurance products and derived a significant portion of revenue from long-term life insurance whose revenue was impacted by the "unified reporting and underwriting" policy which is set out in the Notice on Matters Related to Regulating Bancassurance Channels of Life Insurance Companies published by the NFRA in January 2024. The decrease in revenue generated from licensed brokerages and agencies was less significant as licensed brokerages and agencies derived more revenue from long-term critical illness insurance products which was not materially affected by the "unified reporting and underwriting" policy. Furthermore, we enhanced cooperation with large licensed brokerages and agencies, for example Supplier E and Supplier H in 2024.

The products we distribute include those customized by us and existing products from insurance companies. We customize some of the products we distribute and cultivate our own IPs for our long-term development. We also distribute existing products from insurance companies so that we are able to offer a wide variety of insurance products catering to different needs of policyholders and the insured and we may leverage marketing capabilities of insurance companies to promote their existing products. Since 2017, we have been distributing customized long-term life and health insurance products for which we are involved in formulating the terms and conditions and pricing, and own IP rights of product brands. We entered into exclusive agreements with insurance companies for the majority of customized insurance products we distributed during the Track Record Period in terms of GWP, for which we had right to distribute exclusively provided that we meet performance related conditions such as premium amount or persistency rate. In the insurance product customization process, we identify and set out insurance product requirements for target policyholders and the insured, engage in competitive negotiations with insurance companies and reinsurance companies, and ultimately select insurance company partners and distribute customized insurance products. Insurance companies underwrite insurance products, collaborate with intermediaries to obtain premium, and cooperate with reinsurance companies and share risks based on product development needs. Reinsurance companies assume the risks from insurance companies and collaborate with intermediaries. The FYP generated by our customized products accounted for 52.5%, 59.0% and 40.5% of the FYP of all of the insurance products we distributed in 2022, 2023 and 2024, respectively. Our customized products with our IP, when distributed on our platforms, has contributed to the enhancement of our brand recognition, building positive market reputation and establishing market influence. Through our strong partnerships with insurance companies, we have distributed a total of over 1,900 products since our inception, including over 280 customized products and over 1,600 existing products from insurance companies. As of December 31, 2024, we had 306 products available for purchase and had successfully incubated over 14 IPs on our platforms.

As of December 31, 2024, over 1.6 million policyholders and over 2.4 million insured had insurance policies distributed by us that remained effective. We offer insurance products catering to diverse needs of policyholders at different stages of life. By offering comprehensive insurance services, we establish a strong connection with policyholders and the insured. Our policyholders primarily include people aged from 30 to 45 residing in first-tier and second-tier cities in China. During the Track Record Period, policyholders aged from 30 to 45 contributed to 63.4% of our GWP and 72.2% of policies we distributed. According to Frost & Sullivan, people aged from 30 to 45 in China represent the mainstream consumer group for insurance products, exhibiting a high level of acceptance for online insurance transactions and services, and tend to complete insurance transactions online.

For the years ended December 31, 2022, 2023 and 2024, our revenue reached RMB806.3 million, RMB1,634.4 million and RMB1,387.1 million, respectively. We focus on long-term life and health insurance products, which allows us to generate sustained revenue and strengthens the foundation of our financial growth.

The tables below set forth our key operating data during the Track Record Period.

	As of December 31,		
	2022	2023	2024
Number of policyholders:			
Total number of policyholders[(1)] ('000)	1,143	1,358	1,645
– Number of policyholders on Xiaoyusan platform ('000)	362	409	393
– Number of policyholders on Niubao 100 platform ('000)	511	661	935
– Number of policyholders on Kachabao platform ('000)	269	288	318
Number of the insured:			
Total number of the insured[(2)] ('000)	1,525	1,900	2,431
– Number of the insured on Xiaoyusan platform ('000)	508	586	622
– Number of the insured on Niubao 100 platform ('000)	673	937	1,357
– Number of the insured on Kachabao platform ('000)	343	377	453

	For the year ended December 31,		
	2022	2023	2024
Number of new policies[(3)] ('000)	2,292	3,143	1,852
Average number of new policies per policyholder[(4)]	3.2	3.4	1.8
GWP (RMB'000)	3,997,692	6,766,576	8,195,324
FYP (RMB'000)	1,618,193	3,401,528	3,050,744

Notes:

(1) The number of policyholders refers to the policyholders who had effective insurance policy as of the dates indicated. For the avoidance of doubt, policyholders whose insurance policy had expired as of the dates indicated and policyholders whose insurance policy was cancelled either before the policy became effective or during the cooling-off period have not been included in the number of policyholders.

(2) The number of the insured refers to the insured who had effective insurance policy as of the dates indicated. For the avoidance of doubt, the insured whose insurance policy had expired as of the dates indicated and the insured whose insurance policy was cancelled either before the policy became effective or during the cooling-off period have not been included in the number of the insured.

(3) The number of new policies refers to the number of policies in the relevant period which is the first year of the policy period. For the avoidance of doubt, policies that were cancelled either before the policy became effective or during the cooling-off period have not been included in the number of new policies. The decrease in the number of new policies we distributed in 2024 compared to 2022 and 2023 was mainly because we reduced the number of policies with small premium and policies offered with a promotional focus to control our costs. As a result the new policies we distributed in 2024 had higher average GWP and FYP.

(4) The average number of new policies per policyholder refers to the number of new policies taken out during the relevant period divided by the number of policyholders who purchased insurance products during the same period.

OUR COMPETITIVE STRENGTHS AND DEVELOPMENT STRATEGIES

We believe the following strengths have contributed to our success and are expected to continue to drive our future growth: (i) online long-term life and health insurance intermediary service provider in China; (ii) market-driven product customization and IP management; (iii) an online business process that empowers the offering, transaction and service of insurance products; (iv) efficient and convenient client services for policyholders and the insured; (v) research and development capabilities that are closely integrated with industry practices; and (vi) experienced management team with in-depth industry expertise.

We intend to strengthen our market position and further increase our market share by implementing the following strategies: (i) enhance our business process with more industry value chain participants; (ii) develop more customized insurance products and enhance brand awareness; (iii) increase investment in R&D and technology; and (iv) strategically pursue growth through mergers and acquisitions as well as international expansion.

OUR CUSTOMERS AND SUPPLIERS

Most of our customers are insurance companies in China. During the Track Record Period, the aggregate revenue generated from our top five customers in each year amounted to RMB622.4 million, RMB1,042.2 million and RMB979.9 million, respectively, accounting for 77.2%, 63.8% and 70.7% of our total revenue in the respective year. During the Track Record Period, the revenue generated from our largest customer in each year amounted to RMB169.0 million, RMB278.1 million and RMB325.6 million, respectively, accounting for 21.0%, 17.0% and 23.5% of our total revenue in the respective year. During the Track Record Period, all of our top five customers in each year were Independent Third Parties. None of our Directors, their close associates or any of our shareholders (who, to the knowledge of the Directors, own more than 5% of our issued share capital) had any interest in any of our top five customers for each year during the Track Record Period and as of the Latest Practicable Date. For our sales and marketing strategies and our pricing models, please refer to the section headed "Business – Sales and Marketing and Our Online Platforms" in this prospectus.

Our suppliers primarily consist of: (i) insurance agents; (ii) insurance brokerage and agency companies; and (iii) promotional service companies, which are our self-media traffic channel providers. Misconduct of promotional service providers could result in violation of law by us, regulatory actions or litigation against us, reputational risk to us or financial harm to us. We proactively take preventive measures including regularly monitoring the activities of promotional service providers and reviewing articles prepared by promotional service providers before the articles are posted. During the Track Record Period, purchases from our top five suppliers in each year amounted to RMB174.3 million, RMB216.3 million and RMB234.8 million, respectively, accounting for 33.1%, 20.0% and 27.4% of our total purchases in the respective year. During the Track Record Period, purchases from our largest supplier in each year amounted to RMB60.5 million, RMB84.1 million and RMB65.3 million, respectively, accounting for 11.5%, 7.8% and 7.7% of our total purchases in the respective year. During the Track Record Period, all of our top five suppliers in each year were

Independent Third Parties. None of our Directors, their close associates or any of our shareholders (who, to the knowledge of the Directors, own more than 5% of our issued share capital) had any interest in any of our top five suppliers for each year during the Track Record Period and as of the Latest Practicable Date.

COMPETITION

According to Frost & Sullivan, the market size of China's life and health insurance market in terms of GWP amounted to RMB3.8 trillion in 2023. Online insurance services, which utilize platforms for conducting insurance transactions, amounted to RMB0.5 trillion in 2023 in terms of GWP, which accounted for 14.6% of the total GWP in China's life and health insurance market, an increase from 6.0% in 2019. We primarily compete with insurance intermediaries and in-house sales force of insurance companies. In addition, we also compete against other market players including bancassurance channels and concurrent-business insurance agencies. In 2023, the GWP of the life and health insurance intermediary market in China reached RMB237 billion, which accounted for 6.3% of the total GWP in China's life and health insurance market, an increase from 2.4% in 2019. We ranked eighth in terms of GWP in the life and health insurance intermediary market in China in 2023, with a market share of 2.9%. Online intermediaries dominated China's life and health insurance intermediary market and accounted for 89.1% of the total GWP in China's life and health insurance intermediary market in 2023. The online long-term life and health insurance intermediary market in China is relatively concentrated and highly competitive. The top five players contributed to a total of 68.6% of the market share in terms of GWP in 2023. We are the second largest online insurance intermediary in China in terms of GWP of long-term life and health insurance in 2023, with a market share of 7.3%, following a prominent player in the market with a share of 45.5%. As competition in China's online long-term life and health insurance intermediary market intensifies, we believe that we are well positioned to take advantage of opportunities in this growing industry. For additional details regarding the competitive landscape of the industry in which we operate, please refer to the section headed "Industry Overview" in this prospectus.

SUMMARY OF HISTORICAL FINANCIAL INFORMATION

The table below includes, for the periods indicated, selected financial data derived from our consolidated statements of profit or loss, the details of which are set forth in the Accountants' Report in Appendix I to this prospectus, and these should be read in conjunction with the historical financial information in the Accountants' Report in Appendix I to this prospectus, including the related notes.

The following table sets forth a summary of our consolidated statements of profit or loss and other comprehensive income, with line items in absolute amounts and as percentages of our revenue for the periods indicated.

	For the year ended December 31,					
	2022		2023		2024	
	RMB	*% of Revenue*	*RMB*	*% of Revenue*	*RMB*	*% of Revenue*
	(in thousands, except percentages)					
Revenue	806,258	100.0	1,634,395	100.0	1,387,086	100.0
Cost of revenue	(525,840)	(65.2)	(1,082,596)	(66.2)	(858,206)	(61.9)
Gross profit	**280,418**	**34.8**	**551,799**	**33.8**	**528,880**	**38.1**
Other net income	13,517	1.7	12,921	0.8	13,682	1.0
Sales and marketing expenses	(98,174)	(12.2)	(139,358)	(8.5)	(136,285)	(9.7)
General and administrative expenses	(54,915)	(6.8)	(84,080)	(5.1)	(98,023)	(7.1)
Research and development expenses	(53,508)	(6.6)	(61,078)	(3.7)	(50,955)	(3.7)
Reversal of/(provision for) impairment loss	111	0.0	(1,776)	(0.1)	(962)	(0.1)
Profit from operations	**87,449**	**10.8**	**278,428**	**17.0**	**256,337**	**18.5**
Finance costs	(464)	(0.1)	(461)	(0.0)	(258)	(0.0)
Changes in carrying amount of financial instruments issued to investors	61,556	7.6	(584,340)	(35.8)	(345,035)	(24.9)
Share of profits/(losses) of associates	313	0.0	75	0.0	(1,234)	(0.1)
Profit/(loss) before taxation	**148,854**	**18.5**	**(306,298)**	**(18.7)**	**(90,190)**	**(6.5)**
Income tax	(17,867)	(2.2)	(49,911)	(3.1)	(45,419)	(3.3)
Profit/(loss) for the year	**130,987**	**16.3**	**(356,209)**	**(21.8)**	**(135,609)**	**(9.8)**
Other comprehensive income for the year (after tax)						
Exchange differences on translation of financial statements of operations outside the Chinese mainland	–	–	1	0.0	2,886	(0.2)
Other comprehensive income for the year	–	–	1	0.0	2,886	(0.2)
Total comprehensive income for the year	130,987	16.2	(356,208)	(21.8)	(132,723)	(9.6)

	For the year ended December 31,					
	2022		2023		2024	
	RMB	*% of Revenue*	*RMB*	*% of Revenue*	*RMB*	*% of Revenue*
	(in thousands, except percentages)					
Profit/(loss) attributable to:						
Equity shareholders of the Company	130,881	16.2	(356,164)	(21.8)	(136,116)	(9.8)
Non-controlling interests	106	0.0	(45)	(0.0)	507	0.0
Profit/(loss) for the year	**130,987**	**16.2**	**(356,209)**	**(21.8)**	**(135,609)**	**(9.8)**
Total comprehensive income attributable to:						
Equity shareholders of the Company	130,881	16.2	(356,163)	(21.8)	(133,230)	(9.6)
Non-controlling interests	106	0.0	(45)	(0.0)	507	0.0
Total comprehensive income for the year	130,987	16.2	(356,208)	(21.8)	(132,723)	(9.6)
Basic and diluted (loss)/earnings per share (RMB)	N/A	N/A	N/A	N/A	N/A	N/A

Non-HKFRS Measure

To supplement our consolidated financial statements presented in accordance with HKFRS, we also use a non-HKFRS measure, namely adjusted net profit (non-HKFRS measure), as an additional financial measure, which is not required by or presented in accordance with HKFRS. We believe that such non-HKFRS measure facilitates comparisons of operating performance from period to period by eliminating potential impacts of certain items. We believe that such measure provides useful information to investors and others in understanding and evaluating our consolidated results of operations in the same manner as it helps our management. However, our presentation of adjusted net profit (non-HKFRS measure) may not be comparable to similarly titled measures presented by other companies. The use of such non-HKFRS measure has limitations as an analytical tool, and you should not consider it in isolation from, or as substitute for analysis of, our results of operations or financial conditions as reported under HKFRS.

We define adjusted net profit (non-HKFRS measure) as profit/(loss) excluding the effects of share-based compensation expenses, listing expenses and changes in carrying amount of financial instruments issued to investors. Share-based compensation expenses are non-cash in nature and are employee related expenses arising from grant of share options under our share incentive plan. We also exclude listing expenses with respect to this Global Offering. In addition, the changes in carrying amount of financial instruments issued to investors is also a non-cash item. These changes in profit or loss relate to the financial instruments we issued to

investors which will automatically convert into ordinary shares upon the completion of the Global Offering, and the carrying amount of the financial liabilities are expected to be reclassified to equity upon such conversion. The adjustments have been consistently made during the Track Record Period. The following table sets forth the reconciliation of net profit or loss to adjusted net profit (non-HKFRS measure) for the periods indicated:

	For the year ended December 31,		
	2022	2023	2024
	(RMB in thousands)		
Profit/(loss) for the year	**130,987**	**(356,209)**	**(135,609)**
Add:			
Changes in carrying amount of financial instruments issued to investors	(61,556)	584,340	345,035
Share-based compensation	5,592	7,920	14,552
Listing expenses	–	17,285	17,585
Adjusted net profit (non-HKFRS measure)	**75,023**	**253,336**	**241,563**

Our net profit/loss fluctuated during the Track Record Period. We recorded net profit of RMB131.0 million, net loss of RMB356.2 million and net loss of RMB135.6 million in 2022, 2023 and 2024, respectively. The fluctuation was mainly due to the following factors: (i) we recorded a gain of RMB61.6 million in changes in carrying amount of financial instruments issued to investors in 2022, a loss of RMB584.3 million in 2023, and a loss of RMB345.0 million in 2024, as a result of changes in the valuation of our Company; and (ii) the fluctuation in our revenue during the Track Record Period. For further details, please refer to "— Revenue by insurance products" in this section and the section headed "Financial Information — Year-To-Year Comparison of Results of Operations " in this prospectus.

Revenue by insurance products

We mainly offer life and health insurance products, including (i) long-term life insurance products; (ii) long-term critical illness insurance products; (iii) long-term medical and other insurance products; and (iv) short-term insurance products. For detailed features of the various types of insurance products we offer, please refer to the section headed "Business — Products We Distribute and Services We Provide — Insurance Transaction Services — Our Insurance Product Offerings" in this prospectus.

The table below sets forth the revenue generated from insurance companies for distributing their insurance products, in absolute amounts and as percentages of our total revenue from insurance transaction services for the periods indicated.

	For the year ended December 31,					
	2022		2023		2024	
	Revenue	*%*	*Revenue*	*%*	*Revenue*	*%*
	(RMB in thousands, except for percentages)					
Long-term insurance products						
Life insurance	401,114	50.0	968,902	59.4	465,088	33.8
Critical illness insurance	330,819	41.3	440,835	27.1	474,802	34.5
Medical and other insurance	18,626	2.3	142,946	8.8	306,416	22.2
Short-term insurance products	51,111	6.4	75,935	4.7	131,445	9.5
Total	**801,670**	**100.0**	**1,628,618**	**100.0**	**1,377,751**	**100.0**

Our total revenue increased by 102.7% from RMB806.3 million in 2022 to RMB1,634.4 million in 2023 mainly due to the increase in revenue generated from our insurance transaction services. Our revenue generated from insurance transaction services increased by 103.2% from RMB801.7 million in 2022 to RMB1,628.6 million in 2023, primarily attributable to the increase in revenue from (i) long-term life insurance from RMB401.1 million in 2022 to RMB968.9 million in 2023, which was driven by the increase in FYP from RMB994.9 million to RMB2,573.1 million due to a market preference for long-term life insurance products, further due to a downward adjustment in interest rates for investments in China, including stocks and wealth management products; and (ii) long-term critical illness insurance from RMB330.8 million in 2022 to RMB440.8 million in 2023, which was driven by the increase in FYP from RMB292.3 million to RMB401.2 million. The increase in insurance transaction services was also attributable to the increase in revenue from (i) long-term medical and other insurance from RMB18.6 million in 2022 to RMB142.9 million in 2023, which was mainly driven by the launch of Jinyibao, customized products exclusively offered on our platforms, as we beefed up offering of long-term medical insurance products starting from 2022; and (ii) short-term insurance from RMB51.1 million in 2022 to RMB75.9 million in 2023, which was driven by the expansion of our group insurance business. The increase in FYP from all the categories of the insurance products we distributed was mainly driven by (i) our diverse product offerings, growing self-media traffic channels and agent network resulting in the increase in the number of policies and policyholders; and (ii) the overall growth of China's online long-term life and health insurance intermediary service market.

Our total revenue decreased by 15.1% from RMB1,634.4 million in 2023 to RMB1,387.1 million in 2024, mainly due to the decrease in revenue generated from our insurance transaction services. Our revenue generated from insurance transaction services decreased by 15.4% from RMB1,628.6 million in 2023 to RMB1,377.8 million in 2024, primarily due to the decrease in revenue from long-term life insurance from RMB968.9 million in 2023 to RMB465.1 million in 2024, which was attributable to the decrease in FYP from RMB2,573.1

million to RMB1,883.1 million. The decrease in revenue of long-term life insurance was primarily due to (i) the decrease in demand for long-term life insurance products driven by the general economic slowdown and the downward adjustments by the insurance companies of expected rate of return of long-term life insurance products in response to the market conditions in China in 2024; and (ii) the adjustments made by insurance companies out of prudence in response to the changes in the policies in the insurance industry, in particular the "unified reporting and underwriting" policy in the bancassurance channels. The policy aims to standardize the bancassurance business of life insurance companies and requires the life insurance companies to strictly adhere to the insurance terms and premium rates filed with the NFRA. Insurance companies are required to implement expense policies according to the product actuarial reports filed with the NFRA, and the commissions paid to bancassurance channels must not exceed the specified maximum commission rate. Notwithstanding that a similar policy has not been promulgated for any insurance channel other than bancassurance, the insurance companies adjusted commission rates of insurance intermediaries downwards, in particular commission rates for long-term life insurance products. The insurance companies lowered the commission rates to insurance intermediaries so that their actual operating costs would not exceed the expected operating costs calculated based on the product actuarial reports filed with the NFRA. Our average first year commission rates for long-term life insurance products decreased from 31.7% in 2023 to 21.5% in 2024. Please refer to the section headed "Business — Products We Distribute and Services We Provide — Insurance Transaction Services — (v) Our Fee Model" in this prospectus for further details. The "unified reporting and underwriting" policy has led to a general decline in the commission rates of bancassurance channels and insurance intermediaries, according to Frost & Sullivan. Our revenue from long-term life insurance products in 2024 decreased partly due to the decrease in the commission rates offered by the insurance companies for distributing long-term life insurance products.

Revenue from long-term critical illness and long-term life insurance products fluctuated during the Track Record Period. Revenue contribution from long-term critical illness insurance products decreased from 41.3% in 2022 to 27.1% in 2023 mainly because the demand for long-term critical illness insurance products gradually decreased in 2022 and 2023. According to Frost & Sullivan, the GWP of the critical illness insurance market in China decreased from RMB443.9 billion in 2022 to RMB429.2 billion in 2023. Revenue contribution from long-term critical illness insurance products increased to 34.5% in 2024 driven by the upgrade and distribution of customized products including Chaojimali and Dahuangfeng series. Revenue contribution from long-term life insurance products decreased from 59.4% in 2023 to 33.8% in 2024 mainly because of the lower expected rate of return and commission rates for long-term life insurance products in 2024 compared to 2023 driven by the decreasing interest rate in China and the insurance companies' responses to the "unified reporting and underwriting" policy in the bancassurance channels.

Our gross profit margin of insurance transaction services remained relatively stable at 33.7% in 2023 compared to 34.7% in 2022. Our gross profit margin of insurance transaction services increased from 33.7% in 2023 to 38.0% in 2024, primarily due to the shift in our product mix, specifically (i) the increase in the revenue contribution of long-term medical and

other insurance which had a relatively high gross profit margin; and (ii) the decrease in the revenue contribution of long-term life insurance which had a relatively low gross profit margin and used to be the business focus of Niubao 100, particularly self-media traffic channels. The gross profit margin of long-term medical and other insurance products we distributed during the Track Record Period was relatively high primarily because the long-term medical insurance products we distributed generally had a longer payment term with higher renewal commissions which contributed to the high gross profit margin. For example, Jinyibao products, one series of our long-term medical insurance products, typically have a premium payment term of up to 20 years. In addition, we were able to pass a portion of the decrease in the commission rates we received to our suppliers including licensed brokerages and agencies and self-media traffic channels. The gross profit margin attributable to distribution with the assistance of business partners on Niubao 100 increased from 19.0% in 2023 to 23.1% in 2024. The gross profit margin of short-term insurance decreased during the Track Record Period primarily due to the changes in the types of short-term insurance products we distributed, specifically the employer's liability insurance products in 2023 and property insurance products in 2024 which had lower gross profit margins compared to other short-term insurance products. Our gross profit margin of insurance technology services was relatively stable during the Track Record Period.

Summary Consolidated Statements of Financial Position

The following table sets forth selected information from our consolidated statements of financial position as of the dates indicated:

	As of December 31,		
	2022	2023	2024
	(RMB in thousands)		
Non-current assets	218,466	481,537	665,474
Current assets	888,580	1,076,315	1,170,720
Total assets	1,107,046	1,557,852	1,836,194
Current liabilities	(1,461,880)	(2,094,652)	(2,471,879)
Net current liabilities	(573,300)	(1,018,337)	(1,301,159)
Non-current liabilities	(19,271)	(89,365)	(104,118)
Net liabilities	(374,105)	(626,165)	(739,803)
Non-controlling interests	493	448	955

We recorded net liabilities of RMB374.1 million, RMB626.2 million, and RMB739.8 million as of December 31, 2022, 2023 and 2024, respectively, primarily due to financial instruments issued to investors which we recorded as liabilities. Financial instruments issued to investors amounted to RMB899.9 million, RMB1,357.1 million, and RMB1,702.2 million as of December 31, 2022, 2023 and 2024, respectively. Our financial instruments issued to investors will be re-designated from liabilities to equity as a result of the automatic conversion into ordinary shares upon the Listing, after which we do not expect to recognize any further

changes in carrying amount of financial instruments issued to investors and we will return to a net assets position from a net liabilities position. For further details of the financial instruments issued to investors, see Note 24 to the Accountants' Report in Appendix I to this prospectus.

Our net liabilities increased from RMB374.1 million as of December 31, 2022 to RMB626.2 million as of December 31, 2023 mainly reflecting changes in equity including (i) loss for the year of RMB356.2 million, (ii) repurchase of financial instruments issued to investors of RMB96.9 million, and (iii) share-based compensation of RMB7.9 million. Our net liabilities increased from RMB626.2 million as of December 31, 2023 to RMB739.8 million as of December 31, 2024 mainly reflecting changes in equity including (i) loss and other comprehensive income for the year of RMB136.1 million, (ii) share-based compensation of RMB5.5 million, and (iii) issuance of ordinary shares of RMB3.9 million. For more information, please refer to Consolidated Statements of Changes in Equity included in the Accountants' Report in Appendix I to this prospectus.

We recorded net current liabilities of RMB573.3 million, RMB1,018.3 million and RMB1,301.2 million as of December 31, 2022, 2023 and 2024, respectively. Our net current liabilities increased from RMB1,018.3 million as of December 31, 2023 to RMB1,301.2 million as of December 31, 2024, primarily due to (i) an increase of RMB345.0 million in financial instruments issued to investors, and (ii) a decrease of RMB62.4 million in accounts receivable, partially offset by (i) an increase of RMB135.3 million in financial assets measured at fair value through profit or loss and (ii) an increase of RMB52.3 million in contract assets.

Our net current liabilities increased from RMB573.3 million as of December 31, 2022 to RMB1,018.3 million as of December 31, 2023, primarily due to (i) an increase of RMB457.2 million in financial instruments issued to investors, (ii) an increase of RMB80.0 million in current taxation, and (iii) an increase of RMB59.2 million in accounts payable, partially offset by (i) an increase of RMB129.2 million in financial assets measured at fair value through profit or loss, (ii) an increase of RMB92.8 million in contract assets, and (iii) an increase of RMB35.3 million in cash and cash equivalents.

We believe that our net current liabilities position will improve with net cash inflows generated from operating activities with the growth of our business. We also plan to improve our net current liabilities position and ensure that we have sufficient working capital by enhancing our operating efficiency through carefully selecting business partners and further optimize our means of client acquisition. Furthermore, we will continue to closely monitor our liquidity position to ensure that it is in line with our business operations and expansion plan. We will also manage the level of our cash and current assets to ensure the availability of sufficient cash flows to meet any planned or unexpected cash requirements arising from our operations. We plan to better manage the collection of our accounts receivable by setting up an accounts receivable team in our finance department which will be responsible for reconciling and collecting receivables from our customers. We will assign designated personnel to liaise with different customers, perform monthly reconciliation of receivables and follow up with the customers.

Summary Consolidated Statements of Cash Flows

The following table sets forth our cash flows for the periods indicated.

	For the year ended December 31,		
	2022	**2023**	**2024**
	(RMB in thousands)		
Cash (used in)/generated from operations	(42,485)	231,083	135,607
Income tax paid	(11,776)	(26,015)	(25,507)
Net cash (used in)/generated from operating activities	(54,261)	205,068	110,100
Net cash used in investing activities	(81,418)	(123,061)	(123,490)
Net cash used in financing activities	(2,071)	(46,757)	(4,125)
Net (decrease)/increase in cash and cash equivalents	**(137,750)**	**35,250**	**(17,515)**
Cash and cash equivalents at the beginning of the year	232,991	95,241	130,491
Effect of foreign exchange rate changes	–	*	392
Cash and cash equivalents at the end of the year	**95,241**	**130,491**	**113,368**

* The balance represents amount less than RMB500.

We recorded net operating cash outflow for the year ended December 31, 2022. Our net cash used in operating activities was RMB54.3 million in 2022, primarily due to (i) a decrease in accounts payable due to the settlement of large accounts payable balance at the beginning of 2022, and (ii) a decrease in other payables, accruals and other liabilities further due to the decrease in insurance premiums payable on behalf of insurance policy holders.

KEY FINANCIAL RATIOS

The following table sets forth certain of our key financial ratios for the periods indicated.

	For the year ended/As of December 31,		
	2022	2023	2024
Gross profit margin	34.8%	33.8%	38.1%
Net profit/(loss) margin[(1)]	16.2%	(21.8%)	(9.8%)
Adjusted net profit margin (non-HKFRS measure)[(2)]	9.3%	15.5%	17.4%
Current ratio[(3)]	0.6	0.5	0.5

Notes:

(1) Net profit/(loss) margin was calculated based on loss/profit for the year divided by the total revenue for the year indicated.

(2) Adjusted net profit margin (non-HKFRS measure) was calculated based on adjusted net profit (non-HKFRS measure) divided by the total revenue for the year indicated.

(3) Current ratio as of December 31, 2022, 2023 and 2024, respectively, was calculated based on the total current assets divided by the total current liabilities.

RISK FACTORS

A summary of certain key risk factors we face include:

(i) Policyholders may decide to purchase insurance directly from insurance companies, which would have a material adverse impact on our financial condition, results of operations and prospects;

(ii) We face intense competition in the markets we operate in, and some of our competitors may have greater resources or brand recognition than us;

(iii) Our business is subject to the regulation and administration by the insurance regulatory authorities and other PRC Government Authorities, and failure to comply with any applicable regulations and rules by us could result in financial losses or effect on our business;

(iv) We may not be able to provide diversified or customized insurance products to policyholders and the insured and a wide range of services to insurance companies to effectively address their needs, which could have a material adverse effect on our business, results of operations and financial condition;

(v) If we fail to maintain stable relationships with our partners, our business, results of operations, financial condition and business prospects could be materially and adversely affected;

(vi) As the revenue we receive from the distributing of insurance products to policyholders and the insured is based on premium and commission rates set by insurance companies, any decrease in these commission rates, or any increase in the commission expenses or channel promotion fees we pay, may have an adverse effect on our results of operation; and

(vii) We experienced fluctuation in our financial results during the Track Record Period, and we may not be able to remain profitable in the future.

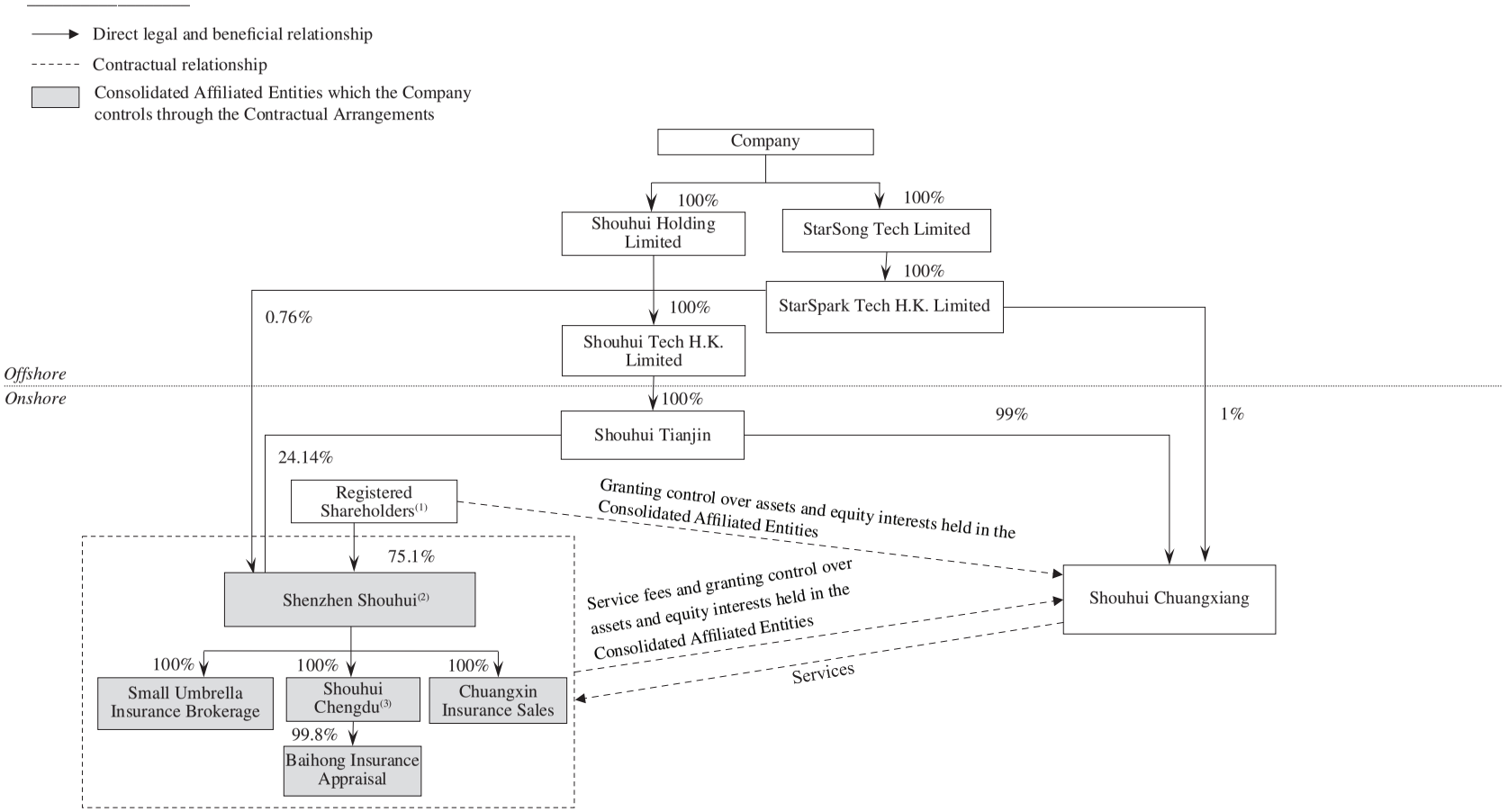
If any of the above key risk factors materializes, there may be a material and adverse effect on our business, financial condition, results of operations and prospects. You should read the entire section headed "Risk Factors" in this prospectus before you decide to invest in the Offer Shares.

CONTRACTUAL ARRANGEMENTS

Due to regulatory restrictions on foreign ownership in the PRC, we entered into the Contractual Arrangements whereby we have acquired effective control over our Consolidated Affiliated Entities which carry out certain businesses of our Group in the PRC that are subject to foreign investment restrictions. The Contractual Arrangements enable us to receive substantially all of the economic benefits derived from our Consolidated Affiliated Entities in consideration for the services provided by Shouhui Chuangxiang, and hold an exclusive option to purchase all or part of the equity interests and assets of our Consolidated Affiliated Entities when and to the extent permitted by PRC laws.

The Contractual Arrangements comprise the following agreements: (i) the Exclusive Business Cooperation Agreement; (ii) the Exclusive Option Agreement; (iii) the Equity Pledge Agreement; (iv) the Shareholder Voting Rights Proxy Agreement; and (v) the Spouse Undertakings. For further details, please refer to the section headed "Contractual Arrangements" in this prospectus.

The following simplified diagram illustrates our Contractual Arrangements:



Notes:

(1) The Registered Shareholders are three individuals (namely, Mr. Guang, Mr. Han and Ms. Liu, who each holds 47.10%, 13.26% and 2.41% equity interests in Shenzhen Shouhui) and Small Umbrella (ESOP) which holds 12.33% of the equity interests in Shenzhen Shouhui. Mr. Guang is our founder and serves as the chairman of our Board and our executive Director. Mr. Han is our executive Director. Ms. Liu is our executive Director. Small Umbrella (ESOP) is a limited partnership and an employee shareholding platform holding shares. As of the Latest Practicable Date, Small Umbrella (ESOP) had 23 limited partners, consisting of Mr. Guang (35.95%), Muchenglin Investment (1.00%), which was held as to 80% by Mr. Guang and 20% by Mr. Han, which is also the general partner of Small Umbrella (ESOP), and a group of existing and former employees of the Company (Mr. Jianting Li (李鑒庭) (12.29%), who is also our executive Director, Mr. Shaofeng Li (李少鋒) (6.33%), Mr. Detao Chen (陳德濤) (3.90%), who is the general manager of Small Umbrella Insurance Brokerage, Mr. Wenjun Yin (尹文俊) (3.80%), Mr. Zuowen Wang (王佐文) (3.80%), Mr. Dapeng Kou (寇大鵬) (2.53%), Ms. Yu Guo (郭瑜) (2.53%), Mr. Chen Peng (彭辰) (1.95%), Ms. Shanshan Lin (林珊珊) (2.53%), Mr. Jingwei Liang (梁經緯) (2.53%), Mr. Hui Li (厲輝) (1.27%), Ms. Rui Cui (崔蕊) (1.27%), Ms. Qi Zhang (張琪) (1.27%), Mr. Weidong Zhang (張維東) (1.27%), Mr. Yanbin Cheng (成炎彬) (1.27%), Mr. Zejian Cai (蔡澤鍵) (1.27%), Mr. Yilin Zhang (張毅麟) (0.98%), Ms. Qing Li (李情) (0.98%) who is also one of our joint company secretaries, Mr. Xing Jiang (蔣星) (0.98%), Ms. Kunlan Chen (陳坤蘭) (1.27%), Mr. Huan Zhao (趙歡) (2.22%) and Ms. Xin Wang (王馨) (6.82%), who is also our chief financial officer who were each granted employee share awards under the Group's onshore employee share award scheme).

(2) During the Track Record Period, Shenzhen Shouhui mainly served as the holding company of our major subsidiaries and Consolidated Affiliated Entities.

(3) Since December 3, 2021, Shouhui Chengdu mainly served as the holding company of Baihong Insurance Appraisal.

Given that each of Shenzhen Shouhui (a company which is held as to held as to 47.10% by Mr. Guang), Mr. Guang, Mr. Han, Ms. Liu and Small Umbrella (ESOP) (a limited partnership which is held as to 35.95% by Mr. Guang) is a connected person of our Company, therefore, the transactions contemplated under the Contractual Arrangements constitute continuing connected transactions of our Company under Chapter 14A of the Listing Rules upon Listing.

We have applied for, and the Stock Exchange has granted, waivers from strict compliance with (i) the announcement, circular and independent Shareholders' approval requirements under Rule 14A.105 of the Listing Rules; (ii) the requirement of setting an annual cap for the transactions under the Contractual Arrangements under Rule 14A.53 of the Listing Rules; and (iii) the requirement of limiting the term of the Contractual Arrangements to three years or less under Rule 14A.52 of the Listing Rules, subject to certain conditions. For details, please refer to the section headed "Continuing Connected Transactions" in this prospectus.

SHAREHOLDERS' INFORMATION

Our Controlling Shareholders

As of the Latest Practicable Date, Mr. Guang controlled approximately 29.68% of our issued share capital (through his controlled corporations).

Pursuant to the voting proxy agreements executed on August 23, 2024, November 12, 2024 and December 16, 2024, the Proxy Shareholders agreed to appoint Little Blue Light Ltd, a company wholly owned by Mr. Guang, as their attorney and proxy to exercise the voting rights attached to certain Shares held by them, at the general meetings of our Company. The relevant voting rights under the voting proxy agreements will be vested on Little Blue Light Ltd with effect from the Listing Date, and such voting rights shall be exercised by Little Blue Light Ltd solely at all general meetings of the Company (with or without the attendance of the Proxy Shareholders or their respective representatives). For more details, please refer to the section headed "History, Reorganization and Corporate Structure — Voting Proxy Arrangements" in this prospectus.

As a result, immediately after the completion of the Capitalization Issue and the Global Offering (assuming the Over-allotment Option is not exercised), Mr. Guang, through Little Green Light Ltd and Little Blue Light Ltd, will control approximately 47.64% of all the voting power at the general meetings of our Company, comprising approximately 26.48% beneficially owned by himself through Little Green Light Ltd and Little Blue Light Ltd and approximately 21.16% vested to Little Blue Light Ltd by the Proxy Shareholders. Therefore, Mr. Guang, Little Green Light Ltd and Little Blue Light Ltd will be our Controlling Shareholders upon Listing.

Please see the sections headed "Relationship with Our Controlling Shareholders" and "Substantial Shareholders" for details of our relationship with and the shareholding interest of our Controlling Shareholders.

Pre-IPO Investors

We have concluded five rounds of Pre-IPO Investments with certain investors between 2015 and 2024, including Jidixintian, HongShan Yucheng, Matrix SPV, Gopher SPV, Tibet Juzhi, Tianjin Juxin, and StarReach Tech Limited. For details, please refer to the section headed "History, Reorganization and Corporate Structure — Pre-IPO Investments" in this prospectus.

Pre-IPO Share Award Scheme

As of the Latest Practicable Date, we had granted Awards to 166 grantees with respect to an aggregate of 329,920 Shares or 6,598,400 Adjusted Shares under the Pre-IPO Share Award Scheme. As of the date of this prospectus, no Awards have been vested. There will be no further dilution effect to the shareholding of our Shareholders upon full vesting of all Awards upon completion of the Global Offering, because all Shares underlying the Awards granted have been held by Vitality Innovations Limited on behalf and for the benefit of the specified grantees thereunder. For further details, please see the section headed "History, Reorganization and Corporate Structure — Pre-IPO Share Award Scheme" in this prospectus.

LEGAL PROCEEDINGS AND COMPLIANCE

During the Track Record Period and up to the Latest Practicable Date, we had not been involved in any actual or pending legal, arbitration or administrative proceedings (including any bankruptcy or receivership proceedings) that we believe would have a material adverse effect on our business, results of operations, financial condition or reputation.

During the Track Record Period and up to the Latest Practicable Date, we had not been involved in any material non-compliance incidents that have led to fines, enforcement actions, or other penalties that we believe would have a material adverse effect on our business, results of operations, financial condition or reputation.

IMPACT OF THE COVID-19 OUTBREAK IN 2022

In 2022, there was a resurgence of the COVID-19 pandemic including the highly transmissible Delta and Omicron variants in China and across the world, which had adversely affected the economy. Certain of our business operations and financial performance were negatively affected, primarily because some of our marketing activities were impacted. Our revenue from different distribution channels was affected to varying degrees. Partly attributable to the COVID-19 resurgence, revenue from various distribution channels was low in 2022. COVID-19 travel restrictions and resurgence impeded on our sales and marketing effort. Our sales and marketing expenses was low in 2022 as we held few promotional campaigns partly attributable to the COVID-19 restrictions. In particular, we transitioned our offline events online in response to the COVID-19 outbreak, resulting in cost savings in terms of marketing expenses. We organized only one offline new product release event in 2022.

As the impact of COVID-19 on our business and financial performance has diminished since 2022, our Directors believe that the COVID-19 pandemic will have a relatively limited impact on our businesses in the long term. Nevertheless, we plan to stay alert and closely monitor and evaluate the market situation based on any development of the COVID-19 pandemic in the future. For further information on the impact and risk of the COVID-19 pandemic, see the section headed "Risk Factors — Risks Relating to Our Business and Our Industry — Any future occurrence of force majeure events, natural disasters or outbreaks of contagious diseases, may materially and adversely affect our business, financial condition and results of operations" in this prospectus.

RECENT DEVELOPMENTS

Recent Business Development

Subsequent to the Track Record Period and up to the Latest Practicable Date, our business operation remained stable. Our business model remains unchanged subsequent to the Track Record Period and we continue to distribute more insurance products and reach a larger base

of policyholders and the insured after the Track Record Period. We expect that we will record profit for the year ending December 31, 2025, primarily due to gains from changes in carrying amount of financial instruments issued to investors expected to be recognized in 2025.

No Material Adverse Change

Our Directors have confirmed that, up to the date of this prospectus, there has been no material adverse change in our financial, operational or trading position, indebtedness, contingent liabilities or prospects since December 31, 2024, being the end date of the periods reported in the Accountants' Report set out in Appendix I to this prospectus, and there has been no event since December 31, 2024 that would materially affect the information shown in the Accountants' Report set out in Appendix I to this prospectus.

DIVIDENDS

Our Company is a holding company incorporated in the Cayman Islands. We do not have a formal dividend policy or a pre-determined dividend payout ratio. Any dividends we pay will be at the discretion of our Directors and will depend on our future operations and earnings, capital requirements and surplus, general financial condition, contractual restriction and other factors our Directors consider relevant. Any declaration and payment as well as the amount of dividends will be subject to our Memorandum of Association and Articles of Association and the Cayman Companies Act. Our Shareholders in a general meeting may approve any declaration of dividends, which must not exceed the amount recommended by our Board. As advised by our Cayman Islands legal advisor, under Cayman Islands law, a position of net liabilities or accumulated losses does not necessarily restrict us from declaring and paying dividends to our Shareholders out of either our profit or our share premium account, provided this would not result in our Company being unable to pay its debts as they fall due in the ordinary course of business.

The payment and amount of any future dividends will also depend on the availability of dividends received from our subsidiaries. PRC laws require that dividends be paid only out of the profit for the year calculated according to PRC accounting principles. As advised by our PRC Legal Advisor, according to PRC laws and regulations, our PRC subsidiaries are permitted to pay dividends out of their accumulated after-tax profits, if any, upon approval of their respective shareholders, provided that (i) our PRC subsidiaries shall make up their losses of previous years when conducting outward remittance; and (ii) PRC subsidiaries shall make appropriations from their after-tax profits to non-distributable reserve funds. Therefore, our PRC subsidiaries with positive accumulated after-tax profits, having offset losses from previous years and made requisite appropriations to reserve funds, may declare dividends to their respective shareholder(s).

During the Track Record Period, we did not declare or pay any dividend.

GLOBAL OFFERING STATISTICS[(1)]

	Based on an Offer Price of HK$5.84 per Offer Share, after Downward Offer Price Adjustment of 10%	Based on the minimum indicative Offer Price of HK$6.48 per Offer Share	Based on the maximum indicative Offer Price of HK$8.08 per Offer Share
Market capitalization of our Shares[(2)]	HK$1,322.1 million	HK$1,466.9 million	HK$1,829.1 million
Unaudited pro forma adjusted net tangible assets attributable to equity shareholders of the Company per Share[(3)]	HK$5.07	HK$5.14	HK$5.31

Notes:

(1) All statistics in this table does not take into account any Shares which may be allotted and issued pursuant to the exercise of Over-allotment Option, or any Shares which may be issued pursuant to the exercise of options which may be granted under the Pre-IPO Share Award Scheme, or any Shares which may be issued or repurchased by our Company pursuant to the general mandates granted to our Directors to issue or repurchase Shares as described in the section headed "Share Capital" in this prospectus.

(2) The calculation of market capitalization is based on 226,378,600 Shares expected to be in issue immediately after completion of the Capitalization Issue and the Global Offering.

(3) The unaudited pro forma adjusted net tangible assets attributable to equity shareholders of the Company per Share is calculated after making the adjustments referred to in the Appendix II "Unaudited Pro Forma Financial Information" on the basis that 219,780,200 Shares were in issue assuming that the Global Offering and the expiration of preferred shares granted to the offshore investors had been completed on December 31, 2024, but do not take into account of 6,598,400 shares held by the employee shareholding platforms which are consolidated by the Company, any shares which may be issued upon the exercise of the Over-allotment Option or any Shares which may be issued under the Pre-IPO Share Award Scheme.

(4) No adjustment has been made to the unaudited pro forma adjusted net tangible assets attributable to equity shareholders of the Company to reflect any trading results or other transactions of the Group subsequent to December 31, 2024.

USE OF PROCEEDS

Using the Offer Price of HK$7.28 per Offer Share, being the mid-point of the Offer Price range of HK$6.48 to HK$8.08 per Offer Share, we estimate that we will receive net proceeds from the Global Offering of HK$116.4 million, assuming that there is no exercise of the Over-allotment Option. In the event that the Over-allotment Option is exercised in full, we estimate that we will receive net proceeds of HK$142.1 million. We intend to use the net proceeds for the following purposes: (i) approximately 60% of the net proceeds, or approximately HK$69.8 million, is expected to be used for strengthening and optimizing our sales and marketing network and improving our services in the next 60 months; (ii) approximately 20% of the net proceeds, or approximately HK$23.3 million, is expected to be used for enhancing our research and development capabilities and improving our technology infrastructure in the next 60 months; (iii) approximately 10% of the net proceeds, or

approximately HK$11.6 million, is expected to be used for selected mergers, acquisitions, and strategic investments in the next 36 to 60 months; and (iv) approximately 10% of the net proceeds, or approximately HK$11.6 million, is expected to be used for working capital and general corporate purposes in the next 60 months. For further information, please refer to the section headed "Future Plans and Use of Proceeds" in this prospectus.

LISTING EXPENSES

Listing expenses to be borne by us are estimated to be approximately RMB56.4 million (HK$60.9 million) (including underwriting commissions), at the Offer Price of HK$7.28 per Share, and assuming the Over-allotment Option is not exercised, representing approximately 34.4% of the gross proceeds of the Global Offering, comprising (i) underwriting-related expenses of RMB5.7 million; and (ii) non-underwriting-related expenses of RMB50.7 million, including (a) fees and expenses of legal advisors and reporting accountants of RMB30.1 million; and (b) other fees and expenses, of RMB20.6 million. During the Track Record Period, we incurred a total of RMB36.4 million (HK$39.4 million) in listing expenses, among which RMB34.9 million (HK$37.8 million) were recognized in our consolidated statements of profit or loss and other comprehensive income.

We estimate that additional listing expenses of approximately RMB20.0 million (HK$21.5 million) (including underwriting commissions, incentives and other transaction fees of approximately RMB5.7 million (HK$6.2 million), assuming the Over-allotment Option is not exercised and based on the Offer Price of HK$7.28 per Offer Share) will be incurred by our Company, approximately RMB11.4 million (HK$12.2 million) of which is expected to be charged to our consolidated statements of profit or loss and other comprehensive income, and approximately RMB8.6 million (HK$9.3 million) of which is expected to be accounted for as a deduction from equity upon the Listing. The listing expenses directly attributable to the issue of shares will be deducted from equity. The listing expenses above are the latest practicable estimate for reference only, and the actual amount may differ from this estimate.

In this prospectus, the following expressions shall have the meanings set out below unless the context otherwise requires.

"Accountants' Report"	the accountants' report of our Company set out in Appendix I to this prospectus
"affiliate(s)"	any person, directly or indirectly, controlling, controlled by or under direct or indirect common control with another person
"AFRC"	Accounting and Financial Reporting Council
"Articles" or "Articles of Association"	the fourth amended and restated articles of association of our Company, conditionally adopted on May 13, 2025 and will come into effect upon Listing (as amended, supplemented or otherwise modified from time to time), a summary of which is set out in Appendix III to this prospectus
"associate(s)"	has the meaning ascribed to it under the Listing Rules
"Award(s)"	an award of the Awarded Shares by the Board pursuant to the Pre-IPO Share Award Scheme
"Baihong Insurance Appraisal"	Shaoguan Baihong Insurance Appraisal Co., Ltd* (韶關市百泓保險公估有限公司) (formerly known as Foshan Baihong Insurance Appraisal Co., Ltd* (佛山市百泓保險公估有限公司)), a limited liability company established under the laws of the PRC on August 23, 2010 and one of our Consolidated Affiliated Entities
"Board"	our board of Directors
"Business Day" or "business day"	a day that is not a Saturday, Sunday or public holiday on which banks in Hong Kong are generally open for normal banking business
"BVI"	the British Virgin Islands

"Capitalization Issue"	the issue of 191,919,190 Shares to be made on the capitalization of certain sums standing to the credit of the share premium account of our Company referred to in the section headed "Statutory and General Information – A. Further Information about our Group – 4. Resolutions of the Shareholders Passed on May 13, 2025" in Appendix IV to this prospectus
"Capital Market Intermediaries"	the capital market intermediaries participating in the Global Offering as named in "Directors and Parties Involved in the Global Offering" in this prospectus
"Cayman Companies Act"	the Companies Act, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands (as amended, supplemented or otherwise modified from time to time)
"CBIRC"	the China Banking and Insurance Regulatory Commission (中國銀行保險監督管理委員會), the predecessor of NFRA
"CCASS"	the Central Clearing and Settlement System established and operated by HKSCC
"China", "Mainland China" or "PRC"	the People's Republic of China, except where the context requires otherwise and only for the purposes of this prospectus, excluding Hong Kong Special Administrative Region of the People's Republic of China, Macau Special Administrative Region of the People's Republic of China, and Taiwan Region
"Chuangxin Insurance Sales"	Chuangxin Insurance Sales Co., Ltd.* (創信保險銷售有限公司) (formerly known as Taizhou Chuangxin Insurance Agency Co., Ltd* (台州創信保險代理有限公司)), a limited liability company established under the laws of the PRC on September 21, 2006 and one of our Consolidated Affiliated Entities
"CIRC"	China Insurance Regulatory Commission (中國保險監督管理委員會), the predecessor of CBIRC
"close associate(s)"	has the meaning ascribed to it under the Listing Rules

"Companies Ordinance"	the Companies Ordinance, Chapter 622 of the Laws of Hong Kong (as amended, supplemented or otherwise modified from time to time)
"Companies (Winding Up and Miscellaneous Provisions) Ordinance"	the Companies (Winding Up and Miscellaneous Provisions) Ordinance, Chapter 32 of the Laws of Hong Kong (as amended, supplemented or otherwise modified from time to time)
"Company", "our Company", "we" or "us"	Shouhui Group Limited (手回集團有限公司) (formerly known as Shouhui Tech Limited (手回科技有限公司)), an exempted company incorporated in the Cayman Islands with limited liability on August 3, 2023
"connected persons(s)"	has the meaning ascribed to it under the Listing Rules
"connected transaction(s)"	has the meaning ascribed to it under the Listing Rules
"Consolidated Affiliated Entity(ies)"	the entity(ies) we control through the Contractual Arrangements, namely, Shenzhen Shouhui, Small Umbrella Insurance Brokerage, Chuangxin Insurance Sales, Shouhui Chengdu and Baihong Insurance Appraisal, the details of which are set out in the paragraph headed "History, Reorganization and Corporate Structure — Corporate History and Development" in this prospectus
"Contractual Arrangements"	the series of contractual arrangements entered into by and among Shouhui Chuangxiang, the Consolidated Affiliated Entities and the Registered Shareholders on January 10, 2024. For more details, please refer to the section headed "Contractual Arrangements" in this prospectus
"Controlling Shareholders"	has the meaning ascribed to it under the Listing Rules and unless the context otherwise requires, refers to Mr. Guang, Little Green Light Ltd and Little Blue Light Ltd
"core connected person(s)"	has the meaning ascribed to it under the Listing Rules
"Corporate Governance Code"	the Corporate Governance Code as set out in Appendix C1 to the Listing Rules
"CSRC"	China Securities Regulatory Commission (中國證券監督管理委員會)

"Dacai Xiaohong"	Ningbo Dacai Xiaohong Enterprise Management Partnership (Limited Partnership)* (寧波大彩小虹企業管理合夥企業(有限合夥)), a limited partnership established under the laws of the PRC on December 1, 2020
"Director(s)"	the director(s) of our Company
"Downward Offer Price Adjustment"	an adjustment that has the effect of setting the final Offer Price up to 10% below HK$6.48 (the bottom end of the indicative Offer Price range)
"ESOP"	employee stock ownership plan
"Extreme Conditions"	extreme conditions as announced by the government of Hong Kong in the case where a super typhoon or other natural disaster of a substantial scale serious affects the working public's ability to resume work or brings safely concern for a prolonged period
"FINI"	Fast Interface for New Issuance, an online platform operated by HKSCC that is mandatory for admission to trading and, where applicable, the collection and processing of specified information on subscription in and settlement for all New Listings
"Frost & Sullivan"	Frost & Sullivan (Beijing) Inc., Shanghai Branch Co., an independent industry consultant commissioned by us to prepare the Frost & Sullivan Report
"Frost & Sullivan Report"	an independent market research report, commissioned by our Company and prepared by Frost & Sullivan
"Futu" or "Futu Trustee"	Futu Trustee Limited, an Independent Third Party appointed by our Company to act as the trustee of the Share Award Trust
"Global Offering"	the Hong Kong Public Offering and the International Offering
"Gopher SPV"	Tianjin Gopher Nuochen Enterprise Management Partnership (Limited Partnership)* (天津歌斐諾辰企業管理合夥企業(有限合夥)), a limited partnership established under the laws of the PRC on October 25, 2023 and a Pre-IPO Investor

"Governmental Authority(ies)"	any governmental, regulatory, or administrative commission, board, body, authority, or agency, or any stock exchange, self-regulatory organization, or other non-governmental regulatory authority, or any court, judicial body, tribunal, or arbitrator, in each case whether national, central, federal, provincial, state, regional, municipal, local, domestic, foreign, or supranational
"Group", "our Group", "our", "we" or "us"	our Company, our subsidiaries and the Consolidated Affiliated Entities at the relevant time or, where the context so requires, in respect of the period before our Company became the holding company of our present subsidiaries and the Consolidated Affiliated Entities, such subsidiaries and Consolidated Affiliated Entities of our Company at the relevant time
"**HK eIPO White Form**"	the application for Hong Kong Offer Shares to be issued in the applicant's own name, submitted online through the designated website at **www.hkeipo.hk**
"**HK eIPO White Form** Service Provider"	the **HK eIPO White Form** service provider designated by our Company as specified on the designated website at **www.hkeipo.hk**
"HK$" or "HK dollars" or "Hong Kong dollars"	Hong Kong dollars and cents respectively, the lawful currency of Hong Kong
"HKFRS"	Hong Kong Financial Reporting Standards which include standards and interpretations as issued by the Hong Kong Institute of Certified Public Accountants
"HKSCC"	the Hong Kong Securities Clearing Company Limited
"HKSCC Nominees"	HKSCC Nominees Limited, a wholly owned subsidiary of the HKSCC
"Hong Kong" or "HK"	the Hong Kong Special Administrative Region of the People's Republic of China
"Hong Kong Offer Shares"	the 2,436,000 new Shares initially being offered by us of subscription pursuant to the Hong Kong Public Offering, subject to reallocation as described in the section headed "Structure of the Global Offering" in this prospectus

"Hong Kong Public Offering"	the offer of the Hong Kong Offer Shares for subscription by the public in Hong Kong, subject to reallocation as described in the section headed "Structure of the Global Offering" in this prospectus
"Hong Kong Share Registrar"	Tricor Investor Services Limited
"Hong Kong Underwriters"	the underwriter(s) of the Hong Kong Public Offering as listed in the section headed "Underwriting — Hong Kong Underwriters" in this prospectus
"Hong Kong Underwriting Agreement"	the underwriting agreement dated May 21, 2025, relating to the Hong Kong Public Offering, entered into by, our Company, the Controlling Shareholders, the Sponsor-Overall Coordinators and the Hong Kong Underwriters, as further described in the section headed "Underwriting" in this prospectus
"HongShan Xinde"	Beijing HongShan Xinde Equity Investment Center (Limited Partnership) (北京紅杉信德股權投資中心(有限合夥)), a limited partnership established under the laws of the PRC on June 4, 2015 and a shareholder of Shenzhen Shouhui prior to the Reorganization
"HongShan Yucheng"	Beijing Yucheng Management Consulting Center (Limited Partnership)* (北京雨澄管理諮詢中心(有限合夥)), a limited partnership established under the laws of the PRC on October 25, 2023 and a Pre-IPO Investor
"Independent Third Party(ies)"	a person or entity who is not a connected person of our Company under the Listing Rules to the knowledge of our Directors after all reasonable enquiries
"Initial Shareholders"	the registered shareholders of Shenzhen Shouhui immediately before Reorganization, namely Mr. Guang, Mr. Han, Ms. Liu, Small Umbrella (ESOP), Zhengshu Zhilin (ESOP), Dacai Xiaohong, HongShan Xinde, Tibet Juzhi, Matrix Jingtianweidi, Zhuhai Qifei, Zhuhai Junchen, Jidixintian and Tianjin Juxin
"International Offer Shares"	the 21,922,400 new Shares initially being offered by us of subscription pursuant to the International Offering, subject to reallocation as described in the section headed "Structure of the Global Offering" in this prospectus

"International Offering"	the conditional offering of the International Offer Shares at the Offer Price outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act or any other available exemption from the registration requirement under the U.S. Securities Act, as further described in the section headed "Structure of the Global Offering" in this prospectus
"International Underwriters"	the underwriters of the International Offering
"International Underwriting Agreement"	the international purchase agreement relating to the International Offering and expected to be entered into by, our Company, the Controlling Shareholders, the Sponsor-Overall Coordinators and the International Underwriters
"Jidixintian"	Jiaxing Jidixintian I Capital Partnership (L.P.) (嘉興極地信天壹期投資合夥企業(有限合夥)), a limited partnership established under the laws of the PRC on May 12, 2014 and a Pre-IPO Investor
"Joint Bookrunners" or "Joint Global Coordinators" or "Joint Lead Managers"	the joint bookrunners, the joint global coordinators, and the joint lead managers as named in "Directors and Parties Involved in the Global Offering" in this prospectus
"Joint Sponsors"	the joint sponsors as named in "Directors and Parties Involved in the Global Offering" in this prospectus
"Latest Practicable Date"	May 12, 2025, being the latest practicable date for the purpose of ascertaining certain information contained in this prospectus prior to its publication
"Listing"	listing of the Shares on the Stock Exchange
"Listing Date"	the date, expected to be on or about Friday, May 30, 2025, on which the Shares will be listed and dealings in the Shares first commence on the Stock Exchange
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended, supplemented or otherwise modified from time to time)

"M&A Rules"	the Provisions on Merger and Acquisition of Domestic Enterprises by Foreign Investors (《關於外國投資者併購境內企業的規定》), as amended, supplemented or otherwise modified from time to time
"Main Board"	the stock market (excluding the option market) operated by the Stock Exchange which is independent from and operated in parallel with GEM of the Stock Exchange
"Matrix Jingtianweidi"	Hangzhou Jingtianweidi Investment Partnership (Limited Partnership)* (杭州經天緯地投資合夥企業(有限合夥)), a limited partnership established under the laws of the PRC on April 26, 2016 and a shareholder of Shenzhen Shouhui prior to the Reorganization
"Matrix SPV"	Shanghai Weiyong Enterprise Management Partnership (Limited Partnership)* (上海緯鏞企業管理合夥企業(有限合夥)), a limited partnership established under the laws of the PRC on May 15, 2020 and a Pre-IPO Investor
"Memorandum of Association" or "Memorandum"	the fourth amended and restated memorandum of association of our Company, conditionally adopted on May 13, 2025 and will come into effect upon listing (as amended, supplemented or otherwise modified from time to time), a summary of which is set out in Appendix III to this prospectus
"MIIT"	Ministry of Industry and Information Technology of the PRC (中華人民共和國工業和信息化部)
"MOFCOM"	Ministry of Commerce of the PRC (中華人民共和國商務部)
"Mr. Guang"	Mr. Yao Guang (光耀), an executive Director, chief executive officer, the chairman of our Board
"Mr. Han"	Mr. Liwei Han (韓立煒), an executive Director, chief technology officer
"Ms. Liu"	Ms. Li Liu (劉麗), an executive Director, chief product officer

"Muchenglin Investment"	Shenzhen Muchenglin Investment Development Co., Limited* (深圳木成林投資發展有限公司), a limited liability company established by Mr. Guang and Mr. Han under the laws of the PRC on December 25, 2015
"NFRA"	National Financial Regulatory Administration (國家金融監督管理總局), formerly known as CBIRC
"Offer Price"	the final price per Offer Share (exclusive of brokerage, SFC transaction levy, Stock Exchange trading fee and the AFRC transaction levy), expressed in Hong Kong dollars, of not more than HK$8.08 and expected to be not less than HK$6.48, such price, to be agreed upon by our Company and the Sponsor-Overall Coordinators and the Joint Global Coordinators (for themselves and on behalf of the other Underwriters) on or around the Price Determination Date, subject to any Downward Offer Price Adjustment
"Offer Shares"	the Hong Kong Offer Shares and the International Offer Shares together, where relevant, with any additional Shares to be sold by our Company pursuant to the exercise of the Over-allotment Option
"Over-allotment Option"	the option expected to be granted by us to the International Underwriters, exercisable by the Sponsor-Overall Coordinators (for themselves and on behalf of the International Underwriters) under the International Underwriting Agreement, to require our Company to allot and issue up to an aggregate of 3,653,600 additional Shares at the Offer Price, representing approximately 15% of the total number of Offer Shares initially available under the Global Offering to cover over-allocations in the International Offering, if any, further details of which are described in the section headed "Structure of the Global Offering" in this prospectus
"Overall Coordinators",	the overall coordinators as named in "Directors and Parties Involved in the Global Offering" in this prospectus

"Picus Technology"	Shenzhen Picus Technology Co., Ltd.* (深圳派氪司科技有限公司), a limited liability company established under the laws of the PRC on March 12, 2020 and an indirectly owned subsidiary of our Company
"PBOC"	People's Bank of China (中國人民銀行)
"PRC Civil Code"	Civil Code of People's Republic of China (《中華人民共和國民法典》)
"PRC Government Authority(ies)"	the central government of the PRC and all governmental subdivisions (including provincial, municipal and other regional or local government entities) and instrumentalities thereof or, where the context requires, any of them
"PRC Legal Advisor"	Commerce & Finance Law Offices, the legal advisor to our Company as to PRC laws
"Pre-IPO Investment(s)"	the Pre-IPO investment(s) in our Company undertaken by the Pre-IPO Investor(s). For more details, please refer to the section headed "History, Reorganization and Corporate Structure — Pre-IPO Investments" in this prospectus
"Pre-IPO Investor(s)"	certain investors of our Company who/which invested into our Company prior to the Global Offering as described in the section headed "History, Reorganization and Corporate Structure — Pre-IPO Investments — Information about the Pre-IPO Investors" in this prospectus
"Pre-IPO Share Award Scheme"	the pre-IPO share award scheme adopted by our Company on November 30, 2023 for the benefit of our employees, the principal terms of which are summarized in the section headed "Statutory and General Information — D. Share Incentive Scheme — 1. Pre-IPO Share Award Scheme" in Appendix IV to this prospectus
"Price Determination Date"	the date on which the Offer Price is to be determined

"Proxy Shareholders"	Convolution Ltd, Gopher SPV, HongShan Yucheng, Tibet Juzhi, Plmmliu Ltd and Tianjin Juxin. For more details, please refer to the section headed "History, Reorganization and Corporate Structure — Voting Proxy Arrangements" in this prospectus
"R&D"	research and development
"Registered Shareholders"	the registered shareholders of Shenzhen Shouhui, namely Mr. Guang, Mr. Han, Ms. Liu and Small Umbrella (ESOP). For more details, please refer to the section headed "Contractual Arrangements" in this prospectus
"Regulation S"	Regulation S under the U.S. Securities Act
"Reorganization"	the corporate reorganization of our Group in preparation for the Global Offering, details of which are set out in the section headed "History, Reorganization and Corporate Structure — Reorganization" in this prospectus
"RMB" or "Renminbi"	Renminbi, the lawful currency of the PRC
"SAFE"	the State Administration of Foreign Exchange of the PRC (中華人民共和國外匯管理局)
"SAMR"	the State Administration for Market Regulation of the PRC (中華人民共和國市場監督管理總局), formerly known as the State Administration of Industry and Commerce of the PRC (中華人民共和國國家工商行政管理總局)
"Securities and Futures Commission" or "SFC"	the Securities and Futures Commission of Hong Kong
"Series A Preferred Shares"	the series A preferred share(s) of our Company with a par value of US$0.00001 each
"Series Angel Preferred Shares"	the series Angel preferred share(s) of our Company with a par value of US$0.00001 each
"Series B Preferred Shares"	the series B preferred share(s) of our Company with a par value of US$0.00001 each

"Series C Preferred Shares"	the series C preferred share(s) of our Company with a par value of US$0.00001 each
"SFO"	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong (as amended, supplemented or otherwise modified from time to time)
"Share(s)" or "Ordinary Share(s)"	ordinary share(s) with nominal value of US$0.00001 each in the share capital of our Company
"Share Award Trust"	a discretionary trust established on December 12, 2023 with our Company as the settlor and Futu as the trustee for the Pre-IPO Share Award Scheme
"Shareholder(s)"	holder(s) of the Share(s)
"Shenzhen Shouhui"	Shenzhen Shouhui Technology Group Co., Ltd* (深圳手回科技集團有限公司) (formerly known as Shenzhen Muchenglin Technology Co., Ltd* (深圳木成林科技有限公司)), a limited liability company established under the laws of the PRC on January 26, 2015 and one of our Consolidated Affiliated Entities
"Shouhui Chengdu"	Shouhui Health Technology (Chengdu) Co., Ltd* (手回健康科技(成都)有限公司), a limited liability company established under the laws of the PRC on May 27, 2021 and one of our Consolidated Affiliated Entities
"Shouhui Chuangxiang"	Shenzhen Shouhui Chuangxiang Technology Co., Ltd.* (深圳手回創想科技有限公司) (formerly known as Shouhui Chuangxiang Investment Consulting Co., Ltd* (深圳手回創想投資諮詢有限公司)), a limited liability company established under the laws of the PRC on December 6, 2017 and an indirect wholly owned subsidiary of our Company
"Shouhui Clinic"	Tianjin Binhai Gaoxin District Shouhui Clinic Co., Limited* (天津濱海高新區手回診所有限公司), a limited liability company established under the laws of the PRC on July 9, 2021

"Shouhui Consulting"	Shenzhen Shouhui Consulting Co., Ltd* (深圳手回諮詢有限公司), a limited liability company established under the laws of the PRC on June 20, 2017 and an indirectly owned subsidiary of our Company
"Shouhui Tianjin"	Tianjin Shouhui Investment Co., Ltd* (天津手回投資有限公司), a company established in the PRC on November 13, 2023, and an indirect wholly-owned subsidiary of our Company
"Small Umbrella (ESOP)"	Shenzhen Small Umbrella Investment Management Limited Partnership* (深圳小雨傘投資管理合夥企業(有限合夥)), a limited partnership established under the laws of the PRC on January 5, 2016, set up by Shenzhen Shouhui as an employee shareholding platform
"Small Umbrella Insurance Brokerage"	Small Umbrella Insurance Brokerage Co., Ltd* (小雨傘保險經紀有限公司) (formerly known as Wan Bei International Insurance Brokerage (Tianjin) Co., Ltd* (萬貝國際保險經紀(天津)有限公司)), a limited liability company established under the laws of the PRC on November 13, 2013 and one of our Consolidated Affiliated Entities
"Sponsor-Overall Coordinators"	the sponsor-overall coordinators as named in "Directors and Parties Involved in the Global Offering" in this prospectus
"STA"	State Taxation Administration of the PRC
"Stabilizing Manager"	China International Capital Corporation Hong Kong Securities Limited
"State Council"	State Council of the People's Republic of China (中華人民共和國國務院)
"Stock Borrowing Agreement"	the stock borrowing agreement expected to be entered into on or around May 28, 2025 between the Stabilizing Manager (or its agent) and Little Blue Light Ltd pursuant to which the Stabilizing Manager may borrow up to an aggregate of 3,653,600 Shares from Little Blue Light Ltd, to cover over-allocations in the International Offering
"Stock Exchange"	The Stock Exchange of Hong Kong Limited

"subsidiary(ies)"	has the meaning ascribed to it under the Listing Rules
"substantial shareholder(s)"	has the meaning ascribed to it under the Listing Rules
"Takeovers Code" or "Hong Kong Takeovers Code"	the Code on Takeovers and Mergers and Share Buy-backs, as published by the SFC (as amended, supplemented or otherwise modified from time to time)
"Tasly"	Tianjin Tasly Health Industry Investment Partnership (Limited Partnership)* (天津天士力健康產業投資合夥企業 (有限合夥)) a limited liability company established under the laws of the PRC on October 19, 2015
"Tianjin Juxin"	Tianjin Juxin Technology Development Partnership (Limited Partnership)* (天津聚新科技發展合伙企業(有限合夥)), a limited partnership established under the laws of the PRC on April 27, 2021 and a Pre-IPO Investor
"Tibet Juzhi"	Tibet Juzhi Venture Capital Limited Liability Company* (西藏聚智創業投資有限公司), a limited liability company established under the laws of the PRC on December 31, 2013, a shareholder of Shenzhen Shouhui prior to the Reorganization and a Pre-IPO Investor
"Track Record Period"	the years ended December 31, 2022, 2023 and 2024
"Transitional Contractual Arrangements"	the series of contractual arrangements entered into by and among Shouhui Tech H.K. Limited, the Consolidated Affiliated Entities and the Initial Shareholders on January 2, 2024. For more details, please refer to the section headed "Contractual Arrangements" in this prospectus
"Underwriters"	the Hong Kong Underwriters and the International Underwriters
"Underwriting Agreements"	the Hong Kong Underwriting Agreement and the International Underwriting Agreement
"United States" or "U.S."	the United States of America
"US$" or "US dollars"	United States dollars, the lawful currency of the United States

"Xiehuangbao"	Shenzhen Xiehuangbao Technology Limited* (深圳蟹黃保科技有限公司), a limited liability company established under the laws of the PRC on December 11, 2019 and an indirectly owned subsidiary of our Company
"Zhengshu Zhilin (ESOP)"	Shenzhen Zhengshu Zhilin Investment Partnership (Limited Partnership)* (深圳正樹直林投資合夥企業(有限合夥)), a limited partnership established under the laws of the PRC on November 25, 2020, set up by Shenzhen Shouhui as an employee shareholding platform
"Zhuhai Junchen"	Zhuhai Junchen Equity Investment Center (Limited Partnership)* (珠海君晨股權投資中心(有限合夥)), a limited partnership established under the laws of the PRC on July 25, 2017 and a shareholder of Shenzhen Shouhui prior to the Reorganization
"Zhuhai Qifei"	Zhuhai Qifei Equity Investment Center (Limited Partnership)* (珠海麒斐股權投資中心(有限合夥)), a limited partnership established under the laws of the PRC on March 29, 2017 and a shareholder of Shenzhen Shouhui prior to the Reorganization
"%"	percent

Certain amounts and percentage figures included in this prospectus have been subject to rounding. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures preceding them. Any discrepancies in any table or chart between the total shown and the sum of the amounts listed are due to rounding.

The English names of PRC laws, regulations, governmental authorities, institutions, and of companies or entities established in the PRC included in this prospectus are translations of their Chinese names or vice versa and are included for identification purposes only. In the event of inconsistency, the Chinese versions shall prevail.

** For identification purposes only*

The following is a glossary of certain terms used in this prospectus in connection with us and/or our business. As such, these terms and their meanings may not correspond to standard industry meanings or usage.

"13-month persistency rate"	representing the ratio of the amount of premium received in the second insurance policy year divided by the amount of premium receivable in the second insurance policy year
"active insurance agents"	insurance agents that distributed insurance products during the relevant period
"AI"	artificial intelligence, intelligence exhibited by machines in the area of computer science that emphasizes that creation of intelligent machines that work and react like human or other natural intelligence
"annuity"	a contract that provides for periodic payments to an annuitant for a specified period of time, often until the annuitant's death or a specific time
"API"	application programming interface, a computer programming approach for facilitating exchange of information and executing instructions between different computer systems
"APP"	a computer program designed to run on a mobile device
"CAGR"	compounded annual growth rate
"claims adjustment"	assessing and investigating an insurance claim to determine if the insurance company should pay for damage or injuries, and the amount of payment
"COVID-19"	a viral respiratory disease caused by the severe acute respiratory syndrome coronavirus
"FYP"	first year premiums, which include all premiums that policyholders are obligated to pay for short-term policies and the premiums that policyholders are obligated to pay in the first policy year for long-term policies
"GDP"	gross domestic product

"GWP"	total premium from a contract expected to be received by an insurance company before deductions for reinsurance or ceding commissions
"insured"	individuals or companies that are insured under insurance policies
"IP"	intellectual property
"IT"	information technology
"long-term policy"	an insurance product with a term that is longer than one year
"MGA"	managed general agency, an insurance distribution management model that focuses on standardized entry, exit and ratings for licensed channels of insurance brokerages and agencies, along with control of sales process and real-time transmission of information on end insurance sales personnel to the insurance company
"policyholder(s)"	purchaser(s) and owner(s) of insurance policies
"short-term policy"	an insurance product with a term that is less than or equal to one year
"software"	any set of machine-readable instructions that directs a computer's processor to perform specific operations
"term life insurance"	life insurance written for a specified period
"universal insurance"	an insurance product offering flexible premium payments and the potential to build cash value while earning a minimum interest rate
"whole life insurance"	a permanent life insurance product offering guaranteed death benefits and guaranteed cash values

FORWARD-LOOKING STATEMENTS CONTAINED IN THIS PROSPECTUS ARE SUBJECT TO RISKS AND UNCERTAINTIES

This prospectus contains forward-looking statements relating to our plans, objectives, expectations and intentions, which may not represent our overall performance for the periods of time to which such statements relate. Such statements reflect the current views of our management with respect to future events, operations, liquidity and capital resources, some of which may not materialize or may change. These statements are subject to certain risks, uncertainties and assumptions, including the other risk factors as described in this prospectus. You are strongly cautioned that reliance on any forward-looking statements involves known and unknown risks and uncertainties. The risks and uncertainties facing the Company which could affect the accuracy of forward-looking statements include, but are not limited to, the following:

- our business strategies and plans to achieve these strategies, objectives and goals;
- changes to the political and regulatory environment in the industry and market in which we operate;
- our expectations with respect to our ability to acquire and maintain regulatory licenses or permits;
- changes in competitive conditions and our ability to compete under these conditions;
- future developments, trends and conditions in the industry and market in which we operate;
- general economic, political, social and business conditions in the market in which we operate;
- our financial conditions and performance;
- the actions of and developments affecting our major customers and suppliers;
- our ability to attract and retain qualified employees and key personnel;
- our future capital needs and capital expenditure plans;
- our ability to control or reduce costs; and
- change or volatility in interest rates, foreign exchange rates, equity prices, volumes, operations, margins, risk management and overall market trends.

Additional factors that could cause actual performance or achievement to differ materially include, but are not limited to, those discussed in the section headed "Risk Factors" and elsewhere in this prospectus. In some cases, we use the words "aim," "anticipate," "believe," "can," "continue," "could," "estimate," "expect," "going forward," "intend," "ought to," "may," "might," "plan," "potential," "predict," "project," "seek," "should," "will," "would" and similar expressions to identify forward-looking statements. In particular, we use these forward-looking statements in the "Business" and "Financial Information" sections of this prospectus in relation to future events, our future financial, business or other performance and development, the future development of our industry and the future development of the general economy of our key markets.

We caution you not to place undue reliance on these forward-looking statements which are based on current plans and estimates, and speak only as of the date they were made. We undertake no obligation to update or revise any forward-looking statements in light of new information, future events or otherwise. Forward-looking statements involve inherent risks and uncertainties and are subject to assumptions, some of which are beyond our control. We caution you that a number of important factors could cause actual outcomes to differ, or to differ materially, from those expressed in any forward-looking statements.

Accordingly, you should not place undue reliance on any forward-looking information. All forward-looking statements contained in this prospectus are qualified by reference to this cautionary statement set forth in this section.

An investment in the Shares involves various risks. You should consider carefully all the information set out in this prospectus and, in particular, the risks described below before making an investment in the Shares. The occurrence of any of the following events could materially and adversely affect our business, financial position, results of operations or prospects. If any of these events occurs, the trading price of the Shares could decline, and you may lose all or part of your investment. You should seek professional advice from your relevant advisors regarding your prospective investment in the context of your particular circumstances.

RISKS RELATING TO OUR BUSINESS AND OUR INDUSTRY

Policyholders may decide to purchase insurance directly from insurance companies, which would have a material adverse impact on our financial condition, results of operations and prospects.

The advancement of financial technologies and the emergence of Internet insurance products have led insurance companies to increasingly exploring different approaches to reduce their reliance on intermediaries and directly engage with policyholders and the insured. By leveraging platforms and online sales channels, insurance companies can directly access a broader base of policyholders and the insured at a low cost, thereby expanding their market reach and enhancing their ability to attract and acquire policyholders and the insured. The convenience and transparency offered by these technologies may attract more policyholders and the insured to consider purchasing insurance directly from insurance companies. A rising number of traditional insurance companies have established their own online platforms to sell Internet insurance products directly to policyholders and the insured, according to Frost & Sullivan. The process of eliminating agencies as intermediaries, known as "disintermediation", could diminish our role as intermediaries and reduce the need for our products and services, which could place us at a competitive disadvantage. Moreover, disintermediation might be expedited as there might be a trend towards eliminating certain layers in the distribution process to enhance cost-effectiveness, given that insurance companies have lowered the commission rates to insurance intermediaries in response to the "unified reporting and underwriting" policy in the bancassurance channels. Disintermediation could also result in significant decrease in business volume and loss of revenue from our insurance transaction services business, which could have a material adverse effect on our business, financial condition, results of operations and prospects.

We face intense competition in the markets we operate in, and some of our competitors may have greater resources or brand recognition than us.

We expect competition to persist and intensify. In our insurance transaction services business, we face competition from other insurance intermediaries and insurance companies that use their in-house sales channels, exclusive sales agents, telemarketing, and Internet or mobile channels, and from business entities that distribute insurance products on an ancillary

basis, such as commercial banks and postal offices, as well as from other professional insurance intermediaries. Some of our competitors may have substantially greater brand recognition and possess more financial, marketing and research resources than we do, and may be able to offer products and services that we do not currently offer and may not offer in the future. Some of our competitors may react quicker to changing requirements of policyholders and the insured and insurance companies we cooperate with. If we are unable to compete successfully against and stay ahead of our competitors, our business, financial condition, and results of operations may be materially negatively affected.

Our business is subject to the regulation and administration by the insurance regulatory authorities and other PRC Government Authorities, and failure to comply with any applicable regulations and rules by us could result in financial losses or effect on our business.

We are subject to various regulations and rules, including the PRC Insurance Law (《中華人民共和國保險法》), Provisions on Insurance Brokerages (《保險經紀人監管規定》), Provisions on the Regulation of Insurance Agents (《保險代理人監管規定》), Provisions on Insurance Adjusters (《保險公估人監管規定》), Measures for the Regulation of Internet Insurance Business (《互聯網保險業務監管辦法》), and related rules and regulations, as well as any other rules and regulations promulgated from time to time. Our insurance transaction services business, which involves distribution of insurance products, is extensively regulated by the insurance regulatory authorities, which have been given discretion in its administration of these laws, rules and regulations as well as the authority to take regulatory measures against us.

The terms and premium rates of the insurance products we carry, the commission rates we earn, as well as the way we operate our insurance transaction services business, are subject to regulations. For example, the legal requirements for the terms and premium rates of the insurance products are stipulated in the Administrative Measures of the Insurance Terms and Premium Rates of Life and Health Insurance Companies (《人身保險公司保險條款和保險費率管理辦法》) promulgated by the CIRC, on October 19, 2015 and the Administrative Measures of the Insurance Terms and Premium Rates of Property Insurance Companies (《財產保險公司保險條款和保險費率管理辦法》) promulgated by the CBIRC on August 16, 2021. In addition, the Provisions on Insurance Brokerages, the Provisions on Insurance Agents and the Provisions on Insurance Adjusters also specify the requirements for the insurance brokerages, the insurance agencies and the insurance adjusters on the way they open the bank accounts and collect the commissions. Developments in these regulations may affect our profitability on the products we distribute. Any changes of regulations or administrative measures on insurance agency commissions could have a material impact on the revenue and profitability of our insurance transaction services business, if we are not able to expand our insurance business sufficiently to compensate for the reduced revenue generated from the commissions collected, or pass on any downward impact on our commission rates to our insurance agents and/or channel promotion fees to our business partners.

Furthermore, the regulatory authorities continuously strengthen the regulation and administration for the sale and information disclosure of insurance products, the informatization work and Internet insurance business of the insurance intermediaries by releasing laws, regulations and rules, such as (i) the Administrative Measures for Insurance Sales Practices (《保險銷售行為管理辦法》) on September 20, 2023, which took effect on March 1, 2024; (ii) the Administrative Measures for the Disclosure of Information on Life and Health Insurance Products (《人身保險產品信息披露管理辦法》) on November 11, 2022, which took effect on June 30, 2023; (iii) the Regulatory Measures for the Informatization Work of Insurance Intermediaries (《保險中介機構信息化工作監管辦法》) on January 5, 2021, which took effect on February 1, 2021; (iv) the Provisional Measures for Retrospective Administration of Insurance Sales Practices (《保險銷售行為可回溯管理暫行辦法》) on June 28, 2017 which took effect on November 1, 2017; and (v) the Notice on Commencement of Specific Rectification of Market Chaos in the Internet Insurance Industry (《關於開展互聯網保險亂象專項整治工作的通知》) in August 2021, etc.

In addition, there may be future laws, rules, regulations and guidances that may be applicable to us. The National Administration of Financial Regulation issued the Notice on Matters Related to Regulating Bancassurance Channels of Life Insurance Companies (《關於規範人身保險公司銀行代理渠道業務有關事項的通知》) promulgated in January 2024 provides that insurance companies should strictly adhere to the insurance terms and premium rates filed, known as the "unified reporting and underwriting" policy, which currently applies only to bancassurance channels. The policy aims to standardize the bancassurance business of life insurance companies and requires the life insurance companies to strictly adhere to the insurance terms and premium rates filed with the NFRA. Insurance companies are required to implement expense policies according to the product actuarial reports filed with the NFRA, and the commissions paid to bancassurance channels must not exceed the specified maximum commission rate. Notwithstanding that a similar policy has not been promulgated for any insurance channel other than bancassurance, the insurance companies adjusted commission rates of insurance intermediaries downwards, in particular commission rates for long-term life insurance products out of prudence. The insurance companies lowered the commission rates to insurance intermediaries so that their actual operating costs would not exceed the expected operating costs calculated based on the product actuarial reports filed with the NFRA. As a result, our long-term life insurance business may be affected.

Therefore, failure to comply with any of the laws, rules and regulations to which we are subject could result in fines and restrictions on business expansion, which could materially affect our business, results of operations and financial condition. The laws, rules and regulations under which we are regulated may be amended from time to time, and we are subject to their interpretation and application. Furthermore, laws, rules and regulations applicable to insurance companies may also indirectly affect us. We cannot assure you that future legislative or regulatory evolvements would not have a material effect on our business, results of operations and financial condition.

We may not be able to provide diversified or customized insurance products to policyholders and the insured and a wide range of services to insurance companies to effectively address their needs, which could have a material adverse effect on our business, results of operations and financial condition.

Our ability to continue to attract and retain policyholders, the insured and customers depends largely on our ability to continue offering diversified or customized insurance products and expanding our service offerings. To continue to expand the base of policyholders and the insured, we also seek to further strengthen partnerships with more insurance companies, while maintaining comprehensive insurance product choices. We also strive to provide specialized insurance technology services that cover the main processes of insurance business to insurance companies, in particular risk assessment assistance and claims adjustment. However, our strategic plans involve new risks and challenges. If we fail to accurately identify the demands or preferences of our customers and policyholders and the insured, or continuously provide them with new and favorable products and solutions that add value, we may fail to attract new policyholders, the insured and customers or maintain existing policyholders, the insured and customers. If other players in the industry expand into the market segment that we operate in, we may fail to retain our existing customers and policyholders and the insured, and our market share may diminish. As a result, our business, results of operations and financial condition may be materially and adversely affected.

If we fail to maintain stable relationships with our partners, our business, results of operations, financial condition and business prospects could be materially and adversely affected.

We cooperate with a variety of partners in conducting our business, including customers and suppliers in our business operation. Our success depends on our ability to, among other things, develop and maintain relationships with our existing partners and attract new partners.

Relationships with our customers

We generally provide insurance transaction services to insurance companies we cooperate with, most of which are major insurance companies in the PRC. We derive revenue primarily from commissions paid by insurance companies for successful distributing of insurance products underwritten by them to policyholders and the insured through us. Our revenue is generally calculated based on a percentage of the premiums of insurance policies distributed through us. For more details, please refer to the section headed "Business — Our Business — Our Business Model — Insurance Transaction Services" in this prospectus. Our relationships with these insurance companies are governed by agreements between the insurance companies and us. These agreements generally provide, among other things, the scope of our services and our commission rates, and typically have a term of one to two years and may be terminated with prior written notice. Insurance companies may terminate the agreement with cause, including but not limited to our breach of laws and regulations, unauthorized changes of insurance term and forgery of documents. There is no assurance that we would be able to renew any such agreements upon their expiry with commercially desirable terms, or insurance

companies may agree to renew any such agreements only with changes in material terms, including our commission rates, which could reduce our revenues to be generated from such agreements. Any interruption to or discontinuation of our relationships with insurance companies may severely and negatively impact our results of operations.

We also provide insurance technology services to insurance companies and insurance intermediaries, including risk assessment assistance and claims adjustment services. For more details, please refer to the section headed "Business — Our Business — Our Business Model — Insurance Technology Services" in this prospectus. These arrangements with our customers are typically not exclusive, and they may have similar arrangements with our competitors. If our customers are dissatisfied with our services and solutions or find us ineffective in enhancing their profitability and improving their operations, they may terminate their relationships with us and decide to cooperate with our competitors.

Recognition by insurance companies, policyholders and the insured is critical for us to remain competitive. Our ability to maintain and enhance their recognition and our reputation depends primarily on the quality of services we offer to them. If we are unable to maintain and further enhance their recognition and our reputation, we may not be able to maintain or continue to expand the base of policyholders and the insured, and our results of operations may be materially and adversely affected. Furthermore, any negative or malicious publicity relating to our Group and services could harm our reputation and in turn materially and adversely affect our business and results of operations.

Furthermore, if insurance companies fail to properly fulfil their obligations as insurers under the insurance policies distributed on our platforms, policyholders and the insured may lose faith in our platforms. As the insurance products are underwritten directly by insurance companies, and we are not the policyholder or contracting party with the policyholder, we are not subject to any contractual liabilities in respect of insurance policies if insurance companies fail to properly fulfil their obligations. However, we may be responsible for several liabilities joint with insurance companies. We disclose to policyholders and the insured relevant information of insurance companies throughout our insurance transaction process in strict compliance with the relevant PRC laws and regulations. When selecting insurance companies to collaborate with, priority is given to state-owned insurance companies, listed insurance companies and top-ranking insurance companies. We will adopt various measures, such as suspending collaboration, if we identified any insurance companies we collaborated having potential risks in properly fulfil their obligations.

If insurance companies become insolvent, policyholders and the insured may not be able to realize the protection expected from the insurance policies and we may not be able to collect commissions from the insurance companies, which will negatively affect our business, reputation and results of operations.

Relationships with our suppliers

We primarily collaborate with insurance agents and business partners to expedite our market penetration and broaden the base of policyholders and the insured. For more details, please refer to the section headed "Business — Products We Distribute and Services We Provide — Insurance Transaction Services — (ii) Sales and Marketing and Our OnlinePlatforms" in this prospectus. Failure to establish and maintain stable relationships with our insurance agents and business partners may materially and adversely affect our ability to expand our business scale and market share, which in turn could adversely affect our results of operations and business prospects.

Our agreements with our insurance agents generally have a term of one year, and our agreements with our business partners generally have a term of one year. They may choose to cooperate with our competitors or offer competing services themselves after the agreement expires. In addition, there is an increasing trend that major insurance companies build their own online channels and strengthen their in-house capabilities to sell their insurance products, as well as establishing their own insurance agency arms, according to Frost & Sullivan. In any event, there is no assurance that we will be able to continuously maintain a mutually beneficial relationship with our insurance agents and business partners, or continue to cooperate with them on terms favorable to us, or at all. If any of the foregoing occurs, our business growth, results of operations and financial condition will be adversely affected.

As the revenue we receive from the distributing of insurance products to policyholders and the insured is based on premium and commission rates set by insurance companies, any decrease in these commission rates, or any increase in the commission expenses or channel promotion fees we pay, may have an adverse effect on our results of operation.

We are engaged in the online insurance intermediary business and derive revenue primarily from commissions paid by insurance companies for successful distributing of insurance products underwritten by them to policyholders and the insured through us. Our revenue is generally calculated based on a percentage of the premiums of insurance policies distributed through us. Our revenue and results of operations are thus directly affected by the size of insurance premiums and the commission rates for such policies. Our revenue from our insurance transaction services during the Track Record Period was RMB801.7 million, RMB1,628.6 million and RMB1,377.8 million, representing 99.4%, 99.6% and 99.3% of our total revenue for the years ended December 31, 2022, 2023 and 2024, respectively.

Insurance premiums and commission rates can be changed based on the prevailing economic, regulatory and competitive factors that affect insurance companies, policyholders and the insured. These factors, which are not within our control, include insurance companies' expectation on profits, policyholders and the insured's demand for insurance products in the market, the availability and pricing of comparable products from other insurance companies, the availability of alternative insurance products (such as government benefits), requirements set by the industry associations, regulatory requirements and governmental policies and other factors that affect insurance companies at the relevant time. For details of the commission rates

for the various categories of insurance products charged by us during the Track Record Period, please refer to the paragraph headed "Business — Products We Distribute and Services We Provide — Insurance Transaction Services — (v) Our Fee Model" in this prospectus.

On the other hand, we engage insurance agents to promote and distribute the insurance products authorized by insurance companies and cooperate with business partners to expand our reach to large population of policyholders and the insured, and we pay commission expenses to insurance agents and channel promotion fees to self-media traffic channels for successful purchase of insurance products by policyholders through us. We may have to adjust upward the commission rates and channel promotion fees depending on the competitive landscape and market conditions. Accordingly, any increase in such rates would reduce our profit margin.

As we do not determine, and cannot predict, the timing or extent of premium or commission rate changes made by insurance companies, we cannot predict the effect any of these changes may have on our operations. Any decrease in the commission rates as set by insurance companies, any increase in the rates of commission expenses and channel promotion fees we pay to, could significantly affect our profitability. In addition, our capital expenditures and other expenditures may be disrupted by unexpected decreases in revenue caused by decreases in premiums or commission rates, thereby adversely affecting our operations and business plans.

We are subject to customer concentration risk. Our growth and revenue could be materially and adversely affected if we lose any significant customer, or if any significant customer fails to cooperate with us at anticipated levels.

We are subject to customer concentration risk. We depend on a limited number of customers to generate a substantial portion of our revenue. For the years ended December 31, 2022, 2023 and 2024, the aggregate revenue generated from our top five customers in each year accounted for approximately 77.2%, 63.8% and 70.7% of our total revenue, respectively. For the same periods, revenue generated from our largest customer accounted for 21.0%, 17.0% and 23.5% of our total revenue, respectively. For more details, please refer to the section headed "Business — Our Customers" in this prospectus.

There are a number of factors, other than our performance, which could cause the loss of, or decrease in the volume of business from, a customer. We cannot assure you that we will continue to maintain business cooperation with these customers at the same level, or at all. We may also not be able to diversify the composition of our customer base or to broaden our exposure to more new customers or to enter into transactions with our customers in size comparable to those of our top five customers in each year during the Track Record Period. The loss of business from any of these significant customers, or any downward adjustment of the commission rates paid to us, or the number of products offered by us, could materially adversely affect our revenue and profit. Furthermore, if any significant customer terminates its

relationship with us, we cannot assure you that we will be able to secure an alternative arrangement with comparable insurance companies in a timely manner, or at all which, in turn, may negatively affect our results of operations.

Our business model may be replicated by other insurance intermediary service providers and Internet companies, and traditional insurance companies aiming to engage in online insurance intermediary business.

Given that terms of insurance product are relatively transparent, our competitors can replicate the insurance products we design and develop together with insurance companies soon after they are launched, possibly at lower prices than what we offer. If we fail to continue to upgrade our insurance product offerings that meet market demand quickly, we may not be able to keep our edge in the competition, and our business and results of operations will be negatively affected.

Moreover, given the large amount of data and strong capability of technological development the leading PRC Internet companies have, we believe it is possible that these companies can develop their insurance business to compete with us in a short period of time. In addition, we have seen certain traditional insurance companies and other insurance service providers enter the online insurance service market in order to seize the soaring opportunities. Considering these Internet companies' strong abilities in promoting their products through their existing abundant online channels and the potential of traditional insurance companies and other insurance service providers to convert their offline resources and policyholders and the insured online, we may face severe competition from these potential competitors.

We experienced fluctuation in our financial results during the Track Record Period, and we may not be able to remain profitable in the future.

We experienced significant growth in operational scale and certain fluctuation in our financial results during the Track Record Period. Our revenue increased by 102.7% from RMB806.3 million in 2022 to RMB1,634.4 million in 2023. Our revenue decreased by 15.1% from RMB1,634.4 million in 2023 to RMB1,387.1 million in 2024. We incurred a net profit of RMB131.0 million in 2022, a net loss of RMB356.2 million in 2023, and a net loss of RMB135.6 million in 2024.

Our ability to achieve and maintain profitability depends on our ability to continue to increase our market share, maintain competitive pricing, leverage technology to expand and enhance our product and service offerings, and increase our operational efficiency. These are affected by many factors which may be beyond our control, including declining growth of the overall market or industry, increasing competition, emergence of alternative business models, developments in laws and regulations, or general economic conditions including fluctuations in interest rates, and we may encounter unforeseen expenses, difficulties, complications, delays and other unknown factors. If we are unable to generate adequate revenue or effectively manage our costs and expenses, we may incur net losses again in the future and may not be able to achieve or subsequently maintain profitability.

A significant portion of the total GWP we facilitate may be contributed by a limited number of insurance products. If we cannot continue to offer these insurance products for any reason or the popularity of these products declines, the GWP we facilitate and consequently our revenue, may decrease, and our financial condition and results of operations may be materially and adversely affected.

A significant portion of the total GWP we facilitate may be from a limited number of popular insurance products, primarily our long-term life and health insurance products. For the years ended December 31, 2022, 2023 and 2024, the top ten insurance products in terms of revenue contribution aggregately accounted for 78.6%, 64.4% and 57.7% of our total revenue, respectively. We cannot guarantee you that we will be able to succeed in diversifying our product offerings, launching more customized insurance products, expanding the base of policyholders and the insured and generating revenue from a wider variety of insurance products, nor that such concentration will decrease. If we cannot continue to offer these popular insurance products for any reason or the popularity of these products decline, our revenue may decrease, and our financial condition and results of operations may be materially and adversely affected.

We recorded net current liabilities, net liabilities and net cash used in operating activities during the Track Record Period, which may expose us to certain liquidity risks.

We had net current liabilities of RMB573.3 million, RMB1,018.3 million and RMB1,301.2 million as of December 31, 2022, 2023 and 2024, respectively, and net liabilities of RMB374.1 million, RMB626.2 million and RMB739.8 million as of December 31, 2022, 2023 and 2024, respectively. Our net current liabilities and net liabilities during the Track Record Period were primarily due to the preferred shares of Shenzhen Shouhui. We may continue to have net current liabilities and net liabilities in the future. In addition, we had net cash used in operations of RMB54.3 million in 2022, and may experience negative operating cash flows in the future. Any of the foregoing may expose us to the risk of shortfalls in liquidity. This in turn would require us to seek additional financing from offering and issuing our Shares, and/or other sources such as external debt, which may not be available on terms favorable or commercially reasonable to us or at all. Any difficulty or failure to meet our liquidity needs as and when needed may have a material adverse effect on our business, financial condition, results of operations and prospects.

We may be subject to risks of recoverability of deferred tax assets.

Deferred tax assets are recognized for deductible accumulative losses, and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. As of December 31, 2022, 2023 and 2024, our deferred tax assets amounted to RMB61.2 million, RMB121.5 million and RMB140.8 million, respectively. In the application of our accounting policies, significant management judgment is required to assess the recognition of deferred income tax assets in future reporting periods, based on historical experiences and amount of forecasted future taxable profits at the relevant times together with future tax planning strategies. However, if there is a significant adverse

change in our performance, some or all of the relevant deferred income tax assets may need to be written off and charged to the consolidated statements of profit or loss and other comprehensive income, which could have an adverse effect on our financial condition. Furthermore, utilization of deferred income tax assets significantly depends on our management's judgment as to whether sufficient profits or taxable temporary differences will be available in the future. Any consequent changes in management judgment or future operating results would deviate these accounting estimates of deferred income tax assets from their actual results and the recoverability of deferred tax assets recognized in our financial statements, and hence could materially and adversely affect our financial condition and results of operation in the future years.

We are exposed to credit risk associated with our accounts receivable.

Credit risk is the risk that a counterparty is unable to meet their contractual obligations in full when due. There is a risk that a counterparty's creditworthiness will deteriorate and that they no longer will be able to fulfill their financial obligations to us. As of December 31, 2022, 2023 and 2024, our accounts receivable amounted to RMB216.9 million, RMB158.5 million and RMB96.1 million, respectively. There is no assurance that we will be able to fully recover our accounts receivable from our customers or that they will settle our accounts receivable in a timely manner. In the event the settlements from our customers are not made on a timely manner or at all, the financial position, profitability and cash flow of our Group may be materially and adversely affected.

If we are unable to fully recover our contract assets, our liquidity and financial position may be adversely affected.

During the Track Record Period, we recorded contract assets for arrangements when we have provided the insurance transaction services but for which the related payments are not yet due. Contract assets are attributable to the commissions which are contingent upon the future premium payments of the policyholders. Our contract assets are recognized when we recognize revenue before being unconditionally entitled to the consideration under the terms in the contract. As of December 31, 2022, 2023 and 2024, we had contract assets, net of RMB338.4 million, RMB631.6 million and RMB849.6 million, respectively. We cannot assure you that the financial position of our customers will remain solvent or that we will be able to recover our contract assets in full or at all in the future. If we are unable to recover our contract assets, our liquidity and financial position may be materially and adversely affected.

We are exposed to to fair value change for financial assets measured at fair value through profit or loss which would affect our financial performance and valuation uncertainty due to the use of unobservable inputs.

Our financial assets measured at fair value through profit or loss consist of wealth management products issued by commercial banks in the PRC. As of December 31, 2022, 2023 and 2024, we had financial assets measured at fair value through profit or loss of RMB240.4 million, RMB369.5 million and RMB504.8 million, respectively. For details, please refer to the

paragraph headed "Financial Information — Discussion of Certain Key Items from Our Consolidated Statements of Financial Position — Financial Assets Measured at Fair Value through Profit or Loss" in this prospectus.

We cannot assure you that we can recognize comparable fair value gains in the future and we may on the contrary recognize fair value losses, which would affect our result of operations for future periods. In addition, the valuation of financial assets at fair value through profit or loss is subject to uncertainties due to the use of unobservable inputs. Such estimated fair values involve the exercise of professional judgment and the use of certain bases, assumptions and unobservable inputs, which, by their nature, are subjective and uncertain. As such, the valuation of financial assets at fair value through profit or loss has been, and will continue to be, subject to uncertainties in estimations, which may not reflect the actual fair value of these financial assets and result in fluctuations in profit or loss from year to year.

The changes in the carrying amount of financial instruments issued to investors may adversely affect our financial condition and results of operations.

We issued several series of shares with preferential rights/preferred shares to investors. The investors shall have the right to require us to redeem their shares at a predetermined redemption price upon occurrence of particular redemption events, and shall have the right to receive, in priority, the liquidation preference amounts upon occurrence of change in control events, which are not within our control. The financial liabilities are initially measured at the present value of the highest of the amounts that could become payable to the investors upon the earliest possible date of occurrence of redemption or change in control events. Subsequently, any changes in the carrying amount of the financial liabilities are recorded in "changes in carrying amount of financial instruments issued to investors" in profit or loss. We recorded a gain of RMB61.6 million in 2022, a loss of RMB584.3 million in 2023 and a loss of RMB345.0 million in 2024 in changes in carrying amount of financial instruments issued to investors. Any significant fluctuations in the changes in the carrying amount of financial instruments issued to investors may materially affect our financial condition and results of operations.

We may not be able to ensure the accuracy and completeness of insurance product information and the effectiveness of our recommendation of insurance products on our platforms.

Policyholders and the insured rely on the insurance product information we provide on our platforms. There can be no assurance that the accuracy, completeness or reliability of the information can be maintained in the future. If we provide any inaccurate or incomplete information on our platforms due to either our own fault or that of insurance companies, or we fail to present accurate or complete information of any insurance products, it could lead to policyholders and the insured's failure to get the protection or us being warned or punished by the relevant regulatory authorities, which could harm our reputation and reduce user traffic to our platforms, which may adversely affect our business and financial performance. For details of the specific internal control measures we have adopted to ensure that the information of

insurance products we offer is accurate and complete, please refer to to the paragraph headed "Business — Products We Distribute and Services We Provide — Insurance Transaction Services — (i) Our Insurance Product Offerings" in this prospectus.

We may not be able to recommend suitable insurance products to our clients. Our product searches and product recommendation functions may fail to function properly. The data provided to us by policyholders and the insured, insurance companies and business partners may not be accurate or up to date. Our team of insurance consultants may not fully understand the needs of policyholders and the insured, and recommend suitable products to them. If policyholders and the insured are recommended insurance products that do not suit their needs, they may lose trust in our platforms. Meanwhile, insurance companies may find our recommendation ineffective. Policyholders, the insured, insurance companies and business partners may consequently be reluctant to continue to use our platforms, and insurance companies may be hesitant to continue to cooperate with us. As a result, our business, reputation, financial performance and prospects will be materially and adversely affected.

Failure to obtain, renew, or retain certain licenses, permits or approvals may materially and adversely affect our ability to conduct our business.

We are required by PRC laws and regulations to hold various licenses, permits and approvals issued by relevant regulatory authorities to allow us to conduct our business operations including license for operating insurance intermediary services. We are required by applicable laws to report to the local regulatory authorities with respect to the establishment of the local branches and the appointment of the senior executives of our subsidiaries operating insurance intermediary services. Any infringement of legal or regulatory requirements, or any suspension or revocation of these licenses, permits and approvals, or failure to fulfill the reporting obligations, may have a material adverse impact on our business. The licensing requirements within the insurance and insurance intermediary industry may be amended in the future and we may be subject to more stringent regulatory requirements due to clarification or development in interpretation or implementation of laws and regulations, or promulgation of new regulations or guidelines in China. We may be required to obtain other licenses, permits or approvals, or otherwise comply with additional regulatory requirements in the future. We cannot assure you that we will be able to retain, obtain or renew relevant licenses, permits or approvals or fulfill the reporting obligations in the future. Failure to obtain relevant licenses, permits, or approvals, or fulfill the reporting obligations, or otherwise comply with additional regulatory requirements in the future could result in fines, which could materially and adversely affect us. This may, in turn, hinder our business operations and materially and adversely affect our business, results of operations and financial condition.

The technologies we use for the operation of our business require continuous developments and upgrades. We cannot assure you that these technologies will fully support our business.

As a prominent insurance service provider with technological capabilities, we have successfully introduced solutions that cover the main processes of insurance business. We have invested substantial resources in developing our proprietary technology platforms that we use for our day-to-day operations. We expect these technologies to support seamless transaction process, such as pre-sales consultation, online underwriting assistance, and claims settlement and risk assessment assistance. For more details, please refer to the section headed "Business — Our Technological Capabilities and Research and Development" in this prospectus. To adapt to evolving needs of different policyholders and the insured, requirements of insurance companies, and emerging industry trends, we may need to develop other new technologies or upgrade existing platforms and systems. If our efforts to invest in the development of new technologies or the upgrade of existing technologies are unsuccessful, our business, financial condition and results of operations may be materially and adversely affected.

Our ability to provide products and services and to conduct day-to-day business operations depend, in part, on our ability to maintain and make timely and cost-effective enhancement and upgrade to our technologies and introduce functions which can meet changing business and operational needs. Failure to do so could put us at a disadvantage to our competitors and cause economic losses. We can provide no assurance that we will be able to keep up with technological improvements or that the technologies developed by others will not render our services less competitive or attractive.

Any significant interruption in services on our online platforms and websites or insurance companies' systems, including events beyond our control, could materially and adversely affect our business, financial condition and results of operation. The proper functioning of our IT systems and infrastructure and our ability to continuously improve them are essential to our business.

Our business is highly dependent on the ability of our IT systems to timely process a large amount of information at a time when the volume of such transactions is growing rapidly. We rely on our online platforms, including Xiaoyusan, Kachabao and Niubao 100, and our website, to facilitate the business operation. Usability and stability of our online platforms as perceived by users can influence satisfaction of policyholders and the insured. The proper functioning and improvement of our online platforms is critical to our business and to our ability to compete effectively. In addition, our platforms are connected to the systems of insurance companies we cooperate with. We cannot assure you that our business activities would not be materially disrupted in the event of a partial or complete failure of functions on our online platforms or insurance companies' systems, which could be caused by, among other things, software malfunction, computer virus attacks or conversion errors due to system upgrading. In addition, a prolonged failure of any of our information technology systems could damage our reputation and materially and adversely affect our operations and profitability.

Moreover, we need to keep up with technological developments and continuously invest significant resources, including financial and human capital resources to maintain, upgrade and expand our IT systems and infrastructure in tandem with our business growth and development. The fast-evolving technological developments may also render our existing systems and infrastructure and those that are newly developed and implemented obsolete before we are able to reap sufficient benefits to recover their investment costs, and may lead to substantial impairments which would adversely affect our results of operations. If our efforts to invest in technology are unsuccessful, our results of operations and business prospects may be materially and adversely affected.

Moreover, our business depends in part on the performance and reliability of the Internet infrastructure and telecommunication network. The failure of telecommunications network operators to provide us with the requisite bandwidth could also interfere with the speed and availability of our websites.

Any harm to our brand, failure to maintain and enhance our brand recognition, or failure to do so in a cost-effective manner may materially and adversely affect our business and results of operations.

We believe that the recognition and reputation of our brand among policyholders and the insured, insurance companies we cooperate with, our partners and other industry participants have contributed significantly to the growth and success of our business. Maintaining and enhancing the recognition and reputation of our brand are critical to our business and competitiveness. Many factors, some of which are beyond our control, are important to maintain and enhance our brand. These factors include our ability to:

- recommend suitable insurance products to policyholders and the insured;
- provide effective and smooth insurance experience to policyholders and the insured;
- innovate and improve the products and services we provide;
- increase brand awareness through marketing and brand promotion activities;
- maintain the reliability of our platforms and technology-based systems;
- preserve our reputation and goodwill in the event of any negative publicity on us, our partners or the industry in general; and
- maintain our cooperative relationships with insurance companies and business partners.

If we are unable to maintain our reputation, enhance our brand recognition or increase positive awareness of our platforms, products and services, it may be difficult to maintain and grow the base of policyholders and the insured, and our business and growth prospects may be

materially and adversely affected. Any negative publicity in relation to our Company, including but not limited to our Directors, management, business, legal compliance, financial condition or prospects, whether with merit or not, could severely compromise our reputation and harm our business and operating results.

Furthermore, if we are unable to conduct our branding and marketing activities cost-effectively, our financial condition and results of operations may be materially and adversely affected. We have incurred expenses on a variety of different sales and marketing efforts designed to enhance our brand recognition and increase distribution of insurance products on our platform. Our marketing and promotional activities may not be well received by policyholders and the insured and may not achieve anticipated results. Marketing approaches and tools in insurance market in China are evolving. This further requires us to enhance our marketing approaches and experiment with new marketing methods to keep pace with industry developments and consumer preferences, which may not be as cost-effective as our marketing activities in the past and may lead to significantly higher marketing expenses in the future. Failure to refine our existing marketing approaches or to introduce new effective marketing approaches in a cost-effective manner could impact our revenues and profitability.

To support our business growth, we continue to invest in our research and development efforts, the expenses of which may negatively impact our profitability and cash flow, and may not generate the results we expect to achieve.

Our technological capabilities are critical to our success, and we have been continuously investing in our research and development efforts. Our research and development expenses incurred were approximately RMB53.5 million, RMB61.1 million and RMB51.0 million, respectively, for the years ended December 31, 2022, 2023 and 2024, accounting for approximately 6.6%, 3.7% and 3.7% of our revenue during the same periods, respectively. The industry in which we operate is subject to rapid technological changes and is evolving quickly in terms of technological innovation. We need to invest significant resources, including financial and human resources, in research and development in order to make our products and solutions competitive and keep abreast with the development of the industry. As a result, we expect that our research and development expenses may continue to increase.

Furthermore, development activities are inherently uncertain, and we might encounter practical difficulties in commercializing our development results. Our significant expenditures on research and development may not generate corresponding benefits. Given the fast pace with which the technology has been and will continue to be developed, we may not be able to timely upgrade our technologies in an efficient and cost-effective manner, or at all. New technologies in our industry could render our platforms and systems that we are developing or expect to develop in the future obsolete, not commercially viable or unattractive, thereby limiting our ability to recover related development costs, which could result in a decline in our revenues, profitability and market share.

Security breaches and attacks against our systems and network, and any failure to otherwise protect personal, confidential and proprietary information, could damage our reputation and negatively impact our business, as well as materially and adversely affect our financial condition and results of operations.

We have implemented various cybersecurity measures, but such measures may not detect, prevent or control all attempts to compromise our systems, including but not limited to, distributed denial-of-service attacks, viruses, Trojan horses, malicious software, break-ins, phishing attacks, third-party manipulation, security breaches, employee misconduct or negligence or other attacks, risks, data leakage and similar disruptions that may cause service interruptions or jeopardize the security of data stored in and transmitted by our systems or that we otherwise maintain. Breaches to our security measures may result in unauthorized access to our systems, misappropriation of information or data, deletion or modification of user information, or a denial-of-service or other interruption to our business operations. As techniques used to obtain unauthorized access to or sabotage systems change frequently and may not be known until launched against us or our third-party service providers, there can be no assurance that we will be able to anticipate, or implement adequate measures to protect against these attacks. If we are unable to avert these attacks and security breaches, we could be subject to significant legal and financial liabilities, our reputation and business would be harmed, and we could sustain substantial revenue loss from loss of sales and customer dissatisfaction.

PRC cybersecurity and data security measures and regulations could affect our business. Failure to comply with applicable data protection laws and regulations could subject us to regulatory actions and other legal liabilities, negatively impact our reputation and deter policyholders and the insured from using our platforms.

In providing our services, a challenge we face is the secured collection, storage and transmission of confidential information. We acquire certain personal information of our insurance agents, policyholders, the insured and some online platform registered users, such as name, ID number and telephone number during the course of our business. For more details, please refer to the paragraphs headed "Business — Data Privacy and Data Security" and "Regulatory Overview — Regulations Related to Cybersecurity and Data Security" in this prospectus.

On December 28, 2021, the CAC and other regulatory authorities jointly revised and promulgated the Cybersecurity Review Measures, which stipulate that (1) critical information infrastructure operators ("**CIIO**") purchasing network products and services which affects or may affect national security, must file for the cybersecurity review; (2) the internet platform operators holding personal information of more than one million users seeking a listing in a foreign country must file for the cybersecurity review and (3) where members of the cybersecurity review working mechanism believe that network products and services and data processing activities affect or are likely to affect national security, the Cybersecurity Review Office shall report to the Central Cyberspace Affairs Commission for approval as per procedure, and then conduct a review in accordance with the Cybersecurity Review Measures.

As of the Latest Practicable Date, we had not been identified as a CIIO under current effective PRC laws and regulations. Our PRC Legal Advisor as to PRC cybersecurity and data privacy protection laws conducted consultation via the hotline published by the CAC on a named basis on behalf of us on January 2, 2024, with a staff of the China Cybersecurity Review Technology and Certification Center (中國網絡安全審查技術與認證中心) (the "**CCRC**", now renamed as China Cybersecurity Review, Certification and Market Regulation Big Data Center (中國網絡安全審查認證和市場監管大數據中心)). The CCRC is a competent authority on this consultation, because it is entrusted by the Cybersecurity Review Office under the CAC with authority to accept and review of application materials and to set up a hotline for consultation regarding the cybersecurity review, according to the official announcement by the CAC. Based on such consultation, our PRC Legal Advisor as to PRC cybersecurity and data privacy protection laws advised us that we do not need to proactively file for the cybersecurity review, given Hong Kong is part of PRC and does not belong to any "foreign country" as contemplated in the Cybersecurity Review Measures. Our PRC Legal Advisor as to PRC cybersecurity and data privacy protection laws also advised us that we are not obliged to file for the cybersecurity review when purchasing network products and services in accordance with the Cybersecurity Review Measures, on the basis that (i) as the Regulations on Protection of Critical Information Infrastructure (《關鍵信息基礎設施安全保護條例》) ("**CIIO Regulation**") stipulate that the competent authorities and the supervision and administration departments of the important industries and sectors involved in Article 2 ("**Protection Departments**") of the CIIO Regulation shall be responsible for the security protection of critical information infrastructures, and the Protection Departments shall be responsible for organizing the recognition of the critical information infrastructures within the industries and sectors according to the recognition rules, and shall inform the recognized CIIO accordingly; and (ii) as of the Latest Practicable Date, we had not received any notification from relevant regulatory authorities of being identified as a CIIO. In addition, during the Track Record Period and up to the Latest Practicable Date, we have not received any inquiry, notice, warning from any PRC government authorities, and had not been subject to any investigation or penalties made by any PRC government authorities regarding cybersecurity review. As the Cybersecurity Review Measures have been released recently, some provisions and implementation standards in the measures are still subject to the further guidance by relevant authorities. The relevant authorities have discretion in the interpretation and enforcement of such regulations, and we will closely monitor and assess any development in the rule-making process. If we become subject to cybersecurity review or investigations launched by PRC regulators in the future, any failure or delay in the completion of the cybersecurity review procedures or any other non-compliance with the related laws and regulations may result in fines or other penalties, including suspension of relevant business, website closure, removal of our mini-programs from the relevant distribution platforms, and revocation of prerequisite licenses, as well as reputational damage or legal proceedings or actions against us, which may have a material adverse effect on our business, financial condition or results of operations.

The interpretation and application of laws, regulations and standards on cybersecurity, data protection and privacy are still evolving. We cannot assure you that the relevant measures we have taken are, and will be, always considered sufficient under applicable laws and regulations related to cybersecurity, data protection and privacy. Nor can we assure you that we

can meet all the requirements under such applicable laws and regulations related to cybersecurity, data protection and privacy. In addition, such applicable laws and regulations related to cybersecurity are still evolving and the interpretation or implementation of such laws and regulations may also develop in the future. We may be subject to investigations and inspections by Governmental Authorities regarding our compliance with such laws and regulations and we cannot assure you that our practices will always be found to fully comply with all applicable rules and regulatory requirements. Any accidental or willful security breaches or other unauthorized access to our systems could cause confidential data to be stolen and used for criminal purposes, and could also expose us to liability related to the loss of information, time-consuming and expensive litigation and negative publicity. If security measures are breached or if we fail to protect confidentiality of the personal data of policyholders and the insured otherwise, insurance companies as well as policyholders and the insured may be deterred from choosing us, which could result in significant loss of business and incurrence of significant liability, and our business and operations could be adversely affected.

We are subject to payment processing risk.

We accept a wide variety of payment methods, including online payments through third-party online payment platforms such as Weixin Pay (微信支付), in order to provide smooth user experience. For certain payment methods, we pay varying transaction fees, which may increase over time and increase our operating costs and lower our profit margins. Third-party online payment platforms generally charge us 0.35% to 0.60% of the transaction amount. For the years ended December 31, 2022, 2023 and 2024, such transaction fees incurred were approximately RMB2.4 million, RMB2.5 million and RMB3.8 million, respectively. We may also be subject to fraud, money laundering and other illegal activities in connection with the various payment methods we accept if we cannot implement risk management measures effectively.

We are also subject to various regulations, rules and requirements, regulatory or otherwise, governing online payment processing and fund transfers, which could change or be reinterpreted. If we fail to comply with these rules or requirements or meet such rules or requirements in a timely manner, we may be subject to fines and higher transaction fees and lose our ability to accept credit and debit card payments from users, process electronic fund transfers or facilitate other types of online payments.

Our future growth depends on the further acceptance of the Internet as an effective platform for disseminating insurance products and content.

The Internet, and particularly the mobile Internet, has gained increasing popularity in the PRC as a platform for insurance products and content in recent years. However, certain participants in the industry, especially traditional insurance companies, and many policyholders and the insured have limited experience in handling insurance products and content online, and some policyholders and the insured may have reservations about using online platforms. For example, policyholders and the insured may not find online content to be

reliable sources of insurance product information. Some insurance companies may not believe online platforms are secure for risk assessment assistance and claims adjustment. Others may not find online platforms effective when promoting and providing their products, especially to targeted policyholders and the insured in lower-tier cities or rural areas. If we fail to educate policyholders, the insured and insurance companies about the value of our platforms and our products and services, our growth will be limited, and our business, financial performance and prospects may be materially and adversely affected. The further acceptance of the Internet and particularly the mobile Internet as an effective and efficient platform for insurance products and content is also affected by factors beyond our control, including negative publicity and restrictive regulatory measures. If online and mobile networks do not achieve adequate acceptance in the market, our growth prospects, results of operations and financial condition could be harmed.

We are dependent on the continuous services of our senior management and other key employees. If we fail to attract, retain and motivate qualified personnel, our business could be materially and adversely affected.

Our future performance depends on the continued services and contributions of our senior management and other key employees. Our ability to attract and retain qualified personnel is affected by various factors, including the structure and competitiveness of our compensation package. As a result of ever-increasing market competition, the market demand and competition for experienced management personnel and competent professionals has intensified. Any loss of service of our senior management or other key employees can significantly delay or prevent us from achieving our strategic business objectives, and adversely affect our business, financial condition and operating results. From time to time, there may be changes in our senior management team, resulting from the hiring or departure of executives, which could also disrupt our business. Hiring suitable replacements and integrating them into our existing teams also requires significant amount of time, training and resources, and may impact our existing corporate culture.

If we fail to attract and retain insurance agents, our business and operating results could be materially and adversely affected.

A substantial portion of the distribution of insurance products are conducted through our insurance agents. Some of these insurance agents are significantly more productive than others in generating revenue. We have been actively recruiting and will continue to recruit experienced insurance agents to join our network as our insurance agents, who have been instrumental to the development of our insurance business. As of December 31, 2024, we had over 27,000 insurance agents. Some of our insurance agents are our employees. If we are unable to attract and retain those high-performing insurance agents, our business could be materially and adversely affected. Competition for insurance agents from insurance companies and other insurance intermediaries may also force us to increase the compensation of our insurance agents, which would increase operating costs and reduce our profitability.

We may face legal action by former employers of insurance agents who join our distribution network.

Competition for high-performing insurance agents is intense within the insurance industry in China. When a insurance agent leaves his/her employer to join our distribution network as our insurance agent, we may face legal action by his/her former employer on the ground of unfair competition or breach of contract. As of the Latest Practicable Date, there has been no such action filed or threatened against us. We cannot assure you that this will not happen in the future. Any such legal actions, regardless of merit, could be expensive and time-consuming and could divert resources and management's attention from the operation of our business. If we were found liable in such a legal action, we might be required to pay substantial damages to the former employer, and our business reputation might be harmed. Moreover, the filing of such a legal action may discourage potential insurance agents from leaving their employers, thus reducing the number of insurance agents we can recruit and potentially harming our growth prospects.

Misconduct of our insurance agents and business partners, including promotional service providers and licensed brokerages and agencies, could harm our reputation.

We are exposed to the risk of misconduct by insurance agents and business partners, including promotional service providers and licensed brokerages and agencies, that we engage who interact with our end customers. The activities of these parties are subject to the terms of the agreements we entered into with them and subject to applicable PRC laws. Misconduct of insurance agents and business partners, including promotional service providers and licensed brokerages and agencies could result in reputational risk to us as policyholders and the insured may associate them with us, and could also result in violation of law by us, regulatory actions or litigation against us, or financial harm to us. Misconduct could include but is not limited to:

- making misrepresentation when marketing or selling insurance to policyholders and the insured;
- hindering insurance applicants from making full and accurate mandatory disclosures or inducing applicants to make misrepresentations;
- hiding or falsifying material information in relation to insurance contracts;
- fabricating or altering insurance contracts without authorization from relevant parties, selling false policies, or providing false documents on behalf of the insurance applicants;
- falsifying insurance transaction business or fraudulently returning insurance policies to obtain commissions;
- colluding with policyholders and the insured to obtain insurance benefits;

- coercing, inducing or restricting the applicant to enter into an insurance contract by taking advantage of his/her administrative power, position or the advantage of his/her occupation or by other unfair means;

- misappropriating, withholding or occupying insurance premiums or insurance benefits;

- disclosing trade secrets of the insurer, the applicant or the insured known in the business activities;

- engaging in false or falsified claims; or

- otherwise not complying with laws and regulations or our control policies, procedures, and undertakings.

We proactively take preventive measures including regularly monitoring the activities of our insurance agents and business partners. However, we cannot assure you, therefore, that misconduct by any parties we cooperate may not occur, whether unintentional or otherwise, which may negatively impact our business, results of operations or financial condition. In addition, the general increase in misconduct in the industry could potentially harm the reputation of the industry and have an adverse impact on our business.

Successful implementation of our business strategies and future plans are subject to uncertainties. Acquisition, strategic alliances and investments could be difficult to integrate, disrupt our business and affect our result of operations and the value of your investment.

We pursue certain strategies to further grow our business. For more details, please refer to the sections headed "Business — Our Strategies" and "Future Plans and Use of Proceeds" in this prospectus. There is no guarantee that we will be able to implement our business strategies and future plans successfully, as they are subject to uncertainties and changing market conditions. Our plans for development and business expansion are formulated based on the prevailing market conditions and industry development which may change over time. If we are unable to implement our business strategies and expansion plans successfully or effectively, our business, profitability and financial conditions in the future may be materially and adversely affected. Further, there is also no assurance that any of our business strategies will yield the benefits or achieve the level of profitability we anticipate. The profit from our implemented plans may not be sufficient to justify the start-up expenses and the increased operating costs incurred for our business strategies and future plans.

As part of our business strategy, we will evaluate and enter into strategic alliances and strategic acquisitions that are complementary to our business and operations. Acquisitions, alliances and investments involve a number of risks, including non-performance or default by counterparties and sharing of proprietary information. Strategic acquisitions and subsequent integrations of newly acquired businesses would require significant managerial and financial resources and could result in a diversion of resources from our existing business, which in turn

could have an adverse effect on our growth and business operations. Furthermore, we may fail to identify or secure suitable acquisition and business partnership opportunities, or our competitors may capitalize on such opportunities before we do, which could impair our ability to compete with our competitors and adversely affect our growth prospects and results of operations. Further, if we fail to properly evaluate and execute acquisitions or investments, our business and prospects may be adversely affected, and the value of your investment may decline.

We may not be able to raise additional capital when desired, on favorable terms or at all.

We need to make continued investments in facilities, hardware, software, technological systems and to retain talents to remain competitive. Due to the unpredictable nature of the capital markets and our industry, there can be no assurance that we will be able to raise additional capital on terms favorable to us, or at all, if and when required, especially if we experience unsatisfactory operating results. If adequate capital is not available to us as required, our ability to fund our operations, pursue business opportunities, develop or enhance our infrastructure or respond to competitive pressures could be significantly limited. In addition, if we raise additional funds through the issuance of equity or convertible debt securities, shareholdings of our existing Shareholders may be diluted.

We face certain risks relating to our leased properties and our rights to use our leased properties could be challenged by third parties or relevant Governmental Authorities.

We have leased certain properties used for our office and other uses in the PRC. For more details, please refer to the section headed "Business — Properties" in this prospectus.

The current usage of 8 of our leased properties is not consistent with the permitted usage. We currently use these leased properties as office premises while their permitted usage under the relevant title certificates is industrial and mixed commercial and residential/industrial R&D. Moreover, one of our leased properties had been pledged as collateral for the landlord's bank loan before we entered into the lease agreement. The pledgee will take priority to the leased properties in the event it enforces the pledge. As a result, we may face challenges to the validity of the leases, and may be forced to vacate the relevant properties and relocate our offices. We may therefore incur additional relocation expenses and our business operations may be disrupted during the relocation period.

We have not registered 28 of our lease agreements with the relevant Governmental Authorities. Under the relevant PRC laws and regulations, we may be required to register and file with the relevant Governmental Authorities executed leases. The failure to register the lease agreements for our leased properties will not affect the validity of these lease agreements, but the relevant competent Governmental Authorities may order us to register the lease agreements in a prescribed period of time and impose a fine ranging from RMB1,000 to RMB10,000 for each non-registered lease if we fail to complete the registration within the prescribed timeframe. As of the Latest Practicable Date, we are not aware of any regulatory or governmental actions, claims or investigations being contemplated or any challenges by third

parties to our use of our leased properties the lease agreements of which have not been registered with the relevant Governmental Authorities. However, we cannot assure you that the relevant Governmental Authorities will not impose fines on us due to our failure to register any of our lease agreements.

Furthermore, some of our landlords failed to provide valid title certificates and/or the relevant authorization documents evidencing the owners' consent to the lessors' leasing or subleasing such properties with respect to some of our leased properties. We may need to seek alternative premises and incur additional costs for relocation, if (i) our landlords are not the owner or not authorized by the real owner to lease the properties to us; (ii) any dispute or claim arises in relation to the rights to use or lease of the properties occupied by us; or (iii) any of our leases are terminated as a result of any challenge by third-parties or any failures of our landlords to renew the leases or obtain their legal titles or the requisite government approval or consent to lease the relevant properties.

We cannot assure you that our use of the above-mentioned leased properties will not be challenged. Our business, financial condition and results of operations may be materially and adversely affected in the event that our use of these leased properties is successfully challenged.

We may be subject to late payment fines or other penalties for our failure to fully contribute to social insurance for some of our employees.

During the Track Record Period, we did not fully contribute to social insurance and housing provident funds for its employees. For the years ended December 31, 2022, 2023 and 2024, the aggregate shortfall of social insurance contributions were RMB3.7 million, RMB5.6 million and RMB2.9 million, respectively. We have made adequate provisions for our historical contribution shortfall.

As advised by our PRC Legal Advisor, according to the relevant PRC laws and regulations, if we fail to make contributions to social insurance funds on time and in full, the relevant government authority can require us to rectify the shortfall in our contributions within a prescribed period, and we may be liable for a late payment fee equal to 0.05% of the shortfall in our contributions for each day of delay. If we fail to make the payments within the prescribed period, we may be liable for a penalty of one to three times the amount of the shortfall in our contributions. If we are required to rectify the shortfall in our contributions or are imposed severe penalties, our business, financial condition and results of operations may be adversely affected. For more details, please refer to the paragraph headed "Business — Employees" in this prospectus.

We may be subject to intellectual property infringement claims or other allegations by third parties, which may materially and adversely affect our business, results of operations and prospects.

We cannot be certain that our operations do not or will not infringe upon or otherwise violate intellectual property rights or other rights held by third parties. We may be from time to time in the future subject to legal proceedings and claims relating to the intellectual property rights or other rights of third parties.

Additionally, there may be third-party intellectual property rights or other rights that are infringed by products underwritten by insurance companies, our services or other aspects of our business without our awareness. To the extent that our employees or insurance agents use intellectual property owned by others in their work for us, disputes may arise as to the rights in related know-how and inventions or other proprietary assets. If any third-party infringement claims are brought against us, we may be forced to divert management's time and other resources from our business and operations to defend against these claims, regardless of their merits.

The application and interpretation of relevant intellectual property laws and the procedures and standards for granting trademarks, copyrights, proprietary technology or other intellectual property rights are still evolving, and we cannot assure you that relevant courts or regulatory authorities would agree with our analysis all the time. If we were found to have violated the intellectual property rights of others, we may be subject to liability for our infringement activities or may be prohibited from using such intellectual property or relevant contents, and we may incur licensing or usage fees or be forced to develop alternatives of our own. As a result, our business and financial performance may be materially and adversely affected.

Any failure to protect our intellectual property could harm our business and competitive position.

We regard our software registration, trademarks, copyrights, domain names, know-how, proprietary technologies and similar intellectual property as critical to our success, and we rely on a combination of intellectual property laws and contractual arrangements, including confidentiality and non-compete arrangements with our key employees and others to protect our intellectual property rights. For more details, please refer to the section headed "Business — Our Technological Capabilities and Research and Development — Intellectual Property" in this prospectus. Our intellectual property rights could be challenged, invalidated, circumvented or misappropriated, or such intellectual property may not be sufficient to provide us with competitive advantages. In addition, there can be no assurance that (i) our application for the registration of trademarks and other intellectual property rights will be approved; (ii) any intellectual property rights will be adequately protected; or (iii) such intellectual property rights will not be challenged by third parties or found by a judicial authority to be invalid or unenforceable. If the trademarks or other intellectual property rights we use could not be

registered, we may fail to prevent others from using these trademarks or other intellectual property rights, and our business, financial condition and results of operations may be materially and adversely affected.

Furthermore, maintaining and enforcing intellectual property rights may be difficult and costly and the steps we have taken may be inadequate to prevent the misappropriation of our intellectual property. In the event that we resort to litigation to enforce our intellectual property rights, such litigation could result in substantial costs and diversion of our managerial and financial resources. We can provide no assurance that we will prevail in such litigation. In addition, our trade secrets may be leaked or otherwise become available to, or be discovered by, our competitors. To the extent that our employees or insurance agents use intellectual property owned by others in their work for us, disputes may arise as to the rights in related know-how and inventions. Any failure in protecting or enforcing our intellectual property rights could have a material adverse effect on our business, financial condition and results of operations.

We may be involved in legal proceedings arising from our operations and may accordingly be subject to material liabilities or incur additional costs, and the regulatory actions and legal procedures against us may have a material adverse effect on our business, financial condition, results of operations and prospects.

We may be involved in legal and administrative proceedings, including disputes with our partners (such as our customers and suppliers) from time to time. As our business expands, we expect we will continue to face litigations and disputes in the ordinary course of our business, which may result in claims for actual damages, freezing of our assets and diversion of our management's attention, as well as legal proceedings against our Directors, officers or employees, and the probability and amount of liability, if any, may remain unknown for long periods of time. The outcome of any claims, investigations and proceedings is inherently uncertain, and in any event defending against these claims could be both costly and time-consuming. Therefore, our reserves for such matters may be inadequate, and any unfavorable final resolution of any such litigation or proceedings could have a material adverse effect on our business, results of operations and financial condition. Moreover, we may incur significant legal fees or suffer significant reputational harm, which could have a material adverse effect on our prospects and future growth.

We may also face regulatory actions from time to time. A material legal liability or material regulatory enforcement could have an adverse effect on us or cause damage to our reputation, which may harm our business prospects.

Our insurance coverage may not be adequate, which could expose us to significant costs and business disruptions.

We believe we maintain insurance policies in line with industry standards to safeguard us against risks and unexpected events, including professional liability insurance. In line with general market practice, we do not maintain business interruption insurance or general

third-party liability insurance, nor do we maintain product liability insurance or key-man insurance. Any uninsured occurrence of business disruption, litigation or natural disaster, or significant damages to our uninsured equipment or facilities could have an adverse effect on our results of operations. If we were to incur substantial losses or liabilities due to natural disaster, disruption in our network infrastructure or business operations, or any material litigation, our results of operations could be materially and adversely affected. Our current insurance coverage may not be sufficient to prevent us from any loss, and we may not be able to successfully claim our losses under our current insurance policies on a timely basis, or at all. If we incur any loss beyond the coverage of our insurance policies, or the amount indemnified is significant less than our actual loss, our business, financial condition and results of operations could be materially affected.

Any future occurrence of force majeure events, natural disasters or outbreaks of contagious diseases, may materially and adversely affect our business, financial condition and results of operations.

Any future occurrence of force majeure events, natural disasters or outbreaks of epidemics and contagious diseases and global or regional pandemics, including avian influenza, severe acute respiratory syndrome, H1N1 influenza, Ebola virus and the COVID-19 outbreak and other epidemics in the regions which we operate, may materially and adversely affect our business, financial condition and results of operations. An outbreak of an epidemic or contagious disease or other adverse public health developments in the regions which we operate or elsewhere in the world could result in a widespread health crisis and restrict the level of business activities in affected areas, which may in turn materially and adversely affect our business.

Moreover, the PRC has experienced natural disasters such as earthquakes, floods and droughts in the past few years. Any future occurrence of severe natural disasters in the PRC may materially and adversely affect its economy and therefore our business. We cannot assure you that any future occurrence of natural disasters or outbreaks of epidemics and contagious diseases, or the measures in response to such contagious diseases, will not seriously disrupt our operations or those of our customers, which may materially and adversely affect our business, financial condition and results of operations.

We may be subject to filing procedure and other requirements of the CSRC or other PRC Governmental Authorities in connection with the Global Offering, future capital raising activities and future major events.

On February 17, 2023, the CSRC released the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies (《境內企業境外發行證券和上市管理試行辦法》) (the "**Trial Measures**") and five supporting guidelines, which came into effect on March 31, 2023. Pursuant to the Trial Measures, domestic companies that seek to offer or list securities overseas, both directly and indirectly, should fulfill the filing procedure and report relevant information to the CSRC, and in the event of subsequent offering and occurrence of certain major events, domestic companies shall also fulfill relevant filing procedures and report

information to the CSRC. If a domestic company fails to complete the filing procedure, omits any material fact, falsifies any content or contains any misleading statement in its filing documents, such domestic company may be subject to administrative penalties, such as order to rectify, warnings, fines, and its controlling shareholders, actual controllers, the person directly in charge and other directly liable persons may also be subject to administrative penalties, such as warnings and fines. For more details, please refer to the section headed "Regulatory Overview — Regulations on Overseas Listing" in this prospectus.

If it is determined that we are subject to any filing or other authorization or requirements of the CSRC or other PRC Governmental Authorities for future capital raising activities or other major events, and we fail to complete such filing or meet such requirements in a timely manner, we could be subject to penalties imposed by the CSRC or other PRC regulatory authorities. If we are determined not in compliance with the requirements under the Trial Measures, and thus are unable to complete the filing with the CSRC, we may need to postpone or terminate our future capital raising activities if any. Any changes or negative publicity regarding such filing or other requirements stated above could materially and adversely affect our business, prospects, financial condition, reputation, and offering and listing of the Shares.

Fluctuations in exchange rates could result in foreign currency exchange losses.

The value of the RMB against the Hong Kong dollar, the U.S. dollar and other currencies is subject to changes in fiscal and foreign exchange policies and depends to a large extent on domestic and international economic and political developments as well as supply and demand in the local market. It is difficult to predict how market forces or government policies may impact the exchange rate between the RMB and the Hong Kong dollar, the U.S. dollar or other currencies in the future.

The proceeds from the Global Offering will be received in Hong Kong dollars. As a result, any appreciation of the RMB against the Hong Kong dollar may result in the decrease in the value of our proceeds from the Global Offering. Conversely, any depreciation of the RMB may adversely affect the value of, and any dividends payable on, the Shares in foreign currency. In addition, there are limited instruments available for us to reduce our foreign currency risk exposure at reasonable costs. All of these factors could materially and adversely affect our business, financial condition, results of operations and prospects, and could reduce the value of, and dividends payable on, our Shares in foreign currency terms.

Our foreign exchange transactions, including dividend payments on our Shares may be subject to approvals and filings procedure under PRC foreign exchange regulation.

The convertibility of the RMB into foreign currencies and, in certain cases, the remittance of currency out of China shall be conducted in accordance with PRC laws and regulations. We receive substantially all of our net revenue in RMB. Under our current corporate structure, our Company in the Cayman Islands relies on dividend payments, indirectly from our PRC subsidiaries, to fund any cash and financing requirements we may have. Under existing PRC foreign exchange regulations, payments of current account items, such as profit distributions

and trade and service-related foreign exchange transactions, can be made in foreign currencies without prior approval from SAFE by complying with certain procedural requirements. Therefore, our PRC subsidiaries are able to pay dividends in foreign currencies to us without prior approval from SAFE by complying with certain procedures under PRC foreign exchange regulation. However, approval from, or registration with, appropriate Governmental Authorities is required where RMB is to be converted into foreign currency and remitted out of China to pay capital expenses, such as the repayment of loans denominated in foreign currencies. The PRC Governmental Authority may, at its discretion, further tighten foreign currencies in the future for current account transactions. If we can not obtain sufficient foreign currencies, we may not be able to pay dividends in foreign currencies to our Shareholders.

In addition, if we decide to acquire a PRC domestic company, we cannot assure you that we, or the owners of such company, as the case may be, will be able to obtain the necessary approvals, or complete the necessary filings and registrations, required by the foreign exchange regulations. This may restrict our ability to implement our acquisition strategy, and could adversely affect our business and prospects.

Direct or indirect transfers of equity interests in our PRC resident enterprises through transfers made by our Shareholders or our non-PRC holding companies may be subject to Chinese tax reporting obligations or tax liabilities.

On February 3, 2015, the STA promulgated the Public Announcement on Several Issues Concerning Enterprise Income Tax for Indirect Transfer of Assets by Non-Resident Enterprises (《國家税務總局關於非居民企業間接轉讓財產企業所得税若干問題的公告》) ("**Circular 7**"), which provides comprehensive guidelines relating to, and has also heightened the Chinese tax authorities' scrutiny over, indirect transfers by a non-resident enterprise of assets (including equity interests) of a Chinese resident enterprise (the "**Chinese Taxable Assets**"). For example, Circular 7 states that where a non-resident enterprise transfers Chinese Taxable Assets indirectly, by disposing of equity interests in an overseas holding company directly or indirectly holding such Chinese Taxable Assets, and such transfer is deemed to be, for the purpose of avoiding EIT payment obligations, and without any other bona fide commercial purpose, the transfer may be reclassified by the Chinese tax authorities as a direct transfer of Chinese Taxable Assets. Circular 7 also introduced safe harbors for internal group restructurings and the purchase and sale of equity interests through a public securities market. On October 17, 2017, the STA promulgated the Announcement on Matters Concerning Withholding and Payment of Income Tax of Non-resident Enterprises from Source (《國家税務總局關於非居民企業所得税源泉扣繳有關問題的公告》) ("**STA Circular 37**"), which came into force on December 1, 2017. STA Circular 37, among other things, simplifies the procedures of withholding and payment of income tax levied on non-resident enterprises.

It is unclear whether any exemptions under Circular 7 will be applicable to the transfer of our Shares, such as purchasing our Shares in the open market, and selling them in a private transaction, or vice versa, or to any future acquisition by us outside of China involving Chinese Taxable Assets, or whether the Chinese tax authorities classify such transactions by applying Circular 7. Therefore, the Chinese tax authorities may deem any transfer of our Shares by those

of our Shareholders that are non-resident enterprises, or any future acquisitions by us outside of China involving Chinese Taxable Assets, to be subject to the foregoing regulations, which may subject our Shareholders or us to Chinese tax reporting obligations or tax liabilities. In addition, if our Shareholders are deemed as a PRC resident enterprise or PRC resident individual, any transfers of equity interests in us related to such Shareholders may trigger tax obligations or liabilities of us or such Shareholders. We cannot assure you that all such Shareholders have fulfilled, or will strictly fulfill their tax obligations or liabilities in a timely manner. If we fail to comply with Circular 7, STA Circular 37 and other laws and regulations, the Chinese tax authorities may take action, including requesting us to provide assistance in their investigation, or may impose a penalty on us, which could have a negative impact on our business operations.

We may be subject to penalties, including restriction on our ability to inject capital into our PRC subsidiaries, and on our PRC subsidiaries' ability to distribute profits to us, if our PRC resident shareholders or beneficial owners fail to comply with PRC regulations relating to outbound investments by PRC residents.

PRC residents are required to file or obtain the certificates of outbound investment from, or register with, regulatory authorities when investing in offshore companies. According to administrative measures for the outbound investment by PRC entities promulgated by the NDRC and MOC, PRC entities shall obtain the approval or file with the NDRC and MOC when investing in offshore companies, and shall update or apply for amendment in respect to the certificates, filings or registrations in the event of any significant changes with respect to the offshore investment.

On February 13, 2015, the SAFE promulgated the Notice on Further Simplifying and Improving Policies for the Foreign Exchange Administration of Direct Investment (《國家外匯管理局關於進一步簡化和改進直接投資外匯管理政策的通知》) (the "**SAFE Circular 13**"), which came into effect on June 1, 2015, pursuant to which local banks shall review and handle foreign exchange registration for overseas direct investment, including the initial foreign exchange registration and change registration under SAFE Circular 37 and SAFE Circular 30.

Under these foreign exchange regulations, PRC residents who make, or have previously made, prior to the implementation of these foreign exchange regulations, direct or indirect investments in offshore companies, are required to register those investments. In addition, any PRC resident who is a direct or indirect shareholder of an offshore company is required to update the previously filed registration with the local branch of the SAFE, with respect to that offshore company, to reflect any material change involving its round-trip investment, capital variation, such as a change of PRC shareholders, the name of a company, terms of operation, an increase or decrease in capital, transfer or swap of shares, merger or division. If any PRC shareholder fails to make the required registration or update the previous registration, the PRC subsidiary of that offshore parent company may be restricted from distributing its profits, and the proceeds from any reduction in capital, share transfer or liquidation to its offshore parent company, and the offshore parent company may also be restricted from injecting additional capital into its PRC subsidiary. Moreover, failure to comply with the various foreign exchange

registration requirements described above could result in liability under PRC laws for evasion of applicable foreign exchange restrictions, including (i) the requirement by the SAFE to return the foreign exchange remitted overseas or into PRC within a period of time specified by the SAFE, with a fine of up to 30% of the total amount of foreign exchange remitted overseas or into PRC and deemed to have been evasive or illegal, and (ii) in circumstances involving serious violations, a fine of no less than 30% of and up to the total amount of remitted foreign exchange deemed evasive or illegal.

We are committed to complying with, and to ensuring that our Shareholders who are subject to the regulations will comply with, the relevant rules and regulations. In addition, we may not always be able to compel them to comply with such rules and regulations. Failure by any such Shareholders to comply with these requirements could subject us to fines or penalties, restrict our investment activities in the PRC and overseas, or our cross-border investment activities, limit our subsidiaries' ability to make distributions, pay dividends or make other payments to us, or affect our ownership structure, which could adversely affect our business and prospects. However, we may not be fully informed of the identities of all our Shareholders or beneficial owners who are PRC residents, and we cannot assure you that all of our Shareholders and beneficial owners who are PRC residents will comply with our request to make, obtain or update, any applicable registrations, or comply with other requirements under such rules and regulations relating to outbound investments by PRC residents in a timely manner.

We may be classified as a "PRC resident enterprise" for PRC enterprise income tax purposes, which may result in tax obligations to us and our Shareholders, and affect on our results of operations and the value of your investment.

Under the EIT Law and its implementation rules, an enterprise established outside of the PRC with a "de facto management body" within the PRC is considered a resident enterprise, and will be subject to the enterprise income tax on its global income at the rate of 25%. The implementation rules define the term "de facto management body" as the body that exercises full and substantial control over, and overall management of the business, productions, personnel, accounts and properties of an enterprise. In April 2009, the STA issued the Notice Regarding the Determination of Chinese-Controlled Offshore Incorporated Enterprises as PRC Tax Resident Enterprises on the Basis of De Facto Management Bodies (《關於境外註冊中資控股企業依據實際管理機構標準認定為居民企業有關問題的通知》) (the "**Circular 82**"), which provides certain specific criteria for determining whether the "de facto management body" of a PRC-controlled enterprise that is incorporated offshore is located in China. Although this circular only applies to offshore enterprises controlled by PRC enterprises or PRC enterprise groups, not those that are not controlled by PRC enterprises or PRC enterprise groups like us, the criteria set forth in the circular may reflect the STA's general position on how the "de facto management body" test should be applied in determining the tax resident status of all offshore enterprises. According to Circular 82, an offshore incorporated enterprise controlled by a PRC enterprise or a PRC enterprise group will be regarded as a PRC tax resident by virtue of having its "de facto management body" in China, and will be subject to PRC enterprise income tax on its global income only if all of the following conditions are

met: (i) the primary location of the day-to-day operational management is in the PRC, (ii) decisions relating to the enterprise's financial and human resource matters are made, or are subject to approval by organizations or personnel in the PRC, (iii) the enterprise's primary assets, accounting books, and records, company seals, and board and shareholder resolutions are located or maintained in the PRC, and (iv) at least 50% of voting board members or senior executives habitually reside in the PRC.

We believe our Company is not a PRC resident enterprise for PRC tax purposes. However, the tax-resident status of an enterprise is subject to determination by the PRC tax authorities. As substantially all of our management members are based in China, it remains unclear how the tax residency rule will apply in our case. If the PRC tax authorities determine that our Company, or any of our subsidiaries outside of China, is a PRC resident enterprise for PRC enterprise income tax purposes, then our Company or such subsidiary could be subject to PRC tax at a rate of 25% on its world-wide income, which could materially reduce our net income. In addition, we will also be subject to PRC enterprise income tax reporting obligations. Moreover, if the PRC tax authorities determine that we are a PRC resident enterprise for enterprise income tax purposes, gains realized on the sale or other disposition of our ordinary shares may be subject to PRC tax, and dividends we pay may be subject to PRC withholding tax, at a rate of 10% in the case of non-PRC enterprises or 20% in the case of non-PRC individuals (in each case, subject to the provisions of any applicable tax treaty), if such gains or dividends are deemed to be from PRC sources. It is unclear whether non-PRC Shareholders of our Company would be able to obtain the benefits of any tax treaties between their country of tax residence and the PRC in the event that we are treated as a PRC resident enterprise. Any such tax may reduce the returns on your investment in our Shares.

RISKS RELATING TO OUR CONTRACTUAL ARRANGEMENTS

If the PRC government finds that the agreements that establish the structure for operating some of our operations in China do not comply with PRC regulations relating to the relevant industries, or if these regulations or the interpretation of existing regulations evolve in the future, we could be subject to adverse consequences, including being forced to relinquish our interests in those operations.

Foreign ownership in entities that provide Internet and other related businesses, including the value-added telecommunication services, is subject to restrictions under current PRC laws and regulations, unless certain exceptions (for example, e-commerce, domestic multi-party communications, storage-forwarding and call centers) are available.

In addition to the foreign ownership restrictions above, according to guidance on the approval of insurance brokerage business license and Insurance Agent Business License issued by the NFRA and based on a consultation with NFRA, foreign investors must meet certain qualification requirements, if they intend to hold 25% or more (directly or indirectly, on a cumulative basis) of the equity interest of an insurance brokerage company, an insurance agency company or an insurance adjustment company, in which case such company would be deemed as foreign-invested insurance brokers, agents and adjusters.

We are a Cayman Islands exempted company and our PRC subsidiaries are considered a foreign-invested enterprise. To ensure compliance with the PRC laws and regulations, we conduct some of our foreign investment-restricted business in China through our Consolidated Affiliated Entities, and our Consolidated Affiliated Entities currently hold the value-added telecommunication business license and insurance intermediary licenses necessary for our operation of such restricted business, based on the Contractual Arrangements. The Contractual Arrangements enable us to (i) exercise effective control over our Consolidated Affiliated Entities, (ii) receive substantially all of the economic benefits of our Consolidated Affiliated Entities, and (iii) have an exclusive call option to purchase all or part of the equity interests in our Consolidated Affiliated Entities when and to the extent permitted by PRC law. As a result of the Contractual Arrangements, we exert control over our Consolidated Affiliated Entities and consolidate financial results of our Consolidated Affiliated Entities in our financial statements under HKFRS. For more details, please see the section headed "History, Reorganization and Corporate Structure" in this prospectus.

As advised by our PRC Legal Advisor, save as disclosed in "Contractual Arrangements — Legality of the Contractual Arrangements", the Contractual Arrangements are legal, valid, and binding upon the parties thereto under the current laws and regulations, subject to further interpretation and application of current or future PRC laws and regulations. Accordingly, there can be no assurance that the PRC government will ultimately take a view that is consistent with the opinion of our PRC Legal Advisor.

If the PRC government otherwise finds that we are in violation of any existing or future PRC laws or regulations or lack the necessary permits or licenses to operate our business, the relevant Governmental Authorities with jurisdiction over the operation of our business would have discretion in dealing with such violation, including, without limitation:

- revoking the business licenses and/or operating licenses of our PRC entities;
- imposing fines on us;
- confiscating any of our income that they deem to be obtained through illegal operations;
- requiring us to restructure our ownership structure or operations, including terminating the Contractual Arrangements with our Consolidated Affiliated Entities and deregistering the equity pledges of our Consolidated Affiliated Entities, which in turn would affect our ability to consolidate, derive economic interests from, or exert effective control over our Consolidated Affiliated Entities; or
- taking other regulatory or enforcement actions that could affect business.

Any of these events could cause significant disruption to our business operations and severely damage our reputation, which would in turn have a material adverse effect on our business, financial condition and results of operations. If occurrences of any of these events

results in our inability to direct the activities of our Consolidated Affiliated Entities that most significantly impact their economic performance, and/or our failure to receive the economic benefits and residual returns from our Consolidated Affiliated Entities, and we are not able to restructure our ownership structure and operations in a satisfactory manner, we may not be able to consolidate the financial results of our Consolidated Affiliated Entities in our consolidated financial statements in accordance with HKFRS.

The Contractual Arrangements with our Consolidated Affiliated Entities and its shareholders may not be as effective as direct ownership in providing operational control.

We have to rely on the Contractual Arrangements with our Consolidated Affiliated Entities and its shareholders to operate the business in areas where foreign ownership is restricted, including provision of certain insurance intermediary and value-added telecommunication services. The Contractual Arrangements, however, may not be as effective as direct ownership in providing us with control over our Consolidated Affiliated Entities. For example, our Consolidated Affiliated Entities and its shareholders could breach their Contractual Arrangements with us by, among other things, failing to conduct the operations of our Consolidated Affiliated Entities in an acceptable manner or taking other actions that are detrimental to our interests.

If we had direct ownership of our Consolidated Affiliated Entities, we would be able to exercise our rights as a shareholder to effect changes in the board of directors of such entities, which in turn could implement changes, subject to any applicable fiduciary obligations, at the management and operational level. However, under the current Contractual Arrangements, we rely on the performance by our Consolidated Affiliated Entities and its shareholders of their obligations under the contracts to exercise control over our Consolidated Affiliated Entities. The shareholders of our Consolidated Affiliated Entities may not act in the best interests of our Company or may not perform their obligations under these contracts. If any dispute relating to these contracts remains unresolved, we will have to enforce our rights under these contracts through the operations of relevant law and arbitration, litigation and other legal proceedings. For more details, please refer to the paragraph headed "Risks Relating to Our Contractual Arrangements — Any failure by our Consolidated Affiliated Entities or its shareholders to perform their obligations under our Contractual Arrangements with them may have a material and adverse effect on our business." in this section.

Any failure by our Consolidated Affiliated Entities or its shareholders to perform their obligations under our Contractual Arrangements with them may have a material and adverse effect on our business.

If our Consolidated Affiliated Entities or its shareholders fail to perform their respective obligations under the Contractual Arrangements, we may have to incur substantial costs and expend additional resources to enforce such arrangements (including the ownership transfer). We may also have to rely on legal remedies under relevant law, including seeking specific performance or injunctive relief, and contractual remedies, which we cannot assure you will be sufficient or effective under relevant law. For example, if the shareholders of our Consolidated

Affiliated Entities were to refuse to transfer their equity interests in our Consolidated Affiliated Entities to us or our designee if we exercise the purchase option pursuant to these Contractual Arrangements, or if they were otherwise to act in bad faith toward us, then we may have to take legal actions to compel them to perform their contractual obligations. In addition, if any third parties claim any interest in such shareholders' equity interests in our Consolidated Affiliated Entities, our ability to exercise shareholders' rights or foreclose the share pledge according to the Contractual Arrangements may be impaired. If these or other disputes between the shareholders of our Consolidated Affiliated Entities and third parties were to impair our control over our Consolidated Affiliated Entities, our ability to consolidate the financial results of our Consolidated Affiliated Entities would be affected, which would in turn result in a material adverse effect on our business, operations and financial condition.

All the agreements under our Contractual Arrangements are governed by PRC law and provide for the resolution of disputes through arbitration in China. Accordingly, these contracts would be interpreted in accordance with PRC law and any disputes would be resolved in accordance with PRC legal procedures. Our ability to enforce the PRC Contractual Arrangements shall be subject to the supervision of PRC law. In addition, under PRC law, rulings by arbitrators are final, parties cannot appeal the arbitration results in courts, and if the losing parties fail to carry out the arbitration awards within a prescribed time limit, the prevailing parties may only enforce the arbitration awards in PRC courts through arbitration award recognition proceedings, which would require additional expenses and delay. If we are unable to enforce the Contractual Arrangements, or if we suffer significant time delays or other obstacles in the process of enforcing them, it would be very difficult to exert effective control over our Consolidated Affiliated Entities, and our ability to conduct a part of our business and our financial condition and results of operations may be adversely affected.

The shareholders of our Consolidated Affiliated Entities may have actual or potential conflicts of interest with us.

The shareholders of our Consolidated Affiliated Entities may have actual or potential conflicts of interest with us. These individuals may have conflicts of interest with us. We rely on these individuals to abide by the laws of the Cayman Islands which impose fiduciary duties upon directors and officers of our Company. Such duties include the duty to act bona fide in what they consider to be in the best interest of our Company as a whole and not to place them in a position in which there is a conflict between their duties to our Company and their personal interests. On the other hand, PRC laws also provide that a director or a senior manager owes a loyalty and fiduciary duty to the company in which he or she holds such position. We cannot assure you that when conflicts arise, the Registered Shareholders will act in the best interest of our Company or that conflicts will be resolved in our favor. These individuals may breach or cause the Consolidated Affiliated Entities to breach the existing Contractual Arrangements. If we cannot resolve any conflicts of interest or disputes between us and these shareholders, we would have to rely on legal proceedings, which may be expensive, time-consuming and disruptive to our operations. There is also substantial uncertainty as to the outcome of any such legal proceedings.

The custodians or authorized users of our controlling non-tangible assets, including chops and seals, may fail to fulfill their responsibilities, or misappropriate or misuse these assets.

Under the PRC law, legal documents for corporate transactions, including agreements and contracts are generally executed using the chop or seal of the signing entity or with the signature of a legal representative whose designation is registered and filed with relevant PRC market regulation administrative authorities.

The procedures we have in place to secure the use of our chops and seals may not be sufficient to prevent all instances of abuse or negligence. There is a risk that our employees could abuse their authority, for example, by entering into a contract not approved by us or seeking to gain control of one of our subsidiaries or our Consolidated Affiliated Entities. If any employee obtains, misuses or misappropriates our chops and seals or other controlling non-tangible assets for whatever reason, we could experience disruption to our normal business operations. We may have to take corporate or legal action, which could involve significant time and resources to resolve and divert management from our operations.

Contractual Arrangements in relation to our Consolidated Affiliated Entities may be subject to scrutiny by the PRC tax authorities and they may determine that we or our Consolidated Affiliated Entities owe additional taxes, which could negatively affect our financial condition and the value of your investment.

Under applicable PRC laws and regulations, arrangements and transactions among related parties may be subject to audit or challenge by the PRC tax authorities. We could face material and adverse tax consequences if the PRC tax authorities determine that the Contractual Arrangements were not entered into on an arm's length basis in such a way as to result in a reduction in taxes under applicable PRC laws, rules and regulations, and adjust the taxable income of our Consolidated Affiliated Entities in the form of a transfer pricing adjustment. A transfer pricing adjustment could, among other things, result in a reduction of expense deductions recorded by our Consolidated Affiliated Entities for PRC tax purposes, which could in turn increase its tax liabilities without reducing our PRC subsidiaries' tax expenses. In addition, the PRC tax authorities may impose late payment fees and other penalties on our Consolidated Affiliated Entities for the adjusted but unpaid taxes according to the applicable regulations. Our financial position could be materially and adversely affected if our Consolidated Affiliated Entities' tax liabilities increase or if it is required to pay late payment fees and other penalties.

Our current corporate structure and business operations may be affected by the Foreign Investment Law.

On March 15, 2019, the NPC promulgated the Foreign Investment Law (《中華人民共和國外商投資法》), which took effect on January 1, 2020. Along with the Foreign Investment Law, the Implementing Rules of Foreign Investment Law (《中華人民共和國外商投資法實施條例》) promulgated by the State Council and the Interpretation of the Supreme People's Court

on Several Issues Concerning the Application of the Foreign Investment Law (《最高人民法院關於適用<中華人民共和國外商投資法>若干問題的解釋》) promulgated by the Supreme People's Court took effect on January 1, 2020. Since the Foreign Investment Law and its current implementation and interpretation rules are relatively new, which depends on further interpretation and clarification of regulatory authorities. For example, the Foreign Investment Law does not explicitly classify whether variable interest entities that are controlled through contractual arrangements would be deemed as foreign invested enterprises if they are ultimately "controlled" by foreign investors. Therefore, it still leaves leeway for future laws, administrative regulations or provisions of the State Council to provide for contractual arrangements as a form of foreign investment, at which time it will be uncertain whether our Contractual Arrangements will be deemed to be in violation of the market access requirements for foreign investment in the PRC and if yes, how our Contractual Arrangements should be dealt with.

The Foreign Investment Law grants national treatment to foreign-invested entities, except for those foreign-invested entities that operate in industries specified as either "restricted" or "prohibited" from foreign investment in the Special Administrative Measures for Access of Foreign Investments (Negative List) (2024 Version) (《外商投資准入特別管理措施(負面清單)》(2024年版)), or the Negative List, jointly promulgated by the Ministry of Commerce and the National Development and Reform Commission, or the NDRC, and took effect on November 1, 2024. The Foreign Investment Law provides that (i) foreign-invested entities operating in "restricted" industries are required to obtain market entry clearance and other approvals from relevant PRC Governmental Authorities; (ii) foreign investors shall not invest in any industries that are "prohibited" under the Negative List. We operate our value-added telecommunications services through our Consolidated Affiliated Entities. Such services are restricted for foreign investors in the Negative List. If our control over our Consolidated Affiliated Entities through the Contractual Arrangements is deemed as foreign investment in the future, and any business of our Consolidated Affiliated Entities is "restricted" or "prohibited" from foreign investment under the "negative list" effective at the time, we may be deemed to be in violation of the Foreign Investment Law, the Contractual Arrangements that allow us to have control over our Consolidated Affiliated Entities may be deemed as invalid and illegal, and we may be required to unwind such Contractual Arrangements and/or restructure our business operations, any of which may have a material adverse effect on our business operation.

Furthermore, if future laws, administrative regulations or provisions mandate further actions to be taken by companies with respect to existing Contractual Arrangements, we may not complete such actions in a timely manner, or may not complete such actions. Failure to take timely and appropriate measures to cope with any of these or similar regulatory compliance challenges could materially and adversely affect our current corporate structure and business operations.

We may lose the ability to use and enjoy assets held by our Consolidated Affiliated Entities that are critical to the operation of our business if our Consolidated Affiliated Entities declare bankruptcy or become subject to a dissolution or liquidation proceeding.

Our Consolidated Affiliated Entities hold certain assets that may be critical to the operation of our business. If the shareholders of our Consolidated Affiliated Entities breach the Contractual Arrangements and voluntarily liquidate our Consolidated Affiliated Entities, or if our Consolidated Affiliated Entities declare bankruptcy and all or part of its assets become subject to liens or rights of third-party creditors or are otherwise disposed of without our consent, we may be unable to continue some or all of our business activities, which could materially and adversely affect our business, financial condition and results of operations. In addition, if our Consolidated Affiliated Entities undergo an involuntary liquidation proceeding, third-party creditors may claim rights to some or all of its assets, thereby hindering our ability to operate our business, which could materially or adversely affect our business, financial condition and results of operations.

Our Company (through Shouhui Chuangxiang) bears economic risks as the primary beneficiary of the Consolidated Affiliated Entities.

The current PRC laws and the agreements constituting the Contractual Arrangements did not provide that Shouhui Chuangxiang is obligated to share losses of or provide financial support to the Consolidated Affiliated Entities. However, Shouhui Chuangxiang may, at its discretion, provide financial support as permitted under the PRC laws to the Consolidated Affiliated Entities and thus bear economic risks which may arise from difficulties in the operation of our Group. Our Group's financial results and financial position may be adversely affected by the worsening financial performance of the Consolidated Affiliated Entities as consolidated into our financial condition and results of operation as well as the decision to provide financial support to the Consolidated Affiliated Entities.

If we exercise the option to acquire equity ownership and assets of our Consolidated Affiliated Entities, the ownership or asset transfer may subject us to certain limitations and substantial costs.

Pursuant to the Contractual Arrangements, Shouhui Chuangxiang or its designated person(s) has the exclusive right to purchase all or any part of the shares in Shenzhen Shouhui at a nominal price, unless relevant government authorities or PRC laws require that another amount should be used as the purchase price, in which case the purchase price shall be the lowest amount under such requirement.

The share transfer may be subject to the approvals from and filings with the MIIT, the SAMR and/or their local competent branches. In addition, the share transfer price may be subject to review and tax adjustment by the relevant tax authority. The Registered Shareholders

will return the share transfer price they receive to Shouhui Chuangxiang or its designated person(s) under the Contractual Arrangements. The amount to be received by Shouhui Chuangxiang may also be subject to enterprise income tax. Such tax amounts could be substantial.

Our Group does not have any insurance which covers the risks relating to the Contractual Arrangements and the transactions contemplated thereunder.

The insurance of our Group does not cover the risks relating to the Contractual Arrangements and the transactions contemplated thereunder and our Company has no intention to purchase any insurance in this regard. If any risk arises from the Contractual Arrangements in the future, such as those affecting the enforceability of the Contractual Arrangements and the operation of the Consolidated Affiliated Entities, the financial results and financial position of our Group may be adversely affected.

Possible setting of the Offer Price after making a Downward Offer Price Adjustment

We have the flexibility to make a Downward Offer Price Adjustment to set the Offer Price at up to 10% below the bottom end of the indicative Offer Price range per Offer Share. It is therefore possible that the Offer Price will be set at HK$5.84 per Offer Share upon the making of a Downward Offer Price Adjustment. In such a situation, the Global Offering will proceed and the requirements under Rule 11.13 of the Listing Rules will not apply.

If the Offer Price is set at HK$5.84 and assuming the Over-allotment Option is not exercised, the estimated net proceeds we will receive from the Global Offering will be reduced to approximately HK$82.6 million (after deducting the underwriting fees and expenses related to the Global Offering), and such reduced proceeds will be used as described in "Future Plans and Use of Proceeds — Use of Proceeds" in this prospectus.

RISKS RELATING TO THE GLOBAL OFFERING

There has been no prior public market for our Shares prior to the Global Offering, and you may not be able to resell our Shares at or above the price you paid, or at all.

Prior to completion of the Global Offering, there has been no public market for our Shares. There can be no guarantee that an active trading market for our Shares will develop or be sustained after completion of the Global Offering. The Offer Price is the result of negotiations among our Company and the Sponsor-Overall Coordinators (for themselves and on behalf of the Underwriters), which may not be indicative of the price at which our Shares will be traded following completion of the Global Offering.

The price and trading volume of our Shares may be volatile, which could result in substantial losses to you.

The trading price of our Shares may be volatile and could fluctuate widely in response to factors beyond our control, including general market conditions of the securities markets in Hong Kong and elsewhere in the world. In particular, the business and performance and market price of the shares of other companies engaging in similar business may affect the price and trading volume of our Shares. These broad market and industry factors may significantly affect the market price and volatility of our Shares, regardless of our actual operating performance, and may result in losses on your investment in our Shares.

Future sales or perceived sales of substantial amounts of our Shares in the public market could have a material adverse effect on the prevailing market price of our Shares and our ability to raise capital in the future.

Future sales of a substantial amount of our Shares, especially by our Directors, substantial Shareholders and Pre-IPO Investors, or the perception or anticipation of such sales, could negatively impact the market price of our Shares and our ability to raise equity capital in the future at a time and price that we deem appropriate.

We cannot assure you that our Directors, substantial Shareholders and Pre-IPO Investors will not dispose of any Shares they may own now or in the future.

You will experience immediate dilution and may experience further dilution in the future.

As the Offer Price of our Shares is higher than the consolidated net tangible assets per share immediately prior to the Global Offering, purchasers of our Shares in the Global Offering will experience an immediate dilution. If we issue additional Shares in the future, purchasers of our Shares in the Global Offering may experience further dilution in their shareholding percentage.

We may not be able to pay any dividends on our Shares.

Since our inception, we have not declared or paid any dividends on our Shares. We cannot guarantee whether, when and in what form dividends will be paid on our Shares following the Global Offering. The declaration of dividends is proposed by the Board and is based on, and limited by, various factors, including without limitation, our business and financial performance, capital and regulatory requirements, and general business conditions. We may not have sufficient or any profits to enable us to make dividend distributions to our Shareholders in the future.

We have significant discretion as to how we will use the net proceeds of the Global Offering, and you may not necessarily agree with how we use them.

Our management may spend the net proceeds from the Global Offering in ways you may not agree with or that do not yield a favorable return. For more details on our plan to use net proceeds from the Global Offering, please refer to the section headed "Future Plans and Use of Proceeds" in this prospectus. However, our management will have discretion as to the actual application of our net proceeds. You are entrusting your funds to our management, upon whose judgment you must depend, for the specific uses we will make of the proceeds from this Global Offering.

We cannot assure you the accuracy or completeness of certain facts, forecasts and other statistics obtained from official government sources contained in this prospectus.

This prospectus, particularly the sections headed "Business" and "Industry Overview" contains information and statistics relating to the industry in which we operate. We believe that the sources of the information are appropriate sources for such information and have taken reasonable care in extracting and reproducing such information. We have no reason to believe that such information is false or misleading or that any fact has been omitted that would render such information false or misleading. The information from official government sources has not been independently verified by us, the Joint Sponsors, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Underwriters or any other party involved in the Global Offering and no representation is given as to its accuracy. Collection methods of such information may be flawed or ineffective, or there may be discrepancies between published information and market practice, which may result in the statistics included in this prospectus being inaccurate or not comparable to statistics produced for other economies. You should therefore not place undue reliance on such information. In addition, we cannot assure you that such information is stated or compiled on the same basis or with the same degree of accuracy as similar statistics presented elsewhere. You should consider carefully the importance placed on such information or statistics.

Investors should read the entire prospectus carefully and should not place any reliance on any information contained in press articles or other media regarding us and the Global Offering.

Prior or subsequent to the publication of this prospectus, there may have been or be press and media coverage regarding us and the Global Offering, which includes certain information about us that does not appear in, or is different to what is contained in, this prospectus. We have not authorized the disclosure of any such information in the press or media. Financial information, financial projections, valuation and other information about us contained in such unauthorized press or media coverage may not truly reflect what is disclosed in this prospectus or the actual circumstances. We do not accept any responsibility for such unauthorized press and media coverage or for the accuracy or completeness of any such information. We make no representation as to the appropriateness, accuracy, completeness or reliability of any such information. To the extent that any information appearing in the press and media is inconsistent or conflicts with the information contained in this prospectus, we disclaim responsibility for it. Investors should rely only on the information contained in this prospectus in making an investment decision.

For the purposes of the Listing, we have sought the following waivers from the Stock Exchange:

MANAGEMENT PRESENCE IN HONG KONG

Pursuant to Rule 8.12 of the Listing Rules, an issuer must have a sufficient management presence in Hong Kong. This normally means that at least two of the executive Directors must be ordinarily resident in Hong Kong. Given that we are headquartered in the PRC with our principal business operation principally located, managed and conducted in the PRC and all of our executive Directors are not ordinarily resident in Hong Kong, it would be practically difficult and commercially unfeasible for us to either relocate two of our executive Directors to Hong Kong or to appoint two additional executive Directors who are ordinarily resident in Hong Kong in order to comply with the requirements under Rule 8.12 of the Listing Rules. We consider it to be more practical for our executive Directors to remain ordinarily resident in the PRC where the Group has substantial operations.

Accordingly, our Company has applied to the Stock Exchange for, and the Stock Exchange has granted, a waiver from strict compliance with the requirements under Rule 8.12 of the Listing Rules on the following conditions:

- our Company has appointed two authorized representatives (the "**Authorized Representatives**") pursuant to Rule 3.05 of the Listing Rules, namely Mr. Liwei Han (韓立煒), our executive Director and Ms. Qing Li (李情), one of our joint company secretaries, who will act as our Company's principal channel of communication with the Stock Exchange. Each of the Authorized Representatives will be available to meet with the Stock Exchange in Hong Kong within a reasonable period of time, when required, and will be readily contactable by telephone and/or email to deal promptly with any enquiries from the Stock Exchange. Each of the Authorized Representatives is authorized by our Board to communicate on behalf of our Company with the Stock Exchange;

- each of the Authorized Representatives has means to contact all Directors (including the independent non-executive Directors) promptly at all times as and when the Stock Exchange wishes to contact the Directors on any matters. To enhance the communication between the Stock Exchange, the Authorized Representatives and our Directors, our Company will implement a number of policies whereby: (i) each Director shall provide his/her mobile phone numbers, office phone numbers and email addresses to the Authorized Representatives; (ii) in the event that such Director expects to travel and be out of office, he/she shall provide the phone number of the place of his/her accommodation to the Authorized Representatives; and (iii) all our Directors and the Authorized Representatives will provide their respective mobile phone numbers, office phone numbers and email addresses to the Stock Exchange. We shall promptly inform the Stock Exchange of any changes to the contact details of the Authorized Representatives and our Directors;

- each of our Directors (including independent non-executive Directors) who is not ordinarily resident in Hong Kong has confirmed that he/she possesses or can apply for valid travel documents to visit Hong Kong and can meet with the Stock Exchange in Hong Kong within a reasonable period;

- our Company has appointed CMBC International Capital Limited as our compliance advisor (the "**Compliance Advisor**") in compliance with Rule 3A.19 of the Listing Rules. The Compliance Advisor will, among other things, act as an additional channel of communication with the Stock Exchange in addition to the Authorized Representatives during the period from the Listing Date to the date on which our Company complies with Rule 13.46 of the Listing Rules in respect of its financial results for the first full financial year immediately after the Listing Date; and

- our Company will also appoint other professional advisors (including its legal advisors in Hong Kong) after the Listing to assist our Company in addressing any enquiries which may be raised by the Stock Exchange and to ensure that there will be prompt and effective communication with the Stock Exchange.

JOINT COMPANY SECRETARIES

Pursuant to Rules 3.28 and 8.17 of the Listing Rules, we must appoint a company secretary who, by virtue of his/her academic or professional qualifications or relevant experience, is, in the opinion of the Stock Exchange, capable of discharging the functions of the company secretary.

Pursuant to Note 1 to Rule 3.28 of the Listing Rules, the Stock Exchange considers the following academic or professional qualifications to be acceptable:

- a member of The Hong Kong Chartered Governance Institute;

- a solicitor or barrister (as defined in the Legal Practitioners Ordinance) (Chapter 159 of the Laws of Hong Kong); and

- a certified public accountant (as defined in the Professional Accountants Ordinance) (Chapter 50 of the Laws of Hong Kong).

In addition, pursuant to Note 2 to Rule 3.28 of the Listing Rules, in assessing "relevant experience", the Stock Exchange will consider the individual's:

- length of employment with the issuer and other issuers and the roles he/she played;

- familiarity with the Listing Rules and other relevant law and regulations including the SFO, Companies Ordinance, the Companies (Winding Up and Miscellaneous Provisions) Ordinance and the Takeovers Code;

- relevant training taken and/or to be taken in addition to the minimum requirements under Rule 3.29 of the Listing Rules; and

- professional qualifications in other jurisdictions.

We have appointed Ms. Qing Li (李情) as one of our joint company secretaries. Ms. Li has been assisting the chairman of our Board in handling Board matters and corporate matters for years but presently does not possess any of the qualifications under Rules 3.28 and 8.17 of the Listing Rules. Thus, Ms. Li may not be able to fulfill the requirements of the Listing Rules. Therefore, we have appointed Ms. Zhao Zeng (曾昭), a Chartered Secretary, a Chartered Governance Professional and an Associate of both The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom, who fully meets the requirements under Rules 3.28 and 8.17 of the Listing Rules, to act as the other joint company secretary of our Company and to provide assistance to Ms. Li for an initial period of three years from the Listing Date to enable Ms. Li to acquire the "relevant experience" under Note 2 to Rule 3.28 of the Listing Rules so as to fully comply with the requirements set forth under Rules 3.28 and 8.17 of the Listing Rules.

Further, both the Compliance Advisor and the Hong Kong legal advisor of our Company will assist Ms. Li in relation to Hong Kong corporate governance practices and regulatory compliance, ongoing compliance obligations under the Listing Rules and the applicable laws and regulations as and when required. In addition, Ms. Li will endeavor to attend relevant trainings and familiarize herself with the Listing Rules and duties required of a company secretary of an issuer listed on the Stock Exchange.

Accordingly, we have applied to the Stock Exchange for, and the Stock Exchange has granted, a waiver from strict compliance with the requirements of Rules 3.28 and 8.17 of the Listing Rules in respect of the appointment of Ms. Li as one of our joint company secretaries pursuant to Chapter 3.10 of the Guide for New Listing Applicants on the following conditions:

(i) Ms. Li must be assisted by Ms. Zeng, who possesses the qualifications and experiences as required under Rule 3.28 of the Listing Rules, and is appointed as a joint company secretary of our Company, throughout the validity period of the waiver; and

(ii) the waiver is valid for a period of three years from the Listing Date and will be revoked immediately if there are material breaches of the Listing Rules by our Company.

Before the expiration of the three-year period, the qualifications and experience of Ms. Li and the need for on-going assistance of Ms. Zeng will be re-evaluated by our Company. Our Company will then endeavor to demonstrate to the Stock Exchange's satisfaction that Ms. Li, having had the benefit of assistance of Ms. Zeng for the immediately preceding three years, has acquired the "relevant experience" (within the meaning of Note 2 to Rule 3.28 of the Listing

Rules) such that a further waiver from the strict compliance with the requirements of Rules 3.28 and 8.17 of the Listing Rules will not be necessary. Our Company understands that the Stock Exchange may revoke the waiver if Ms. Zeng ceases to provide assistance to Ms. Li during the three-year period.

PRE-IPO SHARE AWARD SCHEME

Rule 17.02(1)(b) of the Listing Rules requires a listing applicant to disclose, among other things, in this prospectus full details of all outstanding options and awards and their potential dilution effect upon listing as well as the impact on the earnings per share from the issue of shares in respect of such outstanding options or awards.

As of the date of this prospectus, our Company had granted outstanding Awards under the Pre-IPO Share Award Scheme to 166 participants (the "**Grantees**") for an aggregate of 329,920 Shares or 6,598,400 Shares (as adjusted pursuant to the Capitalization Issue) (the "**Adjusted Shares**"). Among the outstanding Awards, one member of our senior management was granted Awards with respect to 104,788 Shares or 2,095,760 Adjusted Shares, three Grantees who have been granted Awards with respect to 10,000 Shares or 200,000 Adjusted Shares or more were granted Awards with respect to a total of 46,722 Shares or 934,440 Adjusted Shares and other 162 Grantees (who are not Directors, members of senior management or connected persons of our Company) were granted Awards with respect to 178,410 Shares or 3,568,200 Adjusted Shares.

The Shares underlying the outstanding Awards represent approximately 2.91% of the total number of Shares in issue immediately after completion of the Global Offering (assuming the Over-allotment Option is not exercised). No Awards under the Pre-IPO Share Award Scheme will be further granted. For more details of the Pre-IPO Share Award Scheme, please refer to the section headed "Statutory and General Information – D. Share Incentive Scheme – 1. Pre-IPO Share Award Scheme" set out in Appendix IV to this prospectus.

We have applied to the Stock Exchange for a waiver from strict compliance with requirements under Rule 17.02(1)(b) of the Listing Rules in connection with the disclosure of certain details relating to the Awards granted to the Grantees in this prospectus on the ground that the waiver will not prejudice the interest of the investing public and strict compliance with the above requirements would be unduly burdensome for our Company for the following reasons, among others:

(a) as of the date of this prospectus, we have granted outstanding Awards to 166 Grantees under the Pre-IPO Share Award Scheme to acquire an aggregate of 329,920 Shares or 6,598,400 Adjusted Shares, representing approximately 2.91% of the total number of Shares in issue immediately after completion of the Global Offering (assuming the Over-allotment Option is not exercised). The Grantees under the Pre-IPO Share Award Scheme include one member of our senior management, three other Grantees who have been granted Awards with respect to 10,000 Shares or 200,000 Adjusted Shares or more and other 162 Grantees (who are not Directors, members of senior management or connected persons of our Company);

(b) our Directors consider that it would be unduly burdensome to disclose in this prospectus full details of all the Awards granted by us to each of the Grantees, which would significantly increase the cost and time required for information compilation and prospectus preparation for strict compliance with such disclosure requirements. For example, we would need to collect and verify the addresses of 162 Grantees to meet the disclosure requirement. Further, the disclosure of the personal details of each Grantee, including their names, addresses and the number of Awards granted, may require obtaining consent from the Grantees in order to comply with personal data privacy laws and principles and it would be unduly burdensome for our Company to obtain such consents given the number of Grantees;

(c) material information relating to the Awards has been disclosed in this prospectus to provide prospective investors with sufficient information to make an informed assessment of the potential dilutive effect and impact on earnings/(loss) per Share of the Awards in making their investment decision, and such information includes:

(i) summary of the terms of the Pre-IPO Share Award Scheme;

(ii) the total number of Shares subject to the outstanding Awards and the percentage in our total issued Shares of which such number represents;

(iii) the dilutive effect and the impact on earnings/(loss) per Share upon issue of Shares in respect of the Awards;

(iv) full details of the outstanding Awards granted to the Directors (if any), members of our senior management, other grantees who have been granted Awards with respect to 10,000 Shares or 200,000 Adjusted Shares or more and connected persons (if any) of our Company, on an individual basis, are disclosed in this prospectus, and such details include all the particulars required under Rule 17.02(1)(b) of the Listing Rules;

(v) with respect to the Awards granted to persons other than those referred to in (iv) above, disclosure is made in this prospectus on an aggregate basis, and the following details will be disclosed in this prospectus, including the aggregate number of such Grantees and the number of Shares subject to the Awards, the consideration paid for the grant of the Awards and the vesting period for the Awards; and

(vi) the particulars of the waiver granted by the Stock Exchange, the above disclosure is consistent with the conditions ordinarily expected by the Stock Exchange in similar circumstances as set out in Chapter 3.6 of the Guide for New Listing Applicants;

(d) the other 162 Grantees who are not Directors, members of senior management, grantees granted Awards with respect to 10,000 Shares or 200,000 Adjusted Shares or more or connected persons of our Company have been granted Awards under the Pre-IPO Share Award Scheme to acquire an aggregate of 178,410 Shares or 3,568,200 Adjusted Shares, which is not material in the circumstances of our Company, and the exercise in full of such Awards will not cause any material adverse change in the financial position of our Company;

(e) our Directors consider that non-compliance with the above disclosure requirements would not prevent our Company from providing potential investors with sufficient information for an informed assessment of the activities, assets, liabilities, financial position, management and prospects of our Group; and

(f) a full list of all the Grantees, containing all the details as required under Rule 17.02(1)(b) of the Listing Rules will be made available for public inspection as stated in the paragraph headed "Documents Delivered to the Registrar of Companies and Available on Display — Document Available for Inspection" set out in Appendix V to this prospectus.

The Stock Exchange has granted us a waiver from strict compliance with the relevant requirements under the Listing Rules subject to the conditions that disclosure in respect of the information referred to in paragraph (c) above has been made in this prospectus.

CONTINUING CONNECTED TRANSACTIONS

In order to conduct our business in the PRC in compliance with the applicable PRC laws and regulations, Shouhui Chuangxiang, our wholly-owned subsidiary, has entered into the Contractual Arrangements with the Consolidated Affiliated Entities and the Registered Shareholders. For more details of the Contractual Arrangements, please refer to the section headed "Contractual Arrangements" in this prospectus. Given that each of Mr. Guang, Mr. Han, Ms. Liu and Small Umbrella (ESOP) (a limited partnership which is held as to 35.95% by Mr. Guang) is a connected person of the Company, therefore, the transactions contemplated under the Contractual Arrangements are continuing connected transactions of our Company upon Listing.

Accordingly, we have applied to the Stock Exchange for, and the Stock Exchange has granted, a waiver from strict compliance with the announcement, circular and independent shareholders' approval requirements pursuant to Rules 14A.105 of the Listing Rules, the requirement in relation to fixed term of not exceeding three years as set out under Rule 14A.52 of the Listing Rules and the requirement in relation to setting an annual cap in monetary term as set out under Rule 14A.53 of the Listing Rules for such continuing connected transactions. For more details, please refer to the section headed "Continuing Connected Transactions" in this prospectus.

DIRECTORS' RESPONSIBILITY STATEMENTS

This prospectus, for which our Directors, including any proposed director who is named as such in this Prospectus, collectively and individually accept full responsibility, includes particulars given in compliance with the Companies (Winding Up and Miscellaneous Provisions) Ordinance, the Securities and Futures (Stock Market Listing) Rules (Cap 571V of the Laws of Hong Kong) and the Listing Rules for the purpose of giving information to the public with regard to the Group. Our Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in this prospectus is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement in this prospectus misleading.

CSRC FILING

We have submitted a filing to the CSRC for application of listing of the Shares on the Stock Exchange and the Global Offering on January 17, 2024. The CSRC confirmed our completion of filing on January 24, 2025. No other approvals from the CSRC are required to be obtained for the listing of the Shares on the Stock Exchange.

INFORMATION ON THE GLOBAL OFFERING

This prospectus is published solely in connection with the Hong Kong Public Offering, which forms part of the Global Offering. For applicants under the Hong Kong Public Offering, this prospectus set out the terms and conditions of the Hong Kong Public Offering.

The Hong Kong Offer Shares are offered solely on the basis of the information contained and representations made in this prospectus and on the terms and subject to the conditions set out in this prospectus. No person is authorized to give any information in connection with the Global Offering or to make any representation not contained in this prospectus, and any information or representation not contained herein must not be relied upon as having been authorized by the Company, the Relevant Persons, any of their respective directors, officers, employees, partners, agents, employees or advisors or any other party involved in the Global Offering.

The Listing is sponsored by the Joint Sponsors and the Global Offering is managed by the Overall Coordinators. The Hong Kong Public Offering is fully underwritten by the Hong Kong Underwriters under the terms and conditions of the Hong Kong Underwriting Agreement and is subject to our Company and the Sponsor-Overall Coordinators (for themselves and on behalf of the Hong Kong Underwriters) agreeing on the Offer Price. The International Offering is expected to be fully underwritten by the International Underwriters subject to the terms and conditions of the International Underwriting Agreement, which is expected to be entered into on or around the Price Determination Date.

The Offer Price is expected to be determined between the Sponsor-Overall Coordinators (for themselves and on behalf of the Underwriters) and our Company on the Price Determination Date. The Price Determination Date is expected to be on or around Wednesday, May 28, 2025 and, in any event not later than 12:00 noon on Wednesday, May 28, 2025. If, for any reason, the Offer Price is not agreed among us and the Sponsor-Overall Coordinators (for themselves and on behalf of the Underwriters), the Global Offering will not proceed and will lapse. For full information about the Underwriters and the underwriting arrangements, please refer to the section headed "Underwriting" in this prospectus.

The Hong Kong Offer Shares are offered solely on the basis of the information contained and representations made in this prospectus and on the terms and subject to the conditions set out herein and therein. No person is authorized to give any information in connection with the Global Offering or to make any representation not contained in this prospectus, and any information or representation not contained herein and therein must not be relied upon as having been authorized by our Company, the Joint Sponsors, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Underwriters, any of their respective directors, officers, employees, partners, agents, employees or advisors or any other party (collectively, the "**Relevant Persons**") involved in the Global Offering.

Neither the delivery of this prospectus nor any subscription or acquisition made under it shall, under any circumstances, constitute a representation that there has been no change or development reasonably likely to involve a change in our affairs since the date of this prospectus or imply that the information contained in this prospectus is correct as of any date subsequent to the date of this prospectus.

PROCEDURES FOR APPLICATION FOR THE HONG KONG OFFER SHARES

The procedures for applying for the Hong Kong Offer Shares are set forth in the section headed "How to Apply for Hong Kong Offer Shares" in this prospectus.

STRUCTURE AND CONDITIONS OF THE GLOBAL OFFERING

Details of the structure of the Global Offering, including its conditions, are set out in the section headed "Structure of the Global Offering" in this prospectus.

DOWNWARD OFFER PRICE ADJUSTMENT

We have reserved the right to make a Downward Offer Price Adjustment to provide flexibility in pricing the Offer Shares. The ability to make a Downward Offer Price Adjustment does not affect our obligation to cancel the offer and relaunch it with a supplemental prospectus or a new prospectus if there is a material change in circumstances not disclosed in the prospectus and we decide to proceed with the offer.

If it is intended to set the final Offer Price at more than 10% below HK$6.48 (the bottom end of the indicative Offer Price range), we will first cancel the offer and then relaunch it at the revised offer price and the requirements under Rule 11.13 of the Listing Rules will apply if the Global Offering is to proceed.

RESTRICTIONS ON OFFER AND SALE OF THE OFFER SHARES

Each person acquiring the Hong Kong Offer Shares under the Hong Kong Public Offering will be required to, or be deemed by his/her acquisition of the Hong Kong Offer Shares to, confirm that he/she is aware of the restrictions on offers and sales of the Shares described in this prospectus.

No action has been taken to permit a public offering of the Offer Shares or the general distribution of this prospectus in any jurisdiction other than in Hong Kong. Accordingly, this prospectus may not be used for the purposes of, and does not constitute, an offer or invitation in any jurisdiction or in any circumstances in which such an offer or invitation is not authorized or to any person to whom it is unlawful to make such an offer or invitation for subscription. The distribution of this prospectus and the offering and sale of the Offer Shares in other jurisdictions are subject to restrictions and may not be made except as permitted under the applicable securities laws of such jurisdictions and pursuant to registration with or authorization by the relevant securities regulatory authorities or an exemption therefrom. In particular, the Offer Shares have not been offered and sold, and will not be offered and sold, directly or indirectly, in the PRC.

APPLICATION FOR LISTING OF SHARES ON THE STOCK EXCHANGE

We have applied to the Stock Exchange for the granting of the listing of, and permission to deal in, our Shares to be issued pursuant to the Global Offering (including the Shares which may be issued pursuant to the exercise of the Over-allotment Option).

No part of our Shares or loan capital is listed or dealt in on any other stock exchange and no such listing or permission to list is being or proposed to be sought on any other stock exchange as of the date of this prospectus. All the Offer Shares will be registered on the Share register of members of the Company in Hong Kong in order to enable them to be traded on the Stock Exchange.

Under section 44B(1) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance, any allotment made in respect of any application will be invalid if the listing of, and permission to deal in, the Shares on the Stock Exchange is refused before the expiration of three weeks from the date of the closing of the application lists, or such longer period (not exceeding six weeks) as may, within the said three weeks, be notified to the Company by or on behalf of the Stock Exchange.

COMMENCEMENT OF DEALINGS IN THE SHARES

Assuming that the Hong Kong Public Offering becomes unconditional in Hong Kong at or before 8:00 a.m. in Hong Kong on Friday, May 30, 2025, it is expected that dealings in the Shares on the Stock Exchange are expected to commence on Friday, May 30, 2025. The Shares will be traded in board lots of 400 Shares each. The stock code of the Shares will be 2621.

SHARES WILL BE ELIGIBLE FOR ADMISSION INTO CCASS

If the Stock Exchange grants the listing of, and permission to deal in, the Shares on the Stock Exchange we comply with the stock admission requirements of HKSCC, the Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the Listing Date or any other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange is required to take place in CCASS on the second settlement day after any trading day.

All activities under CCASS are subject to the General Rules of HKSCC and HKSCC Operational Procedures in effect from time to time. Investors should seek the advice of their stockbroker or other professional advisors for details of the settlement arrangement as such arrangements may affect their rights and interests.

All necessary arrangements have been made to enable the Shares to be admitted into CCASS.

PROFESSIONAL TAX ADVICE RECOMMENDED

You should consult your professional advisors if you are in any doubt as to the taxation implications of subscribing for, purchasing, holding or disposing of, or dealing in, the Shares or exercising any rights attaching to the Shares. We emphasize that none of us, the Relevant Persons, any of our or their respective directors, officers or representatives or any other person involved in the Global Offering accepts responsibility for any tax effects or liabilities resulting from your subscription, purchase, holding or disposing of, or dealing in, the Shares or your exercise of any rights attaching to the Shares.

HONG KONG SHARE REGISTER AND STAMP DUTY

All of the Shares issued pursuant to applications made in the Global Offering will be registered on our Share register of members to be maintained in Hong Kong by our Hong Kong Share Registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong. Our principal register of members will be maintained by our principal share registrar, Ogier Global (Cayman) Limited.

Dealings in the Shares registered in our Share register of members in Hong Kong will be subject to Hong Kong stamp duty. The stamp duty is charged to each of the seller and purchaser at the ad valorem rate of 0.1% of the consideration for, or (if greater) the value of, the Shares transferred. In other words, a total of 0.2% is currently payable on a typical sale and purchase transaction of the Shares. In addition, a fixed duty of HK$5 is charged on each instrument of transfer (if required).

Unless determined otherwise by our Company, dividends payable in respect of our Shares will be paid to the Shareholders listed on the Share register of members of our Company in Hong Kong, by ordinary post, at the Shareholders' risk, to the registered address of each Shareholder of our Company.

EXCHANGE RATE CONVERSION

Solely for your convenience, this prospectus contains translations among certain amounts denominated in Renminbi, Hong Kong dollars and U.S. dollars. No representation is made that the amounts denominated in one currency could actually be converted into the amounts denominated in another currency at the rates indicated or at all. Unless indicated otherwise, (i) the translations between Renminbi and U.S. dollars were made at the rate of RMB7.2066 to US$1.00, (ii) the translations between U.S. dollars and Hong Kong dollars were made at the rate of HK$7.7792 to US$1.00, and (iii) the translations between Renminbi and Hong Kong dollars were made at the rate of RMB0.9264 to HK$1.00. Any discrepancies in any table between totals and sums of amounts listed therein are due to rounding.

LANGUAGE

If there is any inconsistency between the English version of this prospectus and the Chinese translation of this prospectus, the English version of this prospectus shall prevail unless otherwise stated. However, the English translation of the names of the PRC entities, enterprises, nationals, facilities, regulations in Chinese included in this prospectus is for identification purposes only. To the extent there is any inconsistency between the Chinese names of the PRC entities, enterprises, nationals, facilities, regulations and their English translations, the Chinese names shall prevail. In addition, if there is any inconsistency between the names of any of the entities mentioned in the English version of this prospectus which are not in the English language and their English translations, the names in their respective original language shall prevail.

ROUNDING

Certain amounts and percentage figures included in this prospectus have been subject to rounding adjustments. Accordingly, figures shown as totals in certain tables or charts may not be an arithmetic aggregation of the figures preceding them and figures rounded to the nearest thousand, million or billion may not be identical to figures that have been rounded differently to them.

DIRECTORS

Name	Address	Nationality
Executive Directors		
Mr. Yao Guang (光耀)	Room 1405, Block C Yingqiyuan No. 3 Yuquan Road Nanshan District, Shenzhen PRC	Chinese
Mr. Liwei Han (韓立煒)	Room 24B, Building J East Zone Baonengcheng Garden Taoyuan Street Road Nanshan District, Shenzhen PRC	Chinese
Ms. Li Liu (劉麗)	Room 06E, Building 91 Meilin Yicun No. 19 Meili Road Meilin Yicun Community Meilin Street Road Futian District, Shenzhen PRC	Chinese
Mr. Jianting Li (李鑒庭)	Room 18F, Building B Fubinyuan Futian District, Shenzhen PRC	Chinese
Non-executive Directors		
Mr. Byron Ye, former name Gang Ye (葉鋼)	68-31 Harrow Street, Forest Hills NY, 11375 United States	American
Mr. Sirui Li (李思睿)	Room 704, No. 1, Building 2 Jinyue Garden Xianghe Road South Beichen District, Tianjin PRC	Chinese

Name	Address	Nationality
Independent Non-executive Directors		
Mr. Gang Shen (沈剛)	No. 1702, Building 1A Junhui Xintian Garden Houhaibin Road Nanshan District, Shenzhen PRC	Chinese
Mr. Haiquan Wu (吳海泉)	Room 31C Furong Building Baihua Garden Baihua 1st Road Futian District, Shenzhen PRC	Chinese
Mr. Yuanxin Zhang (張遠新)	Room 201, Building 10, Fu Yuan Country Garden, Guangzhou PRC	Chinese

Further information about our Directors and other senior management members are set out in "Directors and Senior Management".

PARTIES INVOLVED IN THE GLOBAL OFFERING

Joint Sponsors and Sponsor-Overall Coordinators	**China International Capital Corporation Hong Kong Securities Limited** 29/F, One International Finance Centre 1 Harbour View Street Central Hong Kong **Huatai Financial Holdings (Hong Kong) Limited** 62/F, The Center 99 Queen's Road Central Hong Kong
Overall Coordinators	**China International Capital Corporation Hong Kong Securities Limited** 29/F, One International Finance Centre 1 Harbour View Street Central Hong Kong **Huatai Financial Holdings (Hong Kong) Limited** 62/F, The Center 99 Queen's Road Central Hong Kong **CCB International Capital Limited** 12/F, CCB Tower 3 Connaught Road Central Central Hong Kong

Joint Global Coordinators	**China International Capital Corporation Hong Kong Securities Limited** 29/F, One International Finance Centre 1 Harbour View Street Central Hong Kong **Huatai Financial Holdings (Hong Kong) Limited** 62/F, The Center 99 Queen's Road Central Hong Kong **CCB International Capital Limited** 12/F, CCB Tower 3 Connaught Road Central Central Hong Kong **CLSA Limited** 18/F, One Pacific Place 88 Queensway Hong Kong
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Industry Consultant	**Frost & Sullivan** Room 2504-2505, Wheelock Square No. 1717, Nanjing West Road Jingan District Shanghai, PRC
Receiving Bank	**CMB Wing Lung Bank Limited** 45 Des Voeux Road Central Hong Kong

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Principal Place of Business in Hong Kong	Room 1920, 19/F Lee Garden One 33 Hysan Avenue Causeway Bay, Hong Kong
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Joint Company Secretaries	**Ms. Qing Li (李情)** Room 1405, Building 4 Nuode International Garden Qianhai Road Nanshan District, Shenzhen PRC **Ms. Zhao Zeng (曾昭)** *(Chartered Secretary, Chartered Governance Professional and Associate of The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom)* Room 1920, 19/F Lee Garden One 33 Hysan Avenue Causeway Bay, Hong Kong

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Remuneration Committee	Mr. Gang Shen (沈剛) *(Chairperson)* Mr. Yao Guang (光耀) Mr. Haiquan Wu (吳海泉)
Nomination Committee	Mr. Yao Guang (光耀) *(Chairperson)* Ms. Li Liu (劉麗) Mr. Gang Shen (沈剛) Mr. Haiquan Wu (吳海泉) Mr. Yuanxin Zhang (張遠新)
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The information and statistics set out in this section and other sections of this prospectus were extracted from the report prepared by Frost & Sullivan, which was commissioned by us, and from various official government publications and other publicly available publications. We engaged Frost & Sullivan to prepare the Frost & Sullivan Report, an independent industry report, in connection with the Global Offering. The information from official government sources has not been independently verified by us, the Joint Sponsors, the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, any of the Underwriters or any other party involved in the Global Offering and no representation is given as to its accuracy.

SOURCES OF INFORMATION

We have commissioned Frost & Sullivan, an independent market research and consulting company, to conduct an analysis of, and to prepare a report on the life and health insurance intermediary market in China. The report prepared by Frost & Sullivan for us is referred to in this prospectus as the Frost & Sullivan Report. We have agreed to pay a total fee of RMB720,000 to Frost & Sullivan for the preparation of the report, which our Directors believe reflects market rates for reports of this type. Frost & Sullivan is a global consulting company founded in 1961 in New York and has over 40 global offices with more than 3,000 industry consultants, market research analysts, technology analysts and economists.

In preparing the Frost & Sullivan Report, Frost & Sullivan has relied on the statistics and information obtained through both primary and secondary research. Primary research involved discussing the status of the industry with certain leading industry participants and industry experts. Secondary research involved reviewing information, data and publications from publicly available sources, including official data and announcements from government agencies, and company reports, independent research reports and data based on Frost & Sullivan's own data base. Our Directors have confirmed that there has been no adverse change in the market information since the date of Frost & Sullivan Report that may qualify, contradict, or impact the information of this section.

In compiling and preparing the Frost & Sullivan Report, Frost & Sullivan has adopted the following assumptions: (i) global social, economic and political environment is likely to remain stable in the forecast period; and (ii) related industry key drivers are likely to drive the market in the forecast period.

Our Directors have confirmed that, Frost & Sullivan is an independent professional market research agency, and they have exercised reasonable care in selecting and identifying the sources of information used in this section (which are extracted from the Frost & Sullivan Report), compiling, extracting and reproducing the information, and ensuring no material omission of the information. There has been no adverse change in the market information presented in the Frost & Sullivan Report since the date of its issuance which may qualify, contradict or have impact on the information of this section. We have extracted certain

information from the Frost & Sullivan Report in this section, as well as in "Summary", "Risk Factors", "Business", "Financial Information", and elsewhere in this prospectus to provide our potential investors with a more comprehensive presentation of the industries where we operate.

OVERVIEW OF LIFE AND HEALTH INSURANCE MARKET IN CHINA

Insurance coverage is a contract in the form of a financial protection policy that safeguards individuals against monetary risks arising from unpredictable contingencies. An insurance company provides the insured with financial coverage or reimbursement in return for the payment of a premium.

Insurance products can be divided into two categories: (i) life and health insurance; and (ii) property and casualty insurance. Life and health insurance can be further divided into life insurance (including annuity insurance and other life insurance), health insurance (including critical illness insurance, medical insurance, and other health insurance) and accident insurance. Property and casualty insurance includes property damage insurance, responsibility insurance, and credit insurance.

Life and health insurance provides coverage for an individual's longevity, physical well-being, and a range of unforeseen events such as death, disability, illness, old age, and accidents that may occur during the insurance period. Moreover, if the insured individual survives until a specified time, insurance benefits are also granted.

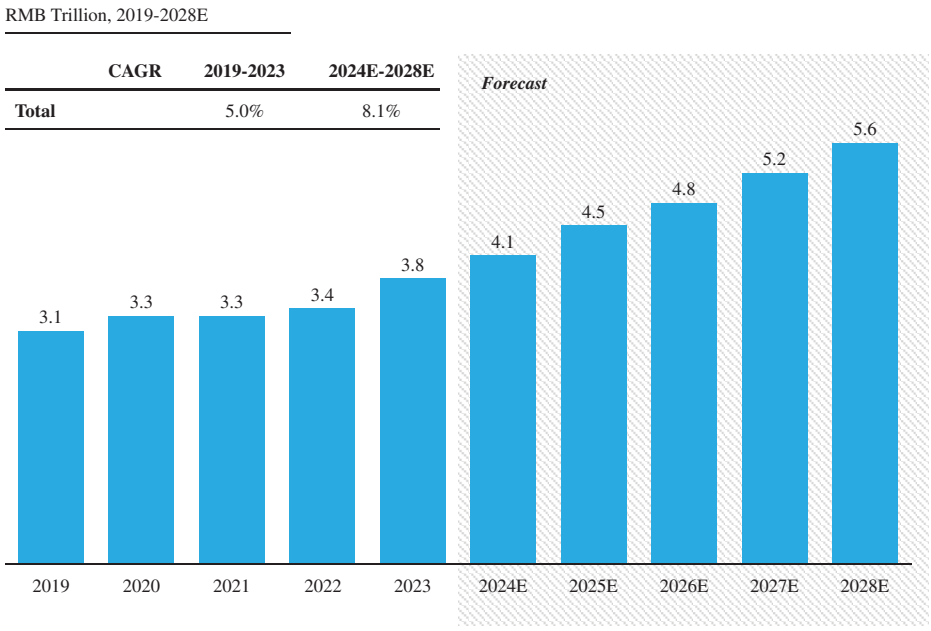
China's insurance market has experienced rapid development in the past few years and has become the second largest insurance market in terms of premium income in the world after the United States since 2017. In 2022, the United States, China and the United Kingdom ranked top three in terms of premium income according to Swiss Reinsurance Company Ltd, in aggregate accounting for 59.4% of the global premium income. Notwithstanding the rapid development of China's insurance market in the past few years, the insurance penetration (i.e. ratio of total premium as a percentage of GDP) of 3.9% and insurance density (i.e. ratio of premium per capita) of US$489 in China in 2022 were significantly lower than the global insurance penetration of 6.8% and global insurance density of US$853. These statistics indicate that China's insurance industry has huge development potential.

Market Size of Life and Health Insurance Market in China

As awareness of life's uncertainties and risks heightens, there is an increasing recognition among individuals of the importance of obtaining insurance coverage for protection. This growing demand for insurance products is fueled by several factors, including escalating healthcare costs, economic instability, and demographic shifts. These elements collectively underscore the necessity for individuals to secure insurance as a safeguard against unforeseen financial burdens.

The market size of China's life and health insurance market in terms of GWP has increased from RMB3.1 trillion in 2019 to RMB3.8 trillion in 2023, representing a CAGR of 5.0%. It is expected that the market size of China's life and health insurance by GWP will reach RMB5.6 trillion in 2028, representing a CAGR of 8.1% from 2024 to 2028.

Market Size of China's Life and Health Insurance Market by GWP, 2019-2028E



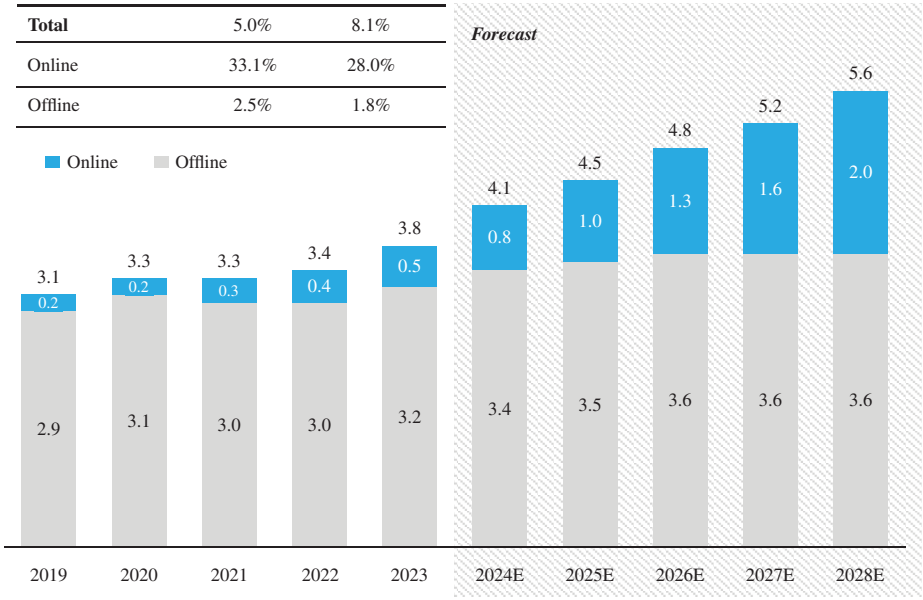
Source: NFRA, Frost & Sullivan

There is an increasing trend of online insurance in China's life and health insurance market, increasing from RMB0.2 trillion in 2019 to RMB0.5 trillion in 2023 in terms of GWP, representing a CAGR of 33.1%. It is expected that the market size of online insurance in China's life and health insurance market by GWP will reach RMB2.0 trillion in 2028, representing a CAGR of 28.0% from 2024 to 2028, with a total market share of 35.9% in 2028.

Market Size of China's Life and Health Insurance Market by GWP by Online/Offline Insurance, 2019-2028E

RMB Trillion, 2019-2028E

CAGR	2019-2023	2024E-2028E
Total	5.0%	8.1%
Online	33.1%	28.0%
Offline	2.5%	1.8%



Source: NFRA, Frost & Sullivan

Key Drivers of Life and Health Insurance Market in China

Aging Trend Accelerates the Stronger Demand for Life and Health Insurance

China is transitioning into an aging society, a phase marked by a slowing pace of population growth or even population decline. The segment of the population aged 65 or older has increased from 167 million in 2018 to 210 million in 2022, representing a rise from 11.9% to 14.9% of the total population in these respective years. These demographic changes will lead to a stronger demand for health and retirement income insurance products as individuals seek to ensure adequate medical care and secure pension plans in response to the aging population.

Growth in Awareness of the Importance of Assured Access to Healthcare

Driven by economic growth, the gross national income per capita in China has increased to over US$10,000 as of 2022. As a result, individuals in China are now placing a greater emphasis on their physical well-being and are consequently more willing to allocate a larger portion of their income towards life and health insurance coverage. Additionally, with the ongoing economic development and urbanization, and driven by increasing awareness of the importance of seeking life and health insurance, it is expected that residents in lower-tier cities in China will play a significant role in driving the growth of insurance premium.

Favorable Policies Supporting the Robust Market Development

The Chinese government has promulgated several favorable policies to support the development of the life and health insurance industry. For example, in July 2023, it announced key objectives for the further reform of medical and healthcare systems in the latter half of the year. These reforms are designed to strengthen the multi-tiered medical security system and encourage the expansion of commercial medical insurance. Moreover, in 2021, the CBIRC issued the "Guidance on Further Enriching the Supply of Life Insurance Products", which encourages insurance industry players to increase investment in information technology to meet diverse needs of policyholders and the insured by reducing product costs, innovating supply channels, expanding service depth, achieving scientific pricing, streamlining application processes and claims settlement, as well as developing customized life insurance products that comply with actuarial principles for data-driven business development.

Advanced Technologies Revolutionized the Digital Insurance Sector

Technologies such as big data, and cloud computing enhance operational efficiency and reduce costs in life and health insurance through product customization, streamlined underwriting, and prompt claims processing. For example, cloud computing reduces expenses by allocating resources as needed.

Moreover, insurance technology expands the reach of intermediaries by enabling comprehensive client analytics and the delivery of diverse, high-frequency products at lower costs. Big data provides detailed insights into the needs of clients, helping to identify potential demand for insurance products and services. Additionally, these technologies enable immediate customer service and targeted marketing through smart devices, significantly reducing client acquisition costs.

Changing Client Behavior and Composition Facilitating Digital Insurance Growth

In the Internet era, policyholders and the insured in China prioritize product transparency and service experience, exhibiting a strong preference for personalization and customization. In 2023, policyholders across all age groups showed an increasing willingness to purchase insurance products online. Notably, the online purchasing rate among policyholders aged 51 to 60 rose from 63% in 2022 to 72% in 2023. Meanwhile, millennial are emerging as the dominant group for purchasing insurance in the coming decade. This generation is generally more inclined to embrace online insurance products and has a greater demand for customized offerings. These shifts in client behavior and demographics enhance the growth prospects for the online life and health insurance market.

Development Trends of Life and Health Insurance Market in China

Enhanced Product Innovation with More Customized and Diversified Product Offerings

Policyholders and the insured now exhibit diverse demands for insurance products, driven by various scenarios and individual needs. As a result, insurance companies are actively responding to these evolving demands, focusing not only on existing needs but also on addressing areas of unmet protection. By leveraging technological advancements and optimizing operational efficiency, insurance companies are expediting the development of insurance products. This approach is enabling them to offer a wide range of highly customized and diversified insurance products.

Advancement of Digital Technologies Empowers the Entire Insurance Process

The advancement of digital technologies, including big data and cloud computing is driving significant transformation in the insurance market, resulting in enhanced operational efficiency. Big data empowers insurance companies to gather a wider range of data, facilitating the analysis of the risk profile of policyholders and the insured to better understand their characteristics and behaviors. In addition, cloud computing facilitates the implementation of automated systems and workflows for policy administration, underwriting, and claims processing. These models can be effectively utilized for client acquisition strategies and personalized product recommendation.

Online Life and Health Insurance Market

Online insurance services refer to the utilization of digital platforms for conducting insurance transactions in a seamless and efficient manner. This approach facilitates a range of activities, from policy purchasing and management to claims processing, all through online platforms. This digital approach allows policyholders and the insured to complete the entire insurance process online, thereby eliminating the necessity for physical visits or paperwork. Insurance companies have the option to establish their own online sales channels or collaborate with third-party intermediaries to conduct online insurance transactions.

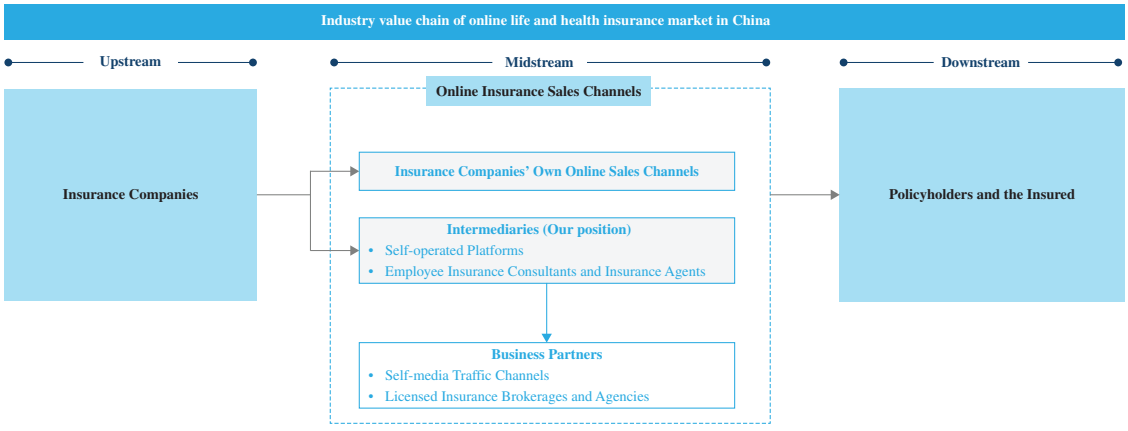
Online Insurance Industry Value Chain Analysis

The value chain of online insurance industry consists of several essential components, including insurance companies, online insurance sales channels and policyholders and the insured. Among the participants, insurance companies provide insurance products through online insurance sales channels to policyholders and the insured.

As a bridge between insurance companies, and policyholders and the insured, online insurance sales channels play a critical role in the market by leveraging their unique position to promote market growth and better serve policyholders and the insured. Online insurance sales channels can be divided into two categories: (i) the online sales channels operated by

insurance companies themselves, and (ii) intermediaries, i.e., third-party digital transaction and service platforms that provide quotations for various insurance policies and assist policyholders and the insured in selecting suitable insurance products. Intermediaries have the flexibility to distribute insurance policies from different insurance companies and receive commissions in return.Online insurance intermediaries may distribute insurance products or reach policyholders and the insured through (i) self-operated platforms in conducting online direct sales to policyholders and the insured; (ii) employee insurance consultants and insurance agents, including licensed consultants, who assist policyholders and the insured throughout the insurance transaction process on their online system; and (iii) cooperation with business partners, including self-media traffic channels, such as social media influencers (particularly media and advertising companies and key opinion leaders) and licensed insurance brokerages and agencies who are mostly offline traditional licensed brokerages and agencies.

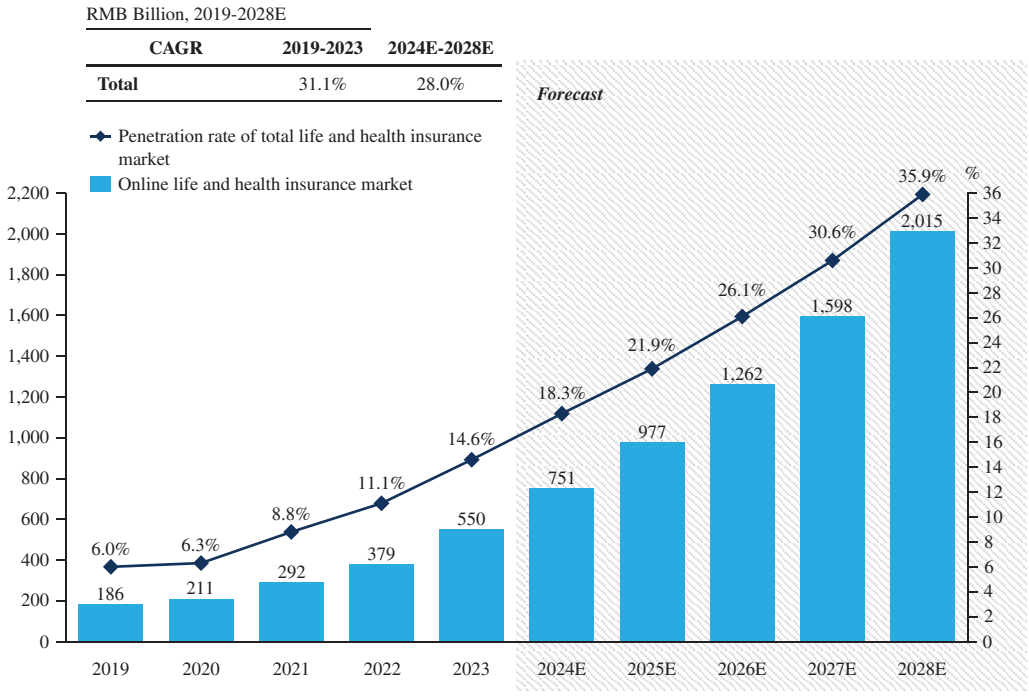
Policyholders and the insured are the end users of insurance products, seeking financial protection that is provided by these insurance policies. Policyholders and the insured purchase insurance policies through insurance companies or online insurance sales channels. These online channels provide advice and support to assist policyholders and the insured choose the policy that meets their specific needs and budgets.



Market Size of Online Life and Health Insurance Market in China

In recent years, online sales channels in China's life and health insurance market have experienced significant growth, driven by the widespread adoption of digital platforms and the convenience they provide. The market size of China's online life and health insurance market in terms of GWP has increased from RMB186 billion in 2019 to RMB550 billion in 2023, representing a CAGR of 31.1%. It is expected that the market size of China's online life and health insurance in terms of GWP will reach RMB2,015 billion in 2028, representing a CAGR of 28.0% from 2024 to 2028. Online life and health insurance accounted for 6.0% of the life and health insurance market in China in 2019, which has increased to 14.6% in 2023, and is expected to reach 35.9% in 2028.

Market Size of China's Online Life and Health Insurance Market by GWP, 2019-2028E



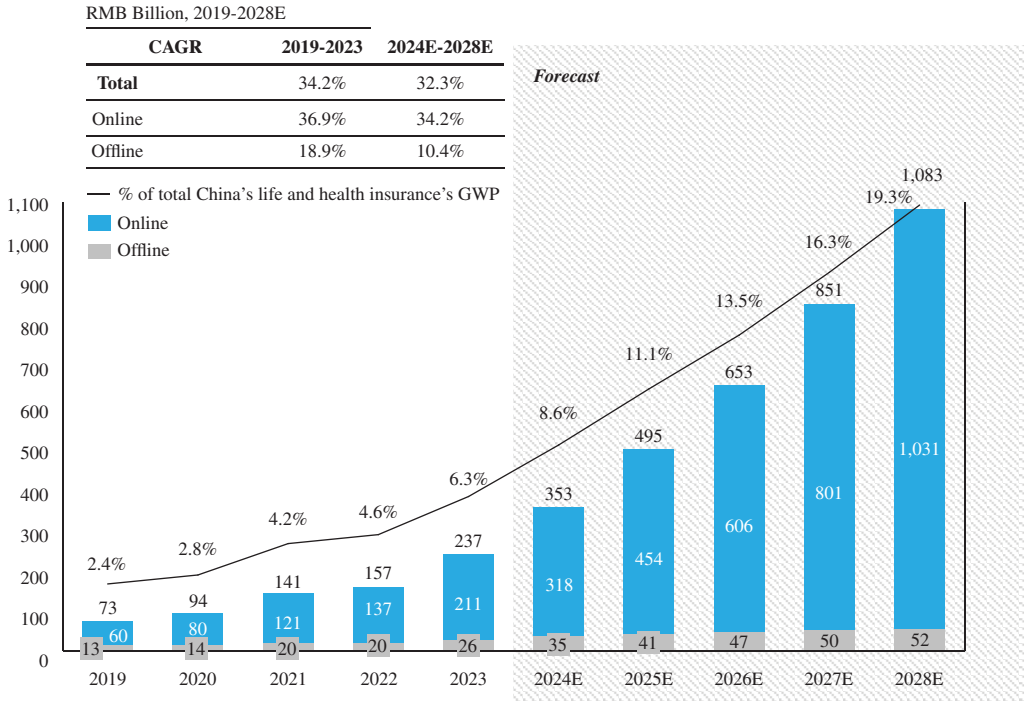
Source: Insurance Association of China, Frost & Sullivan

OVERVIEW OF ONLINE LIFE AND HEALTH INSURANCE INTERMEDIARY MARKET

In 2023, the GWP of China's life and health insurance intermediary market has reached RMB237 billion, representing a CAGR of 34.2% from 2019 to 2023. Intermediaries accounted for 2.4% of the total GWP in China's life and health insurance market in 2019, which increased to 6.3% in 2023. It is expected that intermediaries will contribute a GWP of RMB1,083 billion in China's life and health insurance market in 2028, representing a CAGR of 32.3% from 2024 to 2028.

Online intermediaries have experienced significant growth in China's life and health insurance market. The GWP contributed by online intermediaries increased from RMB60 billion in 2019 to RMB211 billion in 2023, representing a CAGR of 36.9%. It is expected that online intermediaries will contribute a GWP of RMB1,031 billion in China's life and health insurance market in 2028, representing a CAGR of 34.2% from 2024 to 2028. Online intermediaries dominated China's life and health insurance intermediary market and accounted for 82.1% of the total GWP in China's life and health insurance intermediary market in 2019, which increased to 89.1% in 2023 and is expected to reach 95.2% in 2028.

Market Size of China's Life and Health Insurance Intermediary Market by GWP, 2019-2028E



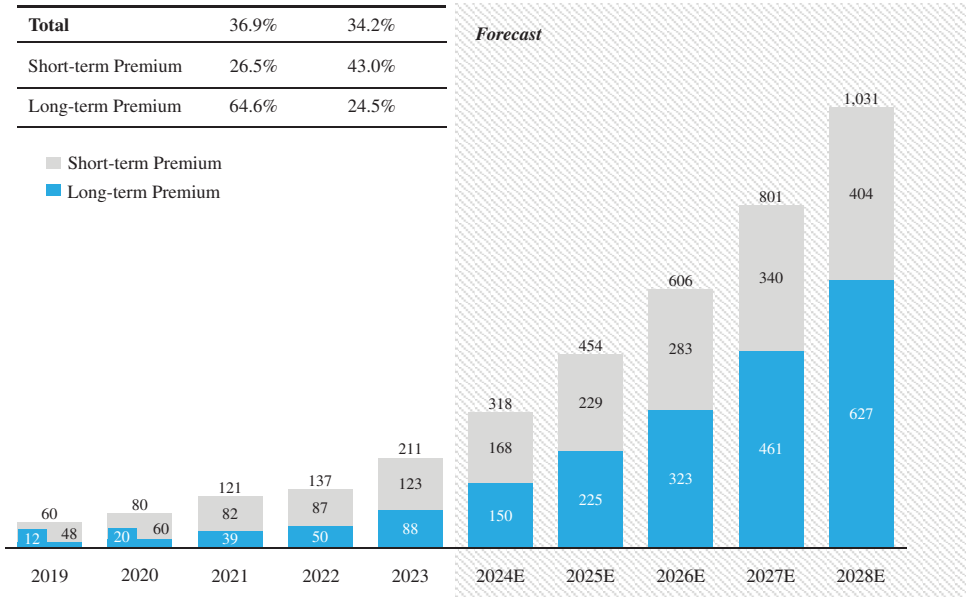
Source: NFRA, Frost & Sullivan

Insurance can be categorized into long-term insurance and short-term insurance according to the period of the policy. Long-term insurance refers to an insurance product with a policy term that is longer than one year. Short-term insurance refers to an insurance product with a policy term that is less than or equal to one year. Long-term insurance is designed to provide coverage for long-term protection needs, whereas short-term insurance is designed to provide coverage for immediate risks and losses. In China's online life and health insurance intermediary market, long-term insurance has increased from RMB12 billion in 2019 to RMB88 billion in 2023 in terms of GWP, representing a CAGR of 64.6%. The GWP of long-term online life and health insurance is expected to reach RMB627 billion in 2028, representing a CAGR of 24.5% from 2024 to 2028. The market share of long-term insurance in China's online life and health insurance intermediary market has increased from 20.8% in 2019 to 41.7% in 2023 and is expected to reach 60.8% in 2028.

Market Size of China's Online Life and Health Insurance Intermediary Market by GWP by Long/Short-term Insurance, 2019-2028E

RMB Billion, 2019-2028E

CAGR	2019-2023	2024E-2028E
Total	36.9%	34.2%
Short-term Premium	26.5%	43.0%
Long-term Premium	64.6%	24.5%



Source: Expert Interview, Public Information Research, Frost & Sullivan

Key Drivers of Online Life and Health Insurance Intermediary Market in China

Official Guidance of the Separation Between Insurance Companies and Intermediaries

The introduction of the official guidance has facilitated a more orderly operation in the market. In 2010, Opinions on Reforming and Improving the Management System of Insurance Agents (《關於改革完善保險營銷員管理體制的意見》) was issued to encourage the separation of insurance companies and intermediaries in China. Further, CBIRC issued Measures on Internet Insurance Business in 2021, encouraged constantly innovating and improving the regulations of insurance intermediaries, which provided new development opportunities for various insurance intermediaries.

Closer Alignment with Clients' Interests

The positioning of intermediaries is closer to the interests of policyholders and the insured, aiming to solve the problem of information asymmetry between the product side and users. Intermediaries can provide open shelves, and compare multiple products based on the needs of policyholders and the insured, and choose the best customized solution for policyholders and the insured. With a rich product shelf provided by multiple insurance companies, intermediaries are not tied to the interests of a single insurance company or the online platform to which they are affiliated, and can seize protection needs through product

combinations that meet the needs of policyholders and the insured. At the same time, the sales model of intermediaries is transforming from a product-oriented model to a consulting-oriented model, which configures products and provides consulting services based on interests of policyholders and the insured.

Client Acquisition Advantages

Intermediaries offer a diverse range of insurance products from multiple insurance companies for policyholders and the insured to choose from, allowing policyholders and the insured to find policies that align with their specific needs and preferences, including specialized coverage and higher coverage limits. By configuring insurance solutions for policyholders and the insured, they can establish long-term trust relationships and gain an in-depth understanding of family conditions and wealth management needs. In addition, intermediaries are good at using online resources and continuously expanding potential policyholders and the insured by cooperating with various online advertising channels.

Development Trends of Online Life and Health Insurance Intermediary Market in China

Growing Prominence of Long-Term Insurance Products

Compared to insurance intermediaries that offer short-term products, intermediaries distributing long-term insurance products emphasize cultivating stable, long-term relationships with their clients. Since the policyholders and the insured are contractually obligated to pay long-term insurance products annually with higher insurance premium, long-term insurance products can contribute more stable and continuous commission income for insurance intermediaries, hence, more insurance intermediaries are increasing the sale of long-term insurance products.

Leveraging Digital Insurance Technologies to Offer Value-Added Services

Currently, intermediaries are focusing on technological advancement to provide value-added products and services to various parties by leveraging their technical capabilities. Specifically, for the product development stage, they can help the insurance companies develop customized products, conduct risk assessment and pricing, and also provide other third-party insurance platforms with online insurance products and software systems. For the marketing and sales stage, it can be used in client segmentation and tailored marketing, prevent client loss, and also provide personal insurance agents with digital tools.

Exploring Cross-Industry Cooperation Opportunities to Provide Comprehensive Health Management Services

By exploring cross-industry cooperation opportunities, such as the cooperation with hospital, pharmacy and physical examination center, intermediaries can provide policyholders and the insured with more comprehensive and customized insurance services, thus enhancing client stickiness and satisfaction. For the insurance intermediary itself, the cooperation can expand its business scope and enhance its differentiation competitiveness. Furthermore, it can effectively control medical expenses and save premium costs and thus reduce claims.

Integration of Online and Offline

Distributing insurance products online enables insurance intermediaries to provide policyholders and the insured with a broader selection of choices and transparent pricing. Furthermore, online insurance intermediaries that also offer offline services can deliver face-to-face customer service and maintain strong relationships, facilitating continuous exploration of customer value. As a result, the integration of online and offline sales services is expected to become a major trend for insurance intermediaries to expand their market reach and opportunities.

Co-designing Insurance Products between Industry-leading Insurance Intermediaries and Insurance Companies

Along with the trend of separation between the production and distribution of insurance products in China, there are more and more cooperation between insurance intermediaries and insurance companies. Industry-leading insurance intermediaries have more diversified and stable client acquisition channels and have accumulated sufficient industry know-how from both product-side and client-side. Therefore, industry-leading insurance intermediaries have a better understanding on developing innovative insurance products in addressing the demands of policyholders and the insured. Hence, co-designing insurance products between insurance intermediaries and insurance companies will be more and more common in the future.

Entry Barriers of Online Life and Health Insurance Intermediary Market in China

Sufficient Industry Know-how

Online life and health insurance intermediaries have to accumulate sufficient industry know-how encompassing both product side and user side. Lack of industry know-how can result in the misunderstanding of preference of policyholders and the insured. Furthermore, insufficient product know-how makes it challenging to satisfy the needs of policyholders and the insured or innovate revolutionary products. This is crucial for competing with industry pioneers and securing market share in the long term.

Advancement in Technology

To maintain long-term technology advancement is essential to online life and health insurance intermediaries. Technologies such as big data, cloud computing and blockchain empower online life and health insurance intermediaries in every operation stage from product development, marketing & sales, policy administration, claims management, and customer support. Therefore, online life and health insurance intermediaries have to keep the advantage of disruptive and innovative technology to maintain competitive advantages.

Adequate Resources

The resource consists of capital, licenses and qualifications, relationships with insurance companies and talents. In order to offer policyholders and the insured more insurance product choices, online life and health insurance intermediaries have to possess relevant licenses and qualifications and maintain strong long-term partnership with insurance companies. They also require substantial capital investment in technology to ensure continuous innovation. In addition, online life and health insurance intermediaries have to hire professional and high-quality attorneys, actuaries, and other specialized technical experts to ensure stable daily operation.

Conforming to the Requirements of Policies

Insurance industry in China operates within a highly regulated framework, with government policies serving as guiding principles for its healthy development. Consequently, online life and health insurance intermediaries can only secure a substantial market share by conforming to the relevant policy direction and aligning their development strategy accordingly.

COMPETITIVE LANDSCAPE ANALYSIS

Threats and Challenges

Stringent regulation and administration environment

Insurance regulatory authorities and other PRC Government Authorities have implemented more stringent regulation and administration measures, which may result in restrictions on business operation and expansion of industry participants. For instance, the Notice on Further Regulating Matters Concerning Internet Life and Health Insurance Business (《關於進一步規範保險機構互聯網人身保險業務有關事項的通知》) issued by the CBIRC on October 12, 2021 further standardizes the product scope of Internet personal insurance product and clarifies the responsibilities on insurance companies in the exclusive management of Internet personal insurance business, bringing negative effects on online insurance products, including a decrease in the first-year commission rates of online long-term life and health insurance products. Moreover, the NFRA issued the Notice on Matters Related to Regulating Bancassurance Channels of Life Insurance Companies (《關於規範人身保險公司銀行代理渠道業務有關事項的通知》) in January 2024, which aims to standardize the bancassurance business of life insurance companies and requires the life insurance companies to strictly adhere to the insurance terms and premium rates filed with the NFRA. The notice also emphasizes the importance of strong internal controls, regular expense analysis, and supervision by internal audit to ensure compliance and uphold financial discipline, thereby fostering the stable and healthy development of the industry. Notwithstanding that a similar policy has not been promulgated for any insurance channel other than bancassurance, the notice has prompted insurance companies to enhance their regulatory compliance requirements as a prudent measures, potentially forcing some insurance companies to exit the market due to their inability to meet the stricter regulatory standards.

Traditional Insurance Companies Selling Insurance Products Online

An increasing number of traditional insurance companies have launched their own online platforms to directly sell Internet insurance products to policyholders and the insured, resulting in more policyholders and the insured choosing to purchase insurance products directly from these insurance companies, which can intensify competitive pressure and present challenges for business transformation in the insurance intermediary market.

Comparable Products with Lower Prices

Other insurance intermediaries may introduce similar insurance products to ours, potentially leading to client losses if they offer comparable coverage at lower prices. The competitive advantage in pricing that rival products possess could attract policyholders and the insured and posing a threat to our businesses. It is therefore crucial to closely monitor the competitive landscape, continually enhance insurance products and services and strive to maintain a competitive edge to retain policyholders and the insured.

Our Competitive Advantages

According to Frost & Sullivan, we ranked eighth in China's life and health insurance intermediary market, with a market share of 2.9%. We are the second largest online insurance intermediary in China in terms of GWP of long-term life and health insurance in 2023, with a market share of 7.3%. We are also the second largest online insurance intermediary in China in terms of FYP of long-term life and health insurance in 2023. In addition, our Chaojimali Critical Illness Insurance series has ranked among the top four in terms of number of policies distributed among similar products offered by online life and health insurance intermediaries since its launch.

Life and Health Insurance Intermediary Market in China

In 2023, the GWP of the life and health insurance intermediary market in China reached RMB237 billion. As of December 31, 2023, there were 2,592 insurance intermediaries in China and we ranked eighth with a GWP of RMB6.8 billion, accounting for 2.9% of the market share. The following table sets forth the top ten market participants in terms of GWP in 2023.

Life and Health Insurance Intermediary Market, by GWP (2023)

Ranking	Market Player	GWP (RMB billion)	Market Share
1	Competitor A	89.0	37.5%
2	Competitor F	18.0	7.6%
3	Competitor C	16.6	7.0%
4	Competitor G	16.3	6.9%
5	Competitor H	10.6	4.5%
6	Competitor D	10.0	4.2%
7	Competitor I	8.8	3.7%
8	**Our Group**	**6.8**	**2.9%**
9	Competitor B	5.8	2.4%
10	Competitor J	2.7	1.1%
	Top 10	185	77.8%
	Total	**237**	**100%**

Source: Expert Interview, Public Information Research, Frost & Sullivan

Note: Competitor A, founded in 2016 with a registered capital of RMB50.0 million, is a wholly-owned subsidiary of an open Internet platform committed to providing consumers with a safe and convenient Internet insurance experience.

Competitor B, founded in 2006 with a registered capital of RMB244.8 million, offers a wide variety of insurance products with a focus on long-term life and health insurance products to the new generation of consumers in China. It was listed on the NASDAQ.

Competitor C, founded in 2017 with a registered capital of RMB56.1 million, is a subsidiary insurance platform of an Internet technology company. It co-designs and markets affordable and innovative insurance products to the users of its social media program, drawing on InsurTech created from the parent company's distribution and data capabilities.

Competitor D, founded in 2018 with a registered capital of RMB50.0 million, is dedicated to insurance and healthcare services through medical crowdfunding, insurance marketplace, and healthcare. It was listed on the NASDAQ.

Competitor F, founded in 2019 with a registered capital of RMB47.0 million, leverages AI algorithms and data analytics to capture consumers' latent health insurance demand, and in the meantime guide insurance companies to design highly customized products accurately addressing consumers' demand.

Competitor G, founded in 2004 with a registered capital of RMB76.80 million, introduces the concepts and services of agents into the Chinese life insurance market. It provides consumers with a comprehensive CRM system which integrates AI dialogue into its online platform to improve service quality.

Competitor H, founded in 2005 with a registered capital of RMB556.0 million, is a subsidiary insurance platform of a financial service company. It focuses on providing long-term life insurance products, and provides a professional support system to empower their agents to grow more specialized and professional. Its parent company was listed on the NASDAQ.

Competitor I, founded in 2008 with a registered capital of RMB144.0 million, provides consumers with a full range of insurance service, and it is committed to providing consumers with professional insurance consultation and solutions.

Competitor J, founded in 2011 with a registered capital of RMB80.0 million, offers insurance services across the nation, alongside a range of retirement community resources tailored to meet the diverse needs of customers at various stages of retirement.

Online Life and Health Insurance Intermediary Market in China

Online intermediaries dominated China's life and health insurance intermediary market and accounted for 89.1% of the total GWP in China's life and health insurance intermediary market in 2023, which market excludes traditional insurance companies selling insurance products online.

Intermediaries can be classified into independent intermediaries and dependent intermediaries. Dependent intermediaries are affiliated with a specific online platform and rely on online traffic provided by such platform, while independent intermediaries are not affiliated with a single online platform and may obtain online traffic support from multiple online platforms.

The policyholders and the insured acquisition process and the transaction and service processes differ fundamentally between online insurance intermediaries and offline intermediaries. Online insurance intermediaries conduct policyholders and the insured acquisition process through internet and utilize online traffic while offline intermediaries mainly access policyholders and the insured through offline channels. Online intermediaries conduct insurance transactions via digital platforms while offline intermediaries conduct such process through physical visits and paperwork.

The competition of China's online long-term life and health insurance intermediary market is highly intense, the top five players contributed to a total of 68.6% of the market share in terms of GWP in 2023, among which we ranked second with a GWP of RMB6.5 billion, accounting for 7.3% of the market share. The following table sets forth the top five market participants in terms of GWP in 2023.

Online Long-term Life and Health Insurance Intermediary Market, by GWP (2023)

Ranking	Market Player	GWP (RMB billion)	Market Share	Type of Intermediaries
1	Competitor A	40.0	45.5%	Dependent
2	**Our Group**	**6.5**	**7.3%**	Independent
3	Competitor B	5.4	6.1%	Independent
4	Competitor C	4.1	4.7%	Dependent
5	Competitor D	4.0	4.5%	Independent
	Top 5	40.8	68.6%	
	Total	**88.0**	**100%**	

Source: Expert Interview, Public Information Research, Frost & Sullivan

Note: Competitor A, founded in 2016 with a registered capital of RMB50.0 million, is a wholly-owned subsidiary of an open Internet platform committed to providing consumers with a safe and convenient Internet insurance experience.

Competitor B, founded in 2006 with a registered capital of RMB244.8 million, offers a wide variety of insurance products with a focus on long-term life and health insurance products to the new generation of consumers in China. It was listed on the NASDAQ.

Competitor C, founded in 2017 with a registered capital of RMB56.1 million, is a subsidiary insurance platform of an Internet technology company. It co-designs and markets affordable and innovative insurance products to the users of its social media program, drawing on InsurTech created from the parent company's distribution and data capabilities.

Competitor D, founded in 2018 with a registered capital of RMB50.0 million, is dedicated to insurance and healthcare services through medical crowdfunding, insurance marketplace, and healthcare. It was listed on the NASDAQ.

In 2023, we ranked second in China's online long-term life and health insurance market with a FYP of RMB3.0 billion. The following table sets forth the top five market participants in terms of FYP in 2023. FYP refers to the first year premiums of a newly signed insurance contract. FYP reflects the scale and growth of an insurance company's new business, and is one of the important indicators for measuring the performance of an insurance intermediary.

Online Long-term Life and Health Insurance Intermediary Market, by FYP* (2023)

Ranking	Market Player	FYP (RMB billion)
1	Competitor A	16.4
2	**Our Group**	**3.0**
3	Competitor C	2.5
4	Competitor D	2.2
5	Competitor E	1.8

Source: Expert Interview, Public Information Research, Frost & Sullivan

Note: * FYP refers to the first year's premium of a newly signed insurance contract. FYP can reflect the scale and growth of an insurance company's new business, and is one of the important indicators for measuring the performance of an insurance intermediary.

Competitor A, founded in 2016 with a registered capital of RMB50.0 million, is a wholly-owned subsidiary of an open Internet platform committed to providing consumers with a safe and convenient Internet insurance experience.

Competitor C, founded in 2017 with a registered capital of RMB56.1 million, is a subsidiary insurance platform of an Internet technology company. It co-designs and markets affordable and innovative insurance products to the users of its social media program, drawing on InsurTech created from the parent company's distribution and data capabilities.

Competitor D, founded in 2018 with a registered capital of RMB50.0 million, is dedicated to insurance and healthcare services through medical crowdfunding, insurance marketplace, and healthcare. It was listed on the NASDAQ.

Competitor E, founded in 2006 with a registered capital of RMB50.0 million, a national comprehensive insurance broker which offers a wide variety of insurance products and digital insurance services.

OVERVIEW OF DIGITAL INSURANCE OPERATION MANAGEMENT MARKET

Digital insurance operation management refers to the use of technology and digital tools to streamline and optimize various operational processes within the insurance industry. It involves the integration of digital platforms, software solutions, and data analytics to enhance efficiency, customer experience, and overall business performance. Digitalization of operation management encompasses a wide range of activities, including but not limited to insurance underwriting, claim settlement and risk assessment. It leverages advanced technologies such as AI, machine learning, big data analytics, and cloud computing to automate, digitize, and improve these processes.

Furthermore, digital insurance operation management enables insurers to gain valuable insights from the vast amount of data generated throughout the insurance lifecycle. These insights can be utilized to make data-driven business decisions, develop innovative insurance products, identify market trends, and improve overall operational efficiency.

Market Size of Digital Insurance Operation Management Market in China

The digital insurance operation management market grew from RMB3.1 billion in 2019 to RMB4.7 billion in 2023 with a CAGR of 11.2%. It is expected that in the next few years, along with the rapid development of digital technology, insurance companies have more opportunities to improve and optimize their operation and management processes. As a result, China's digital insurance operation management market is expected to reach RMB13.4 billion by 2028, with a CAGR of 21.5% from 2024 to 2028.

Development Trends of Digital Insurance Operation Management Market in China

Convergence of Business, Technology and Data

In the "Plan for Financial Technology 2022-2025", the People's Bank of China proposes that financial institutions need to build an integrated operation platform that combines business, technology, and data, which means that in the future, the integration of business, technology, and data will become the core driving force for the digital transformation of the financial sector.

In the insurance industry, the integration of these three elements does not mean piling up the technologies and data in the insurance business chain, but rather aiming to promote insurance product innovation, improve business models, and invigorate the market by selecting suitable technology types and integrating empowerment and innovative development. The development of technology requires a deep understanding of the scenarios corresponding to the target products and complete targeted application model reforms, while insurance products and services should also adjust and innovate according to the technological characteristics. Successful integration of business, technology, and data will bring strong business growth in the digital insurance operation management industry.

Our business in China is subject to extensive supervision and regulatory control by the PRC government. This section sets out a summary of the major relevant laws, regulations, rules and policies which may have significant impact on our business.

REGULATIONS ON CORPORATION AND FOREIGN INVESTMENT

The Company Law

On December 29, 1993, the Standing Committee of the National People's Congress (the "**SCNPC**") promulgated the Company Law of the PRC (《中華人民共和國公司法》), which came into effect on July 1, 1994 (subsequently amended on December 25, 1999, August 28, 2004, October 27, 2005, December 28, 2013, October 26, 2018 and December 29, 2023 (the latest amendments became effective on July 1, 2024)), provides that companies established in China may take the form of limited liability company or a company limited by shares. Each company has the status of a legal person and owns its assets in its own name. The Company Law applies to foreign-invested companies unless relevant laws provide otherwise.

The Foreign Investment Law of the PRC and the Regulations on the Implementation of Foreign Investment Law

On March 15, 2019, the National People's Congress (the "**NPC**") promulgated the Foreign Investment Law of the PRC (《中華人民共和國外商投資法》) (the "**2019 Foreign Investment Law**"), which took effect on January 1, 2020 and replaced the Sino-foreign Equity Joint Venture Enterprise Law of the PRC (《中華人民共和國中外合資經營企業法》), the Sino-foreign Cooperative Joint Venture Enterprise Law of the PRC (《中華人民共和國中外合作經營企業法》) and the Wholly Foreign-Owned Enterprise Law of the PRC (《中華人民共和國外資企業法》) to become the legal foundation for foreign investments in the PRC. The 2019 Foreign Investment Law sets out the definitions of foreign investments and the framework for promotion, protection and administration of foreign investment activities.

The 2019 Foreign Investment Law defines foreign investments as any investment activities directly or indirectly carried out in the PRC by one or more foreign natural persons, enterprises or other organizations, and specifically stipulates four forms of investment activities as foreign investments, namely, (a) establishment of a foreign-invested enterprise in the PRC by a foreign investor, either individually or collectively with any other investor; (b) obtaining shares, equities, assets interests or any other similar rights or interests of an enterprise in the PRC by a foreign investor; (c) investment in any new project in the PRC by a foreign investor, either individually or collectively with any other investor; and (d) investment in any other manners stipulated under laws, administrative regulations or provisions prescribed by the State Council.

The 2019 Foreign Investment Law establishes the administration systems for foreign investment, which mainly consists of national treatments plus the negative list system, the foreign investments information report system and the security review system. The 2019

Foreign Investment Law sets forth the principles and measures to promote foreign investments in the PRC and specifically provides that the PRC legally protects foreign investors' investment, earnings and other legitimate rights and interests in the PRC.

On December 26, 2019, the State Council promulgated the Implementation Regulations on the Foreign Investment Law of the PRC (《中華人民共和國外商投資法實施條例》), which came into effect on January 1, 2020, provides the detailed regulation and guidance for implementing the 2019 Foreign Investment Law. It states that enterprises shall be treated equally with respect to policy making and implementation.

The Measures for the Reporting of Foreign Investment Information

On December 30, 2019, the Ministry of Commerce of the PRC (the "**MOFCOM**") and the State Administration for Market Regulation of the PRC (the "**SAMR**") jointly issued the Measures for Reporting of Foreign Investment Information (《外商投資信息報告辦法》) (the "Foreign Investment Information Measures"), which came into effect on January 1, 2020 and on the same day replaced the Provisional Measures for the Filing Administration of Establishment and Changes of Foreign-Invested Enterprises (2018 Revision) (《外商投資企業設立及變更備案管理暫行辦法(2018年修正)》) promulgated by the MOFCOM on June 29, 2018. Foreign investors or foreign invested enterprises shall submit investment information to the commerce authorities through the online enterprise registration system and the National Enterprise Credit Information Publicity System. The relevant information shall be forwarded by the market regulatory authorities to the commerce authorities. The Provisional Measures for the Filing Administration of Establishment and Changes of Foreign-Invested Enterprises was abolished as of January 1, 2020.

Interim Provisions on Investment Made by Foreign-Invested Enterprises in China

On July 25, 2000, the Ministry of Foreign Trade and Economic Cooperation of the PRC and the SAIC jointly promulgated the Interim Provisions on Investment Made by Foreign-Invested Enterprises in China (《關於外商投資企業境內投資的暫行規定》), which was amended on October 28, 2015, stipulates that a foreign-invested enterprise are not permitted to invest in any sector prohibited to foreign investment. Where the foreign-invested enterprise makes investment in a restricted sector, it must file an application with the provincial commercial department of the place where the investee company is located.

Foreign Investment Industries Guidance

On February 11, 2002, the State Council promulgated the Provisions on Guiding the Orientation of Foreign Investment (《指導外商投資方向規定》), which came into effect on April 1, 2002, stipulates that projects with foreign investment shall fall into four categories, namely, "encouraged", "permitted", "restricted" and "prohibited". Encouraged, restricted and prohibited projects with foreign investment shall be listed in the catalogue of industries for guiding foreign investment, which may be revised and promulgated by the relevant departments from time to time, while any project not listed in the catalogue is deemed to be a permitted project for foreign investment.

The 2024 Negative List

On September 6, 2024, the National Development and Reform Commission (the "**NDRC**") and the MOFCOM issued the Special Administrative Measures for Access of Foreign Investment (Negative List) (2024 Edition) (《外商投資准入特別管理措施(負面清單)(2024年版)》) (the "**2024 Negative List**") which came into effect on November 1, 2024. The 2024 Negative List sets out the areas where foreign investment is prohibited and the areas where foreign investment is allowed only on certain conditions. Foreign investment in areas not listed in the 2024 Negative List is permitted and treated equally with domestic investment.

Regulations on Mergers and Acquisitions of Domestic Companies by Foreign Investors

On August 8, 2006, the MOFCOM and five other departments and commissions jointly promulgated the Regulations on Mergers and Acquisitions of Domestic Companies by Foreign Investors (《關於外國投資者併購境內企業的規定》), which came into effect on September 8, 2006 and subsequently amended by the MOFCOM on June 22, 2009, requires that foreign investors acquiring domestic companies by means of asset acquisition or equity acquisition shall comply with relevant foreign investment industry policies and shall be subject to approval by relevant commerce authorities.

REGULATIONS RELATED TO INSURANCE INTERMEDIARY BUSINESS

Principal Regulatory Authority and Related Institution Reform

The regulatory functions of the former national insurance regulatory authority, the China Banking and Insurance Regulatory Commission (the "**CBIRC**") and its local offices over the insurance industry (including the insurance agency industry) include, among others:

- implementing unified regulation of the insurance industry across the country in accordance with the laws and regulations, maintaining the legal and steady operation of the insurance industry;

- implementing access management of insurance institutions and their business scope in accordance with the laws and regulations, and examining the qualifications of senior executives and formulating code of conduct for practitioners in the insurance industry;

- supervising corporate governance, risk management, internal control, capital adequacy, solvency, business conduct and information disclosure of insurance institutions;

- conducting on-site inspections and off-site supervision of insurance institutions, conducting risk and compliance assessments, protecting the legitimate rights and interests of financial consumers, and investigate and imposing punishment on violations of laws and regulations in accordance with the law; and

- establishing a risk monitoring, evaluation and early warning system for the insurance industry, and conducting follow-up analysis on, monitoring and forecast of the operation of the insurance industry.

On March 10, 2023, the First Session of the Fourteenth National People's Congress approved the Decision on Reform Plan for Party and State Institutions (《黨和國家機構改革方案》). The plan stipulates, among others, that the State will establish the National Financial Regulatory Administration (the "**NFRA**") on the basis of the CBIRC, and delegate the PBOC's daily regulatory responsibilities for financial holding companies and other financial groups and financial consumer protection responsibilities as well as the CSRC's investor protection responsibilities into it. Upon the establishment of the NFRA, the CBIRC shall no longer be retained. The plan further provides to deepen the reform of local financial supervision system by establishing a local financial supervision system mainly composed of local agencies dispatched by the central financial supervision department. The reform tasks at the central level and the local level aim to be completed by the end of 2023 and by the end of 2024, respectively.

On May 18, 2023, the NFRA was officially established and has replaced the CBIRC to become the new insurance regulatory body in China.

Regulatory and Legal Framework

The legal framework for monitoring and administering insuring activities within the territory of the PRC is underpinned by laws and regulations including the Insurance Law of the PRC, or the PRC Insurance Law, and administrative regulations, departmental provisions and other regulatory documents stipulated in accordance with the PRC Insurance Law.

The PRC Insurance Law (《中華人民共和國保險法》), which took effect on October 1, 1995 and last amended on April 24, 2015, is the most important law in the regulatory and legal framework for the PRC insurance industry. The PRC Insurance Law provides that an insurance broker is an entity that, in the interest of the applicant, provides intermediary services between the applicant and the insurer for the conclusion of an insurance contract and receives a commission in accordance with relevant laws. An insurance agent shall be an institution or an individual which charge commissions from insurers and operate insurance business on behalf of insurers to the extent authorized by insurers. Insurance agencies include specialized insurance agencies which only operate the insurance agency business and concurrent-business insurance agency insurance agencies which concurrently operate the insurance agency business and other businesses. An insurance broker or insurance agency shall obtain an Insurance Brokerage License and an Insurance Agency License before it engages in insurance brokerage business or insurance agency business, respectively.

Since the promulgation and implementation of the PRC Insurance Law in 1995, the insurance supervision and regulatory authority has promulgated a series of departmental rules and regulations and other regulatory documents pursuant to the PRC Insurance Law, covering almost all aspects of insurance operations. Regarding the establishment of insurance brokers, there are other important laws and regulations besides the PRC Insurance Law, including the

Regulatory Provisions on Insurance Brokerages (《保險經紀人監管規定》) (the "**Insurance Brokerages Provisions**"), which became effective on May 1, 2018. The Insurance Brokerages Provisions specify provisions regarding market access, operation rules, exit from market, industry self-discipline, monitoring and inspection and legal obligations for insurance brokers. Regarding the insurance agency business, besides the PRC Insurance Law, insurance agents shall comply with the Regulatory Provisions on Insurance Agents (《保險代理人監管規定》) (the "**Insurance Agents Provisions**"), promulgated on November 12, 2020, and became effective on January 1, 2021, which specify provisions regarding market access, office qualifications, practitioners, operation rules, market exit, and legal liabilities for insurance agents. Regarding the insurance adjustment assessment business, the Regulatory Provisions on Insurance Adjusters (《保險公估人監管規定》) (the "**Insurance Adjusters Provisions**"), which was promulgated on February 1, 2018, and became effective on May 1, 2018, provides provisions on operating conditions, operation rules, market exit, industrial self-regulation and legal liabilities for insurance adjusters.

The Administrative Measures for the Licenses of Banking and Insurance Institutions (《銀行保險機構許可證管理辦法》), which was issued by the CBIRC on April 28, 2021, and took effect from July 1, 2021, stipulate that banking and insurance institutions, shall, when conducting financial business, legally obtain the applicable license (namely, a financial license, an insurance license or an insurance intermediary license) and a business license issued by the administration for market regulation. Wherein, insurance intermediary licenses (保險中介許可證) shall apply to insurance agency group (holding) companies, insurance brokerage group (holding) companies, professional insurance agency companies, insurance brokerage companies, concurrent-business insurance agencies and other insurance intermediaries.

On October 28, 2021, the CBIRC promulgated the Measures for the Implementation of Administrative License and Recordation for Insurance Intermediaries (《保險中介行政許可及備案實施辦法》), which became effective on February 1, 2022, clarifying the conditions and procedures for administrative approval and filing matters for the insurance intermediary business.

On September 8, 2024, the State Council promulgated the Several Opinions of the State Council on Strengthening Regulation, Preventing Risks, and Promoting High-Quality Development in the Insurance Industry (《國務院關於加強監管防範風險推動保險業高質量發展的若干意見》), which took effective on the same day, with the overarching goals of rigorous oversight, risk prevention, and high-quality advancement to fully harness the insurance sector's role as an economic shock absorber and social stabilizer. Key measures include strict approval processes for insurance institutions, rigorous vetting of management qualifications, thorough scrutiny of shareholder credentials, enhanced corporate governance supervision, intensified asset-liability linkage regulation, tiered and classified regulatory frameworks, and reinforced protections for insurance consumers' rights and interests and so on.

Market Admittance

Establishment of Insurance Brokers and Acquisition of Qualification for Operating Insurance Brokerage Business

Pursuant to the PRC Insurance Law and the Insurance Brokerages Provisions, to operate insurance brokerage business within the territory of the PRC, an insurance brokerage company shall satisfy the requirements stipulated by the China Insurance Regulatory Commission (the "**CIRC**") (the predecessor of the CBIRC) and obtain a license to operate insurance brokerage business. The minimum registered capital of an insurance brokerage company that conducts business in regions not limited to the provincial level is RMB50 million. The minimum registered capital of an insurance brokerage company that conducts business within the provincial level is RMB10 million. The registered capital of an insurance brokerage company must be fully paid in cash.

An insurance broker applying for operating insurance brokerage business shall, after obtaining the business license, submit without delay the application materials as required by the NFRA and disclose the relevant information. The NFRA and its local branches shall grant administrative licenses in accordance with their statutory responsibilities and procedures. If the NFRA and its local branches permit an applicant to operate the insurance brokerage business in accordance with the law, they shall issue licenses to the applicant. An applicant may not carry out the insurance brokerage business until it obtains the license, and it shall register the relevant information in a regulatory information system as prescribed by the NFRA in time. In addition, an insurance broker shall have its own business premise and set up a designated account book to record the income and expenditure of the insurance brokerage business. An insurance broker shall open an independent designated account for client funds. The following funds shall only be deposited in the designated account for client funds: (i) insurance premiums paid by policyholders to an insurance company; and (ii) surrender value and pay-outs collected on behalf of policyholders, insured parties and beneficiaries. An insurance broker shall open an independent account for commissions it collects.

To operate insurance brokerage business, pursuant to Article 7 of the Insurance Brokerages Provisions, an insurance brokerage company shall satisfy the following conditions: (i) its shareholders meet the requirements stipulated in the Insurance Brokerages Provisions, and make capital contribution with their self-owned, true and lawful funds instead of bank loans or non-self-owned funds in various forms; (ii) its registered capital meets the requirements of Article 10 of the Insurance Brokerages Provisions and the registered capital shall be entrusted in accordance with the relevant provisions of the NFRA; (iii) its business scope recorded in the business license is in compliance with the relevant provisions of the NFRA; (iv) its articles of association are in conformity with the relevant provisions; (v) its company name is in conformity with the Insurance Brokerages Provisions; (vi) its senior managers meet the qualification requirements stipulated in the Insurance Brokerages Provisions; (vii) it has established a governance structure and internal control system as stipulated by the NFRA, and a scientifically and reasonably feasible business mode; (viii) it has

a fixed premise in line with its business scale; (ix) it has a business and financial information management system as stipulated by the NFRA; and (x) other conditions specified by laws and administrative regulations or prescribed the NFRA.

According to Measures for the Implementation of Administrative License and Recordation for Insurance Intermediaries, the NFRA or its local office shall issue a license to an applicant if the NFRA or its local office makes a decision to grant approval. If a decision of disapproval is made, the reasons shall be explained. A company that survives shall modify its registration of the name, business scope, bylaws and other items according to the law, to ensure that there is no "insurance brokerage" in its name.

Establishment of Insurance Agents and Acquisition of Qualification for Operating Insurance Agency Business

Pursuant to the PRC Insurance Law and the Insurance Agents Provisions, to operate insurance agency business within the territory of the PRC, a specialized insurance agency company shall satisfy the requirements stipulated by the NFRA and obtain an Insurance Agency License. The minimum registered capital of a specialized insurance agency company that conducts business in regions not limited to the provincial level is RMB50 million. The minimum registered capital of a specialized insurance agency that conducts business within the provincial level is RMB20 million. The registered capital of full-time insurance agency must be paid in cash.

A specialized insurance agency company applying for operating insurance agency business shall, after obtaining the business license, submit without delay the application materials as required by the NFRA and disclose the relevant information. The NFRA and its local branches shall grant the Insurance Agency License in accordance with their statutory responsibilities and procedures. If the NFRA and its local branches permit such applicant to operate the insurance agency business in accordance with the law, they shall issue licenses to the applicant. An applicant may not carry out the insurance agency business until it obtains the Insurance Agency License, and it shall register the relevant information in a regulatory information system as prescribed by the NFRA in time. In addition, an insurance agency company shall have its own business premise and set up a designated account book to record the income and expenditure of the insurance agency business. An insurance agency company shall open an independent designated account for client funds.

To operate insurance full-time agency business, a specialized insurance agency company shall satisfy the following conditions: (i) its shareholders meet the requirements stipulated in the Insurance Agents Provisions, and make capital contribution with their self-owned, true and lawful funds instead of bank loans or non-self-owned funds in various forms; (ii) its registered capital meets the requirements of Article 10 of the Insurance Agents Provisions and the registered capital shall be entrusted in accordance with the relevant provisions of the NFRA; (iii) its business scope recorded in the business license is in compliance with the relevant provisions of the NFRA; (iv) its articles of association are in conformity with the relevant provisions; (v) its company name is in conformity with the Insurance Agents Provisions; (vi)

its senior managers meet the qualification requirements stipulated in the Insurance Agents Provisions; (vii) it has established a governance structure and internal control system as stipulated by the NFRA, and a scientifically and reasonably feasible business mode; (viii) it has a fixed premise in line with its business scale; (ix) it has a business and financial information management system as stipulated by the NFRA; and (x) other conditions specified by laws and administrative regulations or prescribed the NFRA.

According to Measures for the Implementation of Administrative License and Recordation for Insurance Intermediaries, the NFRA or its local office shall issue a license to an applicant if the NFRA or its local office makes a decision to grant approval. If a decision of disapproval is made, the reasons shall be explained. A company that survives shall modify its registration of the name, business scope, bylaws and other items according to the law, to ensure that there is no "insurance agency" in its name.

Establishment of Insurance Adjusters and Filing for Operating Insurance Adjustment Assessment Business

Pursuant to the Insurance Adjusters Provisions, to operate insurance adjustment assessment business within the territory of the PRC, insurance adjusters shall satisfy the requirements as prescribed in the Asset Appraisal Law, meet the conditions as prescribed by the NFRA, and make a filing with the NFRA and its local offices.

An insurance adjuster organized in the form of a company shall have eight or more insurance assessment practitioners and two or more shareholders, and two-thirds or more of its shareholders shall be insurance assessment practitioners with three years or more years of practicing experience and without any penalty records of being suspended from practice in the most recent three years.

An insurance adjustment assessment institution to engage in insurance adjustment assessment business, shall, within 30 days from the date of obtaining the business license, make a filing with the NFRA and its local office through the regulatory information system prescribed by the NFRA and concurrently submit paper materials as required. To operate insurance adjustment assessment business, an insurance adjustment assessment company shall satisfy the following conditions: (i) its shareholders meet the requirements stipulated in the Insurance Adjusters Provisions and make capital contribution with their self-owned, true and lawful funds instead of bank loans or non-self-owned funds in various forms; (ii) according to the business development plan, it has the working capital required for routine business operation and assumption of risks. A national institution shall have working capital of RMB2 million and a regional institution shall have working capital of RMB1 million; (iii) the custody of its working capital complies with the relevant provisions issued by the NFRA; (iv) the business scope recorded in the business license does not exceed the scope as prescribed in Article 43 of the Insurance Adjusters Provisions; (v) its articles of association or partnership agreements comply with the relevant provisions. (vi) its company name is in conformity with the Insurance Adjusters Provisions; (vii) its board chairman, executive director and senior managers meet the qualification requirements stipulated in the Insurance Adjusters Provisions;

(viii) it has established a governance structure and internal control system as stipulated by the NFRA, and a scientifically and reasonably feasible business mode; (ix) it has a fixed premise in line with its business scale; (x) it has a business and financial information management system as stipulated by the NFRA; and (xi) other conditions specified by laws and administrative regulations or prescribed the NFRA.

Requirements for Establishing New Branches

Pursuant to the Insurance Brokerages Provisions, an insurance brokerage company which conducts business in regions not limited to the province, autonomous region, municipality directly under the State Council, or the city specifically designated in the State plan where its business registration is made may operate insurance brokerage business within the territory of the PRC. Where such insurance brokerage company sends insurance brokerage practitioners to places other than its place of registration to serve the applicants or the insured that are natural persons, it shall set up local branches. The relevant local offices of the insurance regulator under the State Council shall exercise the responsibilities of administration and supervision on insurance brokerage companies and their branches within the scope as authorized by the insurance regulator under the State Council. A newly-established branch of an insurance brokerage company operating insurance brokerage business shall satisfy the following criteria: (i) the insurance brokerage company and its branches were not subject to criminal punishment or major administrative punishment in the preceding year; (ii) the insurance brokerage company and its branches are not under investigation by the relevant authorities for an alleged illegal act or criminal offence; (iii) the insurance brokerage company and its branches have not encountered a mass complaint visit by 30 or more persons or an unusual mass policy surrender by 100 or more policyholders in the preceding year; (iv) a branch established within the past two years has not exited from the market during its first year of operation; (v) have a proper branch management system; (vi) newly-established branch shall have business premises, business and financial information systems which satisfy the requirements, and have other facilities compatible with its businesses; (vii) the key person-in-charge of a newly-established branch satisfies the appointment criteria stipulated in these Provisions; and (viii) any other criteria stipulated by the CIRC.

Pursuant to the Insurance Agents Provisions, a specialised insurance agency which conducts business in regions not limited to the province, autonomous region, municipality directly under the State Council, or the city specifically designated in the State plan where its business registration is made may operate insurance agency business within the territory of the PRC. Where such specialised insurance agency carries out insurance agency business outside its place of registration, it shall set up local branches. The relevant local offices of the insurance regulator under the State Council shall exercise the responsibilities of administration and supervision on insurance agencies and their branches within the scope as authorized by the insurance regulator under the State Council. A specialised insurance agency which intends to establish a new branch to operate insurance agency business shall meet the following criteria: (i) the specialised insurance agency and its existing branches have not been subject to criminal punishment or material administrative punishment within the past year; (ii) the specialised insurance agency and its existing branches are not currently subject to investigation by the

relevant authorities for alleged illegal act or crime; (iii) the specialised insurance agency and its existing branches have not been involved in any collective appealing or class action lawsuit event of more than 30 people or any abnormal collective surrender of insurance policies by more than 100 people within the past year; (iv) the branches established within the past two years have not exited from the market within one year of operation; (v) the specialised insurance agency has a proper branch management system; (vi) the newly established branch shall have business premises, business and financial information management system and other facilities compatible with its businesses which satisfy the requirements; (vii) the principal of a newly established branch shall satisfy the corresponding appointment qualification requirements; and (viii) any other conditions stipulated by the insurance regulatory authority under the State Council.

Pursuant to the Insurance Adjusters Provisions, a newly-established branch of an insurance adjustment assessment institution operating public insurance adjustment businesses shall satisfy the following criteria: (i) the public insurance adjustment organisation and its branches were not subject to criminal punishment or major administrative punishment in the preceding year; (ii) the public insurance adjustment organisation and its branches are not under investigation by the relevant authorities for an alleged illegal act or criminal offence; (iii) a branch established within the past two years has not exited from the market during its first year of operation; (iv) have a proper branch management system; (v) the newly-established branch has business premises, business and financial information systems which satisfy the requirements, and has other facilities compatible with its businesses; and (vi) any other criteria stipulated by the CIRC.

Furthermore, if an insurance brokerage company, a specialized insurance agency or an insurance adjustment assessment institution is identified by the relevant PRC Governmental Authorities as a subject of joint punishment for dishonesty due to a serious dishonest act and shall be punished in the insurance sector, or has any other bad record of serious dishonesty within the past five years, it shall not establish a new branch to operate insurance brokerage businesses, insurance agency business or public insurance adjustment businesses.

Internal Governance

Deposit and Professional Liability Insurance

Pursuant to relevant provisions of the PRC Insurance Law, an insurance broker and an insurance agency shall, in accordance with the provisions stipulated by the insurance supervision and control authority under the State Council, make contributions to security deposit or apply for professional liability insurance.

Once the professional liability insurance is procured, an insurance broker and a specialized insurance agency shall ensure that the insurance remains valid. The maximum compensation for each accident under the professional liability insurance procured by an insurance broker or a specialized insurance agency shall be no less than RMB1 million. One-year accumulated maximum compensation shall be no less than RMB10 million and no

less than the insurance broker's or the specialized insurance agency's income from primary business in the previous year. A concurrent-business insurance agency shall purchase professional liability insurance or make contributions to security deposit in accordance with the rules of the NFRA.

If an insurance brokerage company and a specialized insurance agency company intends to pay deposit, the deposit shall be paid at 5% of its registered capital; if the insurance brokerage company and the specialized insurance agency company increase the registered capital, the amount of the deposit shall be increased proportionately. An insurance brokerage company and a specialized insurance agency company shall pay the deposit in full. The deposit shall be stored in a designated account in the form of bank deposit to a commercial bank or in any other form approved by the NFRA.

Under any of the following circumstances, an insurance brokerage company and a specialized insurance agency company may use the deposit: (i) decrease of the registered capital; (ii) cancellation of the license; (iii) taking out of professional liability insurance in conformity with the conditions; or (iv) other circumstances provided for by the NFRA.

According to the Insurance Adjusters Provisions, an insurance adjuster shall, within twenty days from the date when the recordation is announced and based on business needs, establish an occupational risk fund, or purchase the professional liability insurance, and improve the risk prevention procedures.

An insurance adjuster that establishes an occupational risk fund shall pay 5% of its main business income in the last year into the fund, and accordingly increase the amount of the occupational risk fund, if the annual main business income is increased; and it is not required to increase the occupational risk fund, if the deposit amount of the occupational risk fund reaches RMB1 million. An insurance adjuster that purchases professional liability insurance shall ensure the continuous validity of the insurance. The limit of liability for each accident under the professional liability insurance purchased by an insurance adjuster shall not be less than RMB1 million, and the cumulative one-year limit of liability shall not be less than RMB10 million and not be less than main business income of the insurance adjuster in the last year.

Qualification Management for Directors, Supervisors and Senior Management Personnel

According to the Insurance Brokerages Provisions and the Insurance Agents Provisions, senior officers of an insurance broker and a specialized insurance agency refer to the following persons: (i) the general manager and deputy general manager of an insurance brokerage company and a specialized insurance agency; (ii) the principals of provincial branch offices; and (iii) other personnel who exercises important authority over the operation and management of the company. Senior officers of an insurance broker and a specialized insurance agency shall obtain the employment qualification approved by the local branches of NFRA prior to assumption of duty.

The senior officers of an insurance broker and a specialized insurance agency shall meet the following conditions: (i) having college degree or above; (ii) having been engaged in finance-related work for more than three years or having been engaged in economics-related work for more than five years; (iii) having the operation and management ability necessary for performing duties, and being familiar with insurance laws, administrative regulations and the relevant NFRA provisions; and (iv) being honest and trustworthy and of good character. Persons who have been engaged in finance-related work for more than ten years are not subject to clause (i) above. Principals of branches other than the provincial branch offices to be employed by an insurance broker or a specialized insurance agency shall satisfy the conditions listed above.

Pursuant to the Insurance Brokerages Provisions, any person who falls under any of the following circumstances may not serve as senior officers of an insurance broker and principals of branches other than provincial branch offices: (i) serving as a director, supervisor or senior officer of an insurance company or insurance intermediary whose license has been revoked for not more than three years from the revocation date due to violations of law, and being individually liable or being responsible for leadership for the license revocation; (ii) being a director, supervisor or senior officer of a financial institution whose qualification has been canceled for not more than five years from the date of disqualification due to illegal activities or discipline misconduct; (iii) being prohibited from entering the financial industry for a certain period of time by any financial regulator and the said period is not yet ended; (iv) having been warned or fined by any financial regulator for not more than two years from the date of such warning or fine; (v) being investigated by any judiciary, discipline inspection and supervision departments or financial regulators; (vi) being subject to joint punishments by the relevant state entities and shall be punished in the field of insurance due to serious dishonesty, or being involved in other serious dishonesty records within the recent five years; or (vii) other circumstances specified by laws and administrative regulations and by the NFRA.

Without the approval of the shareholders' meeting or the general meeting of shareholders, no senior officers of an insurance broker or principals of branches other than provincial branch offices may work at the same time at any institution with conflict of interest.

Pursuant to the Insurance Agents Provisions, any person who falls under any of the following circumstances shall not be appointed as a senior officer of a specialized insurance agency or the principal of a branch other than the provincial branch company: (i) having no capacity for civil conduct or limited capacity for civil conduct; (ii) having been sentenced to any criminal penalty due to corruption, bribery, encroachment of property, misappropriation of property or disrupting the socialist market order and it is less than five years since the completion of the execution of the penalty; or having been deprived of political rights due to any crime and it is less than five years since the completion of the execution of the penalty; (iii) serving as a director, factory director or manager of a bankrupt and liquidated company or enterprise and being personally responsible for the bankruptcy of such company or enterprise, where not more than three years have elapsed since the completion of the bankruptcy and liquidation; (iv) having served as the legal representative of a company or enterprise whose business license has been revoked or which has been ordered to close down

due to a violation of law and being personally liable, and it is less than three years since the date of revocation of the business license; (v) having served as the director, supervisor or senior officer of an insurance company or insurance intermediary whose permit is revoked as a result of violation of laws and being personally liable or having direct leadership liability for the revocation of the permit, and it is less than three years since the date of revocation of the permit; (vi) having served as a director, supervisor or senior officer of a financial institution whose appointment qualifications have been revoked by the financial regulatory authorities due to illegal or disciplinary offense and it is less than five years since the date of revocation of appointment qualifications; (vii) having been barred from the financial industry by the financial regulatory authorities for a certain period of time and such period has not expired yet; (viii) having been warned or fined less than two years by the financial regulatory authorities; (ix) having been investigated by the judicial authorities, disciplinary inspection authorities or financial regulatory authorities; (x) having failed to repay a relatively large amount of personal debt due; (xi) having been identified by the relevant State agencies as a subject of joint punishment for dishonesty and shall be punished in the insurance sector due to a serious dishonest conduct, or having other bad records of serious dishonest conduct within the past five years; or (xii) any other circumstances stipulated by laws, administrative regulations and the provisions of the NFRA.

According to the Insurance Adjusters Provisions, senior officers of an insurance adjuster refer to the following persons: (i) the general manager and deputy general manager of an insurance adjustment assessment company; (ii) the executive partner of an insurance adjustment assessment partnership; (iii) the primary person in charge of a branch; and (iv) executives who have the same function and power as the aforesaid personnel.

The board chairman or executive director or senior executive of an insurance adjuster shall meet the following conditions: (i) he or she has an educational background of junior college or above; (ii) having been engaged in financial work or asset appraisal work for more than three years or having been engaged in economic work for more than five years; (iii) having the management capability required for performing the duties and familiar with insurance laws and administrative regulations and the relevant provisions issued by the NFRA; and (iv) being honest and trustworthy and of good character. Persons who have been engaged in financial or asset appraisal work for more than ten years are not subject to clause (i) above.

Informatization Management

The CBIRC released the Measures for the Regulation of Informatization of Insurance Intermediaries (《保險中介機構信息化工作監管辦法》) on January 5, 2021, which came into effect on February 1, 2021, to regulate informatization work by strengthening the regulation of insurance intermediaries, improving operating and management level of insurance intermediaries, and promoting the high-quality development of the insurance intermediary industry.

Insurance intermediary institutions shall, in accordance with regulatory requirements, report regulatory matters and submit regulatory data to the NFRA and its local counterparts in a timely manner through the relevant information system of insurance intermediary supervision. In addition, Insurance intermediaries shall, including without limitation (i) reasonably determine the security level of information systems in accordance with the relevant national cyber security level protection regulations, perform protections in accordance with the national cyber security level protection related standards, and obtain the corresponding national cyber security level protection certification; (ii) take protective measures for important data to ensure the safety of data in the process of collection, storage, transmission, use, provision, backup, restoration, and destruction, use data legally while strictly preventing data leakage, tampering and damage, and ensure data integrity, confidentiality and availability; (iii) follow the principles of lawfulness, fairness and necessity, comply with relevant national laws and administrative regulations, and comply with national standards related to personal information security when collecting, processing and applying data containing personal information; and (iv) carry out informatization training, information security training and confidentiality education regularly, sign information security and confidentiality agreements with employees, and urge employees to perform information security and confidentiality duties corresponding to their jobs.

Anti-money Laundering

Pursuant to the Notice of Strengthening Anti-money Laundering in Insurance Industry (《關於加強保險業反洗錢工作的通知》) promulgated by the CIRC on August 10, 2010, and Administrative Measures for Anti-money Laundering Agenda in Insurance Industry (《保險業反洗錢工作管理辦法》) promulgated by the CIRC on September 13, 2011 and became effective on October 1, 2011, the NFRA shall organize, coordinate and direct anti-money laundering effort in insurance industry.

Pursuant to the Notice of Strengthening Anti-money Laundering in Insurance Industry, equity investments in insurance intermediaries and equity structure changes therein should be in line with relevant requirements on fund sources in anti-money laundering laws and regulations of the PRC.

Newly established insurance intermediaries and branch institutions and those restructured or reformed should meet anti-money laundering criteria specified by the CIRC, including (i) establishment of system for client identity recognition, client identity and transaction record keeping, training and education, auditing, confidentiality, internal control system and operation protocols including those facilitating monitoring and inspection and administrative investigation; (ii) dedicated anti-money laundering posts and job descriptions, manning and training for such posts; and (iii) other requirements according to regulatory provisions.

Application materials for ratifying qualification of senior management of insurance intermediaries should include statement by application disclaiming major administrative penalty related to anti-money laundering for the past two years; if the applicant has any work experience in an overseas financial institution, statement disclaiming major administrative

penalty related to anti-money laundering for the past two years in the place of the financial institution. Senior management of insurance institutions and intermediaries should conscientiously perform their anti-money laundering duties of their purview. Principle leaders of insurance institutions and intermediaries shall take the responsibility for effective implementation of anti-money laundering internal control system. All insurance institutions and intermediaries should periodically collect and consolidate anti-money laundering information, keep track of anti-money laundering initiatives, attach great importance to money laundering risk prevention and mitigation, extend conscientious efforts in anti-money laundering training and education, to improve anti-money laundering awareness and competence.

According to the provisions of the Administrative Measures for Anti-money Laundering Agenda in Insurance Industry, insurance brokerage companies shall, in the light of the real-name system for policies and according to the work principles that client materials are complete, transaction records are available for inspection and circulation of funds is regulated, effectively enhance the internal control level of anti-money laundering. Insurance brokerage companies shall establish an internal control system for anti-money laundering and prohibit funds which have an illegal source from investing into their equity. The senior management officers of insurance brokerage companies shall understand laws and regulations on anti-money laundering.

Specialised insurance agencies and brokers should carry out anti-money laundering training and education, properly manage major money laundering cases involving the company, facilitate anti-money laundering monitoring and inspection, administrative investigation and investigation of criminal activities involving money laundering, and keep confidential any information related to lawful anti-money laundering initiatives.

Market Behaviours

Business Scope of Insurance Intermediaries

According to the Insurance Brokerages Provisions, an insurance broker when engaging in insurance brokerage business, may not exceed the business scope and business area of the underwriter. An insurance broker may operate all or part of the following businesses: (i) draft insurance plans for policyholders, select insurance companies and process insurance application formalities; (ii) assist insured parties or beneficiaries in making claims; (iii) carry out reinsurance brokerage businesses; (iv) provide disaster prevention or loss prevention or risk evaluation and risk management advisory services to entrusting parties; and/or (v) any other insurance brokerage-related businesses stipulated by the NFRA. Where the NFRA otherwise provides for any insurance brokerage business involving coinsurance or underwriting insurance at another locality and master policy, such provisions shall prevail.

An insurance broker and its practitioners may not sell non-insurance financial products, except for non-insurance financial products approved by the relevant financial regulatory authorities. Before selling non-insurance financial products, an insurance broker and its practitioners shall have the necessary qualifications.

According to the Insurance Agents Provisions, a specialized insurance agency when engaging in insurance agency business, may not exceed the business scope and business area of the underwriter. A specialized insurance agency may operate all or part of the following businesses: (i) sell insurance products as an agent; (ii) collect insurance fees as an agent; (iii) conduct loss investigation and claims settlement concerning insurance business; and (iv) any other insurance agency-related businesses stipulated by the NFRA. An insurance agency shall not engage in insurance agency business beyond the business scope and operating regions of the insurance company on behalf of which it provides agency services, except insurance agency business involving co-insurance outside its business territory, insurance underwritten outside its business territory, or master policies as otherwise prescribed by the NFRA.

According to the Insurance Adjusters Provisions, an insurance adjuster when engaging in insurance adjustment assessment business, may not exceed the business scope and business area of the underwriter. An insurance adjuster may operate all or part of the following businesses: (i) the pre-underwriting and post-underwriting inspection, valuation, and risk assessment of the subject matters of insurance; (ii) the post-claim survey, inspection, loss assessment, and claim settlement in respect of the subject matters of insurance as well as the disposition of their residual value; (iii) risk management consulting; and (iv) other business as prescribed by the NFRA.

Services and Products Provided by Insurance Intermediaries and Their Practitioners

Pursuant to the Basic Service Standards for Insurance Brokers (《保險經紀機構基本服務標準》) promulgated by the CIRC on January 16, 2013, the service steps and content of insurance brokers for policyholders and the insured (consumers) include but not limited to the establishment of insurance brokerage relationship, risk assessment, preparation of insurance purchase plan, selection of insurance companies for the clients, procedures for taking out insurance policies, services during the insurance period, assistance in claims and complaint settlement.

Aiming to maximize benefits for clients in providing services, insurance brokers shall comply with laws, administrative regulations and the relevant provisions of the CIRC, act in good faith with professional competency and due diligence, fully perform the notification obligations, disclose all the relevant information and protect the privacy and business secrets of clients. Employees in such industry shall fulfill the legitimate qualification conditions with good occupational ethics and strong practice capability. An insurance broker shall: (i) notify and disclose all the necessary details in establishing insurance brokerage service relationship with clients; (ii) be professional in risk assessment for clients with due care; (iii) prepare complete and proper insurance purchase plan for clients; (iv) put client interests first in choosing insurance companies; (v) be meticulous and proper in going through insurance

purchase formalities for clients; (vi) provide considerate and complete services during insurance period; (vii) be fast and dutiful in assisting clients' claims (while only licensed insurance companies should have the right to decide on claim settlement); and (viii) deal with complaints in an effective and timely manner.

Pursuant to the Basic Service Standards for Insurance Agencies (《保險專業代理機構基本服務標準》) promulgated by the CIRC on January 16, 2013, the service steps and content of insurance agencies for policyholders and the insured (consumers) include but not limited to sufficient communications with customers to understand their insurance needs, recommendation of insurance products, assistance to customers in their handling of insurance application formalities, offering of policy service, assistance to customers in their claims, handling of complaints and so forth. An insurance agency shall: (i) make full notification and disclosure when contacting a customer for the first time; provide pre-sale service in a thoughtful and responsible manner; (ii) provide in-sale service in a comprehensive and meticulous manner; (iii) provide after-sale service in a diligent and efficient manner; (iv) assist a customer in claiming for indemnity in an appropriate and timely manner; and (v) handle complaints in a timely and effective manner.

According to the Basic Service Standards for Insurance Assessment Agencies (《保險公估機構基本服務標準》) promulgated by the CIRC on January 16, 2013, the steps and contents of insurance assessment services offered by insurance assessment agencies to customers shall include, but not limited to, acceptance of entrustment to establish insurance assessment service relationship, risk assessment for the entrusting parties, survey on the subject matter after the accident, determination of responsibilities and losses, handling of insurance consumers' complaints and so forth. Insurance assessment agencies shall: (i) make full notification and disclosure when deciding to establish an insurance assessment service relationship; (ii) conduct risk assessment in a professional and prudent manner; (iii) conduct survey in a detailed and timely manner; (iv) determine liabilities and assess losses in a conscientious and impartial manner, and conduct complete communication; and (v) handle complaints in a timely and effective manner.

According to the Insurance Brokerages Provisions and the Insurance Agents Provisions, an insurance broker, an insurance agent, and their practitioners may not have the following acts in handling insurance business: (i) cheating the insurer, the applicant, the insured or the beneficiary; (ii) concealing any important circumstances relating to the insurance contract; (iii) obstructing the applicant to fulfill the obligation of telling the truth, or inducing the applicant not to fulfill the same; (iv) granting or promising to grant to the applicant, the insured or the beneficiary any interest other than that stipulated in the insurance contract; (v) compelling, inducing the applicant to enter or restricting from entry into an insurance contract by using its administrative power, position or the advantage of their profession and other improper means; (vi) forging or altering the insurance contract without authorization or providing false evidence for parties to the insurance contract; (vii) misappropriating, retaining or embezzling the premiums or insurance benefits; (viii) making use of the advantages of the business to obtain improper benefits for other institutions or individuals; (ix) defrauding insurance benefits in collusion with the applicant, the insured or the beneficiary; or (x) disclosing trade secrets of

the insurer, the applicant and the insured known during the business activities. An insurance broker, an insurance agent and their practitioners shall not solicit or accept any remuneration or other property other than those as agreed in contract and granted by any insurance company or its staff or take advantage of executing the insurance brokerage business to obtain other illegal benefits in the course of carrying out the insurance brokerage/agency business.

In addition, an insurance broker shall prepare standardized information booklets for customers in the course of conducting businesses. The information booklet for customers shall include the following matters: (i) name, business premises, scope of business and contact details of the insurance broker; (ii) the method for obtaining of remuneration by the insurance broker, including information on whether the insurance broker collects commission from the insurance company etc.; (iii) whether the insurance broker and its senior management personnel are a related party of an insurance company or any other insurance intermediary which relate to its brokerage businesses; and (iv) complaint channel and dispute resolution method. Unless as otherwise prescribed by the NFRA, an insurance agency shall, during the process of engaging in business, develop and produce the client notification. A client notification shall, at a minimum, include the following: (i) name, business premise, scope of business and contact methods of the insurance agency and the insurance company; (ii) whether there is any affiliation relationship between the senior executives of a full-time insurance agency and the insurance company for which agency services are provided or another insurance intermediary institution; and (iii) complaint channel and dispute resolution method.

According to the Insurance Adjusters Provisions, an insurance adjuster may not have the following acts in handling insurance adjustment assessment business: (i) seeking illicit benefits by taking advantage of its business; (ii) permitting another institution to carry out business in its name, or carrying out business by illegally using the name of another institution; (iii) soliciting business by illicit means such as maliciously beating down prices, offering kickbacks, conducting false publicity or disparaging or defaming any other adjustment institution; (iv) accepting any business to which it is an interested party; (v) accepting the authorization of both parties to the conflict of interest respectively and conducting appraisal of the same appraisal object; (vi) issuing any false adjustment report or any adjustment report with material omission; (vii) retaining or designating a person who does not comply with the provisions to carry out adjustment business; and (viii) committing any other violation of law or administrative regulation. In addition, an insurance adjuster shall develop a standard client notification letter and present it to clients when carrying out business. A client notification letter shall, at a minimum, include the name, recordation information, business premises, scope of business, contact information, complaint channels, dispute settlement methods and other basic matters of the insurance adjuster.

Management of Practitioners with Insurance Intermediaries

Pursuant to the CIRC Notice on Relevant Issues Pertaining to Administration of Practitioners with Insurance Intermediaries (《關於保險中介從業人員管理有關問題的通知》), which was promulgated and became effective on August 3, 2015, before an insurance intermediary practitioner begins to practice, his/her company shall handle the practicing

registration in the insurance intermediary regulatory information system of the NFRA for him/her, and the qualification certificate shall not be served as necessary condition for administration of practicing registration.

According to the Insurance Brokerages Provisions and the Insurance Agents Provisions, an insurance broker and a specialized insurance agency shall register the practicing of its practitioners, who can only have his/her practicing records registered with only one insurance broker or insurance agency, and shall employ practitioners who have good conduct, and shall not employ a person who: (i) has been subject to criminal punishment due to corruption, bribery, encroachment of property, misappropriation of property or disruption of the order of the socialist market economy, and a five-year period has not elapsed since the completion of the execution of the sentence; (ii) is barred from the financial industry by the financial regulatory authority for a certain period of time and such period has not expired yet; (iii) has been identified by the relevant State agency as a subject of joint punishment for dishonesty due to a serious dishonest conduct and shall be punished in the insurance sector, or he/she has any other bad record of serious dishonest conduct within the past five years; or (iv) any other circumstances stipulated by laws, administrative regulations and the CIRC. An insurance broker and a specialized insurance agency shall complete practice registration for their practitioners and manage practice registration information by promptly registering personal information and scope of authorisation, recording the information of punishment, termination of engagement/entrustment.

According to the Insurance Adjusters Provisions, an insurance adjuster shall register the practicing of its practitioners, who can only have his/her practicing records registered with only one insurance adjuster, and shall employ practitioners who have good conduct. An insurance adjuster shall not employ who (i) has served a criminal sentence due to a crime committed intentionally or a crime committed by negligence in conducting valuation, finance, accounting and auditing activities, and a five-year period has not elapsed since the completion of the execution of the sentence; (ii) is barred from the financial industry and asset valuation industry by the regulatory authorities for a certain period of time and such period has not expired yet; (iii) has been identified by the relevant State agency as a subject of joint punishment for dishonesty due to a serious dishonest conduct and shall be punished in the insurance sector, or he/she has any other bad record of serious dishonest conduct within the past five years; or (iv) any other circumstances stipulated by laws, administrative regulations and the CIRC. An insurance adjuster shall complete practice registration for their practitioners and manage practice registration information by promptly registering personal information and scope of authorisation, recording the information of punishment, termination of engagement.

In 2019, the CBIRC has deployed and carried out the practice registration and audit work for the practitioners of insurance intermediaries, in order to improve the management of practitioners of insurance intermediaries. On May 12, 2020, the CBIRC enacted the Notice of the General Office of the CBIRC on Strengthening the Management of Practitioners of Insurance Intermediaries (《中國銀保監會辦公廳關於切實加強保險專業中介機構從業人員管理的通知》), which requires the insurance intermediaries to meet the following conditions: (i) fully assuming the responsibility of the management; (ii) strengthening the overall

management of practitioners; (iii) strictly controlling the recruitment, training and integrity management of practitioners; and (iv) establishing a grading system of sales ability of practitioners. The NFRA shall also strictly supervise the management of practitioners of insurance intermediaries and make insurance intermediaries accountable.

Reward and Incentive

Pursuant to the Notice on Strictly Regulating Incentive Measures of Insurance Intermediaries (《關於嚴格規範保險專業中介機構激勵行為的通知》) promulgated by the CIRC on November 15, 2010, professional insurance intermediaries may only implement equity incentive measures for sales personnel of more than two consecutive years of practice experience within such intermediaries, and may not arbitrarily expand the scope of equity incentives for rapid business growth. In implementing incentives, professional insurance intermediaries may not conduct deceptive or misleading promotion for the incentive program, including exaggeration or arbitrarily promising uncertain earning from future listing; may not induce sales personnel to purchase self-insurance or purchase insurance with borrowings for incentives; may not offer client equity in name of incentive as consideration for illicit interests.

According to the Circular on Further Regulating the Incentive Plans of Professional Insurance Intermediary Institutions (《關於進一步規範保險專業中介機構激勵行為的通知》), promulgated by the CIRC on February 28, 2012, all professional insurance intermediary institutions shall not, by way of connecting the equity incentive plan with their listing and exaggerating proceeds brought by their listing and other means, induce any of the general public to become a salesperson, or induce salespersons or clients to buy insurance products which are inconsistent with their actual insurance needs.

Management of Insurance Sales

Pursuant to the Provisional Measures for Retrospective Administration of Insurance Sales Practices (《保險銷售行為可回溯管理暫行辦法》) promulgated by the CIRC on June 28, 2017 and implemented on November 1, 2017, "retrospective administration of insurance sales practices" means that insurance companies and insurance intermediaries record and retain the key links involved in the insurance sales process through collecting audio-visual materials and electronic data via audio and video recording or other technical means, so as to ensure that sales practices can be replayed, important information can be accessible and liabilities can be identifiable. When selling insurance products with natural persons as the insurance policyholder, insurance intermediaries shall carry out such retrospective administration of insurance sales practices, with the exception of group insurance products.

Pursuant to the Administrative Measures for Insurance Sales Practices (《保險銷售行為管理辦法》) (the "**Measures**") promulgated by the NFRA on September 20, 2023 and took effect on March 1, 2024, sales practices conducted by insurance intermediaries (for the purpose of the Measures, insurance intermediaries include insurance agents and insurance brokers) and insurance sales personnel as entrusted by insurance companies or in cooperation with insurance companies for the purpose of concluding insurance contracts shall comply with the measures.

Insurance sales practices are divided into three categories based on the stage when the practices are conducted, namely the pre-insurance sales practices, in-process insurance sales practices and post-insurance sales practices. Such division expands the scope of insurance sales practices to include, among others, activities such as creating an environment for the conclusion of insurance contracts, preparing conditions and soliciting insurance contract counterparties. The Measures explicitly prohibit any other entities or individuals other than insurance companies, insurance intermediaries or insurance sales personnel from conducting any insurance sales practices. Furthermore, the insurance intermediary shall strengthen its management of all stage of the insurance sales practices. For instance, the insurance sales promotion conducted by insurance intermediaries shall not exceed in form and substance the business scope specified in their business permits. Insurance intermediaries shall not enter into insurance contracts with policyholders using forced tying, default checkboxes on its information systems or web pages. Furthermore, an archives management system shall be established by insurance intermediaries to properly preserve business files, accounting books, personnel files, insurance materials as well as audio-visual materials and other archival materials generated through retrospective management. When an insurance company or insurance intermediary sells a new type of life and health insurance product, it shall remind the insurance applicant of the uncertainty of insurance policy benefits and accurately and comprehensively remind the insurance applicant of the relevant risks; where relevant laws, administrative regulations and regulatory provisions require an assessment of the insurance applicant's risk tolerance, the insurance company or insurance intermediary shall carry out such assessment and sell appropriate insurance products based on the assessment results.

Financial Marketing Campaigns

Pursuant to the Notice on Further Regulating Financial Marketing Campaigns (《關於進一步規範金融營銷宣傳行為的通知》) promulgated by the PBOC, the CBIRC, the CSRC and the SAFE on December 20, 2019 and took effect on January 25, 2020, when market players conduct insurance marketing and promotion, they should comply with relevant requirements, among others, the following: (i) it is not allowed to carry out marketing and promotion for financial products or financial services in a fraudulent or misleading manner; (ii) it is not allowed to carry out financial marketing and promotion in a manner that undermines fair competition; (iii) it is not allowed to carry out financial marketing and promotion by using the government's credibility; (iv) it is not allowed to violate financial consumers' right to know; (v) it is not allowed to carry out improper financial marketing and promotion via the Internet; (vi) it is not allowed to send financial marketing and promotion information to financial consumers in violation of provisions.

Insurance Premium and Commission Collection

Pursuant to the Insurance Brokerages Provisions, an insurance brokerage shall open an independent account for commissions collected. Insurance brokerages engaging in insurance brokerage businesses which involve turning over insurance premiums to insurance companies and collection of commissions shall agree with the insurance company pursuant to the law on the timeframe and default compensation liability for turning over insurance premiums and payment of commissions.

Pursuant to the Insurance Agents Provisions, specialised insurance agencies are allowed to collect insurance premium on the condition that a separate premium collection account for settlement be opened. The requirement for specialised insurance agencies to open a separate account also applies to the collection of insurance commissions. In addition, specialised insurance agencies shall not directly deduct insurance commission from the premiums collected.

Pursuant to the Insurance Adjusters Provisions, an insurance public adjuster shall open an independent designated account for client funds, to collect remuneration for public insurance adjustment businesses.

On October 12, 2021, the General Office of the CBIRC issued the Notice on Further Regulating Matters Concerning Internet Life and Health Insurance Business (《關於進一步規範保險機構互聯網人身保險業務有關事項的通知》), pursuant to which for an Internet personal insurance product with an insurance period of one year or less, the expected surcharge rate shall not be higher than 35%; for an Internet personal insurance product with an insurance period of more than one year, the expected surcharge rate in the first year shall not be higher than 60%, and the average surcharge rate shall not be higher than 25%.

On September 17, 2015, the CIRC issued the Opinion of CIRC on Deepening the Reform of the Insurance Intermediary Market (《中國保監會關於深化保險中介市場改革的意見》) to require implementing the registration and filing system for insurance intermediaries' premium collection accounts and commission accounts.

Managed General Agent ("MGA")

On March 21, 2017, the CIRC held the 2017 National Insurance Intermediary Supervision Work Conference, which proposed for the first time to explore the pilot MGA model. On May 30, 2022, the Shenzhen Banking and Insurance Supervision Bureau issued the Implementation Opinions on Promoting the Construction of a New Type of Insurance Intermediary Market System (《關於推動構建新型保險中介市場體系的實施意見》), mentioning that insurance companies shall establish a business management system for intermediary channels with clear rights and responsibilities, strengthen the management of cooperative insurance intermediaries, continuously explore the effective management of the MGA model, and prudently select co-operation partners with reference to the company's risk profile and supervisory classification.

On August 31, 2022, the Guangdong Banking and Insurance Supervision Bureau issued the Implementing Opinions on Building a New Type of Guangdong Insurance Intermediary Market System to Promote the High-Quality Development of the Industry (《關於構建新型廣東保險中介市場體系推進行業高質量發展的實施意見》), mentioning to draw on advanced international experience to study the feasibility of insurance professional agents or brokers with qualification and capacity to carry out MGA and to explore it on an early and pilot basis.

Regulatory Inspection

According to the Insurance Brokerages Provisions, the Insurance Agents Provisions and the Insurance Adjusters Provisions, local counterparts of the NFRA shall be responsible for the supervision of insurance brokers, insurance agency and insurance adjusters within their jurisdictions in the principle of territoriality. The local counterparts of the NFRA shall pay attention to the regulation of the behavior of insurance brokers, insurance agency and insurance adjusters within their jurisdictions, conduct on-site inspection and off-site supervision in accordance with the law, and implement administrative punishments and other regulatory measures.

Pursuant to the Measures for the Regulation of Internet Insurance Business (《互聯網保險業務監管辦法》) promulgated by CBIRC on December 7, 2020 and implemented on February 1, 2021, insurance institutions shall submit a report on its internet insurance business operation of the previous year to the internet insurance regulation-related information system prior to April 30 of each year. The report contents shall include, but not be limited to: basic business information, marketing mode, information on cooperation with relevant institutions (including technical support and customer service institutions), cybersecurity construction, protection of consumers' rights and interests as well as complaint handling, information system operation and failure, compliance management and external compliance auditing. Insurance institutions shall, on a regular basis, submit internet insurance business regulatory data and statements in accordance with the relevant requirements of the NFRA.

Internet Insurance Business

Qualifications for Operating Internet Insurance Business

Pursuant to the Measures for the Regulation of Internet Insurance Business, internet insurance business shall be carried out by insurance institutions established in accordance with the law and no other organisation or individual may operate internet insurance business. Insurance institutions including specialised insurance agencies operating internet insurance business, i.e. concluding insurance contracts and providing insurance services based on network, shall observe relevant provisions and may not damage legal rights and interests of insurance consumers or public interests. No insurance institution may carry out internet insurance business beyond the scope of business specified in its insurance business permit. An insurance institution which conducts internet insurance business shall be subject to centralised operation and unified management by its head office by establishing a unified and centralised business platform, business process and management systems. Any entities without insurance

licenses or insurance intermediary licenses are prohibited to conduct internet insurance business, including but not limited to the following commercial conduct: (i) providing insurance product consulting services; (ii) conducting comparison of insurance products, trial calculation of premiums or quotation comparison; (iii) designing insurance application plans for policyholders; (iv) going through insurance application formalities by proxy; and (v) collecting premiums by proxy.

Insurance institutions which conduct internet insurance business along with its self-operated network platform shall meet the following conditions:

- its service access place is located within the territory of the PRC. If its self-operated network platform is a website or mobile application, it shall legally go through the formalities for filing of internet information services with the administrative department for the internet industry and obtain a filing number. If its self-operated network platform is not a website or mobile application, it shall comply with relevant laws and regulations and meet the qualification requirements of the competent department for the relevant industry;

- it has an information management system and core business system that can support its internet insurance business operation, which can be effectively isolated from its other unrelated information systems;

- it has refined cybersecurity monitoring, information notification, emergency disposal working mechanisms as well as such cybersecurity protection means as refined perimeter protection, intrusion detection, data protection and disaster recovery;

- it implements the national classified cybersecurity protection system, carries out filing of cybersecurity classification, conducts classified protection evaluation on a regular basis, and implements security protection measures for the corresponding class; in terms of self-operated network platforms with insurance sales or insurance application function, as well as information management systems and core business systems that support their operation, relevant self-operated network platforms and information systems shall be under security protection of Class III (第三級信息系統安全等級保護) or above;

- it has a legal and compliant marketing model, and has established an operation and service system that meets the needs for internet insurance operation, complies with the characteristics of internet insurance users and supports its business coverage regions;

- it has established or designated its internet insurance business management department staffed by appropriate professionals, appointed a senior executive to act as the principal in charge of its internet insurance business, and designated the principal of each self-operated network platform;

- it has a sound internet insurance business management system and operating procedures;

- it shall be a national specialised insurance intermediary with its operating area not limited to the province where the business license of its head office is registered while complying with the relevant provisions of the NFRA on classified regulation of specialised insurance intermediaries; and

- other conditions prescribed by the NFRA.

Pursuant to the General Office of the CBIRC issued the Notice on Further Regulating Matters Concerning Internet Life and Health Insurance Business, internet life and health insurance products include accident insurance, health insurance (except nursing insurance), term life insurance, ordinary life insurance with a policy period of more than ten years (except term life insurance) and ordinary annuity insurance with a policy period of more than ten years, and other life and health insurance products stipulated by the NFRA. Pursuant to the notice, internet life and health insurance products that do not meet the requirements thereof are prohibited from being offered online, and public display of, or direction to, hyperlinks to the webpages of placing orders on the internet of such internet life and health insurance products are prohibited as well. Insurance intermediaries that conduct internet life and health insurance business shall strengthen the system development and have operations and service capabilities that meet the requirements set forth in this notice. Insurance companies entrusting internet life and health insurance business to insurance intermediaries shall select national institutions as insurance intermediaries. Where integrated online and offline life and health insurance business is involved, neither shall internet life and health insurance products be used, nor shall business areas be extended to areas where branches have not been formed.

Traceability Management of Internet Insurance Sales Behavior

In order to standardize and strengthen the traceability management of Internet insurance sales, protect consumers' basic rights and promote healthy development of online insurance business, the CBIRC promulgated the Notice of the CBIRC on Regulating the Traceability Management of Internet Insurance Sales (《中國銀保監會關於規範互聯網保險銷售行為可回溯管理的通知》) on June 22, 2020, which came into effect on October 1, 2020.

According to the Notice of the CBIRC on Regulating the Traceability Management of Internet Insurance Sales, insurance institutions are allowed to sell commercial insurance products with natural persons as the insurance policyholder on their own online platform, and they shall implement retrospective management of Internet insurance sales. Insurance institutions shall record and keep operation track of each applicant and insured on the sales page. The operation track shall include the time whenever an applicant or insured click on, enter, fill in, or leave the sales page as well as any other relevant contents. Where an insurance institution sells the following insurance products, it shall display the content that may affect the validity of the policy and that may exempt the insurance company from liability as required, including but not limited to: (i) where an insurance institution sells new type of life

and health insurance products, the risk warning on the uncertainty in policy interest shall be added; (ii) where an insurance institution sells health insurance products, such content as the starting time and duration of the insurance liability waiting period and the impact thereof on the rights and interests of the insurance applicant, designated medical institution, whether to guarantee the renewal of insurance and the effective time of such renewal, whether to renew the insurance automatically, the principle for medical cost compensation, and whether to adjust the premium rate shall be added; and (iii) where an insurance institution sells insurance products with clauses on the cooling-off period, clauses on the cooling-off period shall be added. Insurance institutions that are still unqualified after such Notice comes into force shall immediately suspend the relevant online insurance sales business.

Information Disclosure

According to the Measures for the Regulation of Internet Insurance Business, insurance institutions operating internet insurance business shall set up on its official website online column dedicated to insurance information disclosure. The sales or details display webpage of internet insurance products shall include the following contents:

- the names of insurance products (clause names and publicity names), approval document number for products subject to examination and approval, record-filing number or product registration number of products subject to record-filing, number of reported documents or clause number;

- the insurance clauses and premiums (or link), with highlights and explanations of the clauses on the exemption of insurance companies from liability, and highlights with the conditions and procedures for claim settlement, as well as the cooling-off period, waiting period, fee deduction, surrender losses, cash value of insurance policies and other key contents in insurance contracts in an appropriate way;

- if an insurance product is a new type of life and health insurance product such as unit-linked insurance and universal insurance, the relevant information shall be clearly indicated in accordance with the relevant provisions of the NFRA on information disclosure for new types of products, and words indicating uncertainties of policy benefits in boldface with a font size not smaller than that of the product name;

- the obligation of truthful disclosure of the insurance applicant, and the consequences of breach of the obligation;

- the statement on whether online services sufficiently covers all stages, and warnings of possible inadequate services as the insurance institution may have no branches in the place where the consumer or the insured matter is located;

- the method of payment of insurance premiums, and method of delivery of insurance certificates and premium invoices;

- other matters that directly affect the rights and interests of consumers and purchase decisions.

Furthermore, the Measures for the Regulation of Internet Insurance Business require that insurance institutions shall, through the special column for disclosure of internet insurance information on the official website of Insurance Association of China, promptly disclose the information on their self-run network platforms, internet insurance products, cooperative sales channels, etc., so as to facilitate inquiry and supervision by the public.

Pursuant to the Administrative Measures for the Disclosure of Information on Life and Health Insurance Products (《人身保險產品信息披露管理辦法》), promulgated by the CBIRC on November 11, 2022 and effective on June 30, 2023, in terms of insurance type, the life and health insurance products include life insurance, annuity insurance, health insurance and casualty insurance; in terms of design type, the life and health insurance products include general life and health insurance, participating life and health insurance, universal life and health insurance and unit-linked life and health insurance; in terms of insurance period, the life and health insurance products include the life and health insurance with a term of more than one year and the life and health insurance with a term of less than one year. No insurance intermediary or any of its practitioners may revise information disclosure materials for insurance products sold on an agency basis. The product information disclosure materials used by any insurance intermediary or any of its practitioners shall be consistent with product information disclosure materials of the insurance company.

REGULATIONS RELATED TO INTERNET INFORMATION SERVICE

Pursuant to the Administrative Measures on Internet Information Services (《互聯網信息服務管理辦法》) promulgated by the State Council on September 25, 2000 and revised on January 8, 2011 and December 6, 2024 and came into effect on January 20, 2025 and the Administration Measures for the Filing of Not-for-profit Internet Information Services (《非經營性互聯網信息服務備案管理辦法》) released on February 8, 2005 by the former Ministry of Information Industry, effective from March 20, 2005 and last revised on January 18, 2024, internet information services are classified into "for-profit internet information services" and "not-for-profit internet information services". The for-profit internet information service refers to service activities to provide information or website design to online users for profit; the not-for-profit internet information service refers to service activities to provide online users open, shared information on internet free of charge. The national government has installed the filing system for not-for-profit internet information service. Whoever intends to provide not-for-profit internet information service through the websites visited via internet domain names or through the websites which can only be visited via IP address within the territory of the PRC shall go through filing procedures in accordance with law. Such not-for-profit internet information service provider shall, when its website is available, display its filing number at the central part on the bottom of its home page and link the URL of the filing administration

system of the Ministry of Industry and Information Technology of the PRC (the "**MIIT**"), below the filing number for consultation and check by the public. Furthermore, an annual review procedure is required for the not-for-profit internet information service provider to go through on the filing administration system of the MIIT at a specified time each year.

Mobile internet application is subject to monitoring by the Administrative Provisions on Mobile Internet Application Information Services (《移動互聯網應用程序信息服務管理規定》) promulgated by the Cyberspace Administration of China (the "**CAC**") on June 28, 2016 and amended on June 14, 2022 and such amendment took effect on August 1, 2022. Under these provisions, the application providers shall establish sound information content review and management mechanism by erecting and improving measures such as user registration, account management, information review, daily inspection and emergency disposal and be staffed with professionals and technical ability appropriate to the service scale. Moreover, the application providers shall not conduct acts such as false advertising and bundled downloading, nor shall they employ machine or manual click farming services for instantly boosting popularity in rankings, increasing quantity and control the ratings or use illegal and unhealthy information to induce users to download.

Pursuant to the Notice of the Ministry of Industry and Information Technology on the Record-filing of Mobile Internet Apps (《工業和信息化部關於開展移動互聯網應用程序備案工作的通知》), promulgated by the MIIT on July 21, 2023 and took effective on the same day, any APP sponsor that engages in Internet information services within the territory of the PRC shall go through the record-filing formalities in accordance with the Law of the People's Republic of China Against Telecommunications and Internet Frauds (《中華人民共和國反電信網絡詐騙法》), the Administrative Measures on Internet-based Information Services (《互聯網信息服務管理辦法》) and other regulations. Any APP sponsor that fails to complete the record-filing formalities shall not engage in APP Internet information services.

REGULATIONS RELATED TO CYBERSECURITY AND DATA SECURITY

The PRC government has proposed or promulgated a number of new measures and regulations in recent years regarding cybersecurity and data security. The Administrative Measures for the Hierarchical Protection of Information Security (《信息安全等級保護管理辦法》) promulgated by the Ministry of Public Security (the "**MPS**"), the State Secrecy Bureau, the State Cipher Code Administration and the former Information Office of the State Council on June 22, 2007, divide the security protection of information systems into five grades based on the degree of harm caused by the destruction of the information system to the legitimate rights and interests of citizens, legal persons and other organisations, social public order and public interests and the national security and require the operators of information systems ranking Grade II or above to file an application with the local competent public security authorities for information systems already put into operation within 30 days since the date when its security protection grade was determined and for newly built information system of Grade II or above within 30 days since its information system is put into operation.

On July 1, 2015, the SCNPC issued the National Security Law of the PRC (《中華人民共和國國家安全法》), which came into effect on the same day. The National Security Law provides that the state shall build a network and information security guarantee system and improve network and information security protection capability to realise the controllability and security of the network information key technologies and critical infrastructure and the information systems and data in important fields. In addition, a national security review and supervision system is required to be established to review, among other things, foreign investment, special items and key technologies and network information technology products and services, construction projects involving national security matters and other important activities that affect or are likely to affect national security of the PRC. On November 7, 2016, the SCNPC promulgated the PRC Cybersecurity Law (《中華人民共和國網絡安全法》), which came into effect on June 1, 2017 and applies to the construction, operation, maintenance and use of networks as well as the supervision and administration of cybersecurity in China. Network service providers who do not comply with the PRC Cybersecurity Law may be subject to correction orders, warnings, fines, suspension of their businesses, shutdown of their websites, and revocation of their business licenses. On June 10, 2021, the SCNPC promulgated the PRC Data Security Law (《中華人民共和國數據安全法》), which took effect on September 1, 2021. The PRC Data Security Law provides for data security obligations and duties on entities and individuals carrying out data processing activities. The PRC Data Security Law also introduces a data classification and hierarchical protection system based on the importance of data in economic and social development, as well as the degree of harm it will cause to national security, public interests, or legitimate rights and interests of individuals or organisations when such data is tampered with, destroyed, leaked, or illegally acquired or used. The appropriate level of protection measures is required to be taken according to respective data security protection grade. Violation of the PRC Data Security Law may be subject to an order to cease illegal activities, warnings, fines, suspension of business and revocation of business licenses or operating permits, and the personnel directly in charge or other directly responsible personnel may be imposed with fines. On July 30, 2021, the State Council promulgated the Regulations on the Protection of the Security of Critical Information Infrastructure (《關鍵信息基礎設施安全保護條例》), which took effect on September 1, 2021. According to the regulations, a "critical information infrastructure" refers to an important network facility and information system in important industries and fields such as, among others, public communications and information services, as well as other important network facilities and information systems that may seriously endanger national security, the national economy, the people's livelihood, or the public interests in the event of damage, loss of function, or data leakage. The competent authorities shall inform the relevant operators in a timely manner if such operators are determined as the critical information infrastructure operators.

On December 28, 2021, the CAC, together with certain other PRC Governmental Authorities, promulgated the Cybersecurity Review Measures (《網絡安全審查辦法》) that replaced the previous version and took effect from February 15, 2022. Pursuant to Cybersecurity Review Measures, the purchase of network products and services by a critical information infrastructure operator or the data processing activities of a network platform operator that affect or may affect national security will be subject to a cybersecurity review.

In addition, network platform operators processing personal information of over one million users shall apply the cybersecurity review office for a cybersecurity review before listing abroad. Where members of the cybersecurity review working mechanism believe that network products and services and data processing activities affect or are likely to affect national security, the Cybersecurity Review Office shall report to the Central Cyberspace Affairs Commission for approval as per procedure, and then conduct a review in accordance with the Cybersecurity Review Measures. The Cybersecurity Review Measures provide that the relevant parties who violate the Cybersecurity Review Measures shall be subject to legal consequences in accordance with the PRC Cybersecurity Law and the PRC Data Security Law.

On November 14, 2021, the CAC published the Administrative Regulations on Cyber Data Security (Draft for Comments) (《網絡數據安全管理條例(徵求意見稿)》). On September 24, 2024, the State Council promulgated the Regulations on the Administration of Cyber Data Security (《網絡數據安全管理條例》) (the "**Data Security Regulations**"), which is applicable to network data processing activities and the security supervision and administration thereof conducted within the territory of the PRC and took effect on January 1, 2025. The Data Security Regulations provide more detailed guidelines on the current rules on various aspects of data processing, including the processors' announcement of data processing rules, obtaining consents and separate consents, security of important data and cross-border transfer of data, and further obligations of platform operators. The Data Security Regulations stipulate that data processors engaging in data processing activities that affect or may affect national security shall be subject to national security review in accordance with relevant laws and regulations. Furthermore, the Data Security Regulations do not include the article of "if a data processor's proposed listing in Hong Kong affect or may affect national security, the data processor shall apply for the cyber security review according to relevant laws and regulations" that as presented in the Administrative Regulations on Cyber Data Security (Draft for Comments) (《網絡數據安全管理條例(徵求意見稿)》), which was promulgated by the CAC on November 14, 2021.

In the meantime, the PRC regulatory authorities have also enhanced the supervision and regulation on cross-border data transfer. On July 7, 2022, the CAC promulgated the Measures for the Security Assessment of Cross-Border Data Transfer (《數據出境安全評估辦法》), which took effect on September 1, 2022. These measures require the data processors providing data overseas and falling under specified circumstances apply for the security assessment of cross-border data transfer to the national cybersecurity authority through its local provincial counterpart. In addition, on February 22, 2023, the Provision on the Standard Contract on Cross-border Transfer of Personal Information (《個人信息出境標準合同辦法》) (the "**Provisions on Standard Contract**") were promulgated by the CAC, which took effect on June 1, 2023. The provisions on Standard Contract attach the Standard Contract for cross-border transfer of personal information that could be used to satisfy one of the conditions for cross-border transfer of personal information under Article 38 of the Personal Information Protection Law.

The CAC implemented the Regulations on Promoting and Regulating Cross-Border Data Flow (《促進和規範數據跨境流動規定》) (the "**New Cross-Border Data Regulations**") on March 22, 2024. The New Cross-Border Data Regulations adjust the implementation of the data cross-border security assessment, standard contract administration on cross-border transfer of personal information, and personal information protection certification systems, which were previously issued by the Cyberspace Administration of China in the Measures for the Security Assessment of Cross-Border Data Transfer and the Provision on the Standard Contract on Cross-border Transfer of Personal Information. According to Article 3 of the New Cross-Border Data Regulations, data collected and generated in activities such as international trade, cross-border transportation, academic cooperation, transnational production and manufacturing, and marketing, which is provided overseas and does not contain personal information or important data, is exempt from the declaration of data cross-border security assessment, the conclusion of a standard contract for personal information cross-border transfer, and the personal information protection certification. According to Article 7 of the New Cross-Border Data Regulations, data processors who provide data overseas and meet one of the following conditions should apply for data cross-border security assessment to the national cyberspace authority through the provincial cyberspace administration where they are located: (i) operators of critical information infrastructure provide personal information or important data overseas; or (ii) data processors other than operators of critical information infrastructure provide important data overseas, or have provided personal information of more than 1 million people (excluding sensitive personal information) or more than 10,000 people of sensitive personal information overseas since January 1 of the current year.

REGULATIONS RELATING TO PRIVACY PROTECTION

In recent years, PRC regulatory authorities have enacted laws and regulations on internet use to protect personal information from any unauthorised disclosure. The PRC Cybersecurity Law imposes certain data protection obligations on network operators, including that network operators may not disclose, tamper with, or damage the personal information that they have collected, or provide the personal information to others without obtaining consent from the persons whose information has been collected unless other required or permitted by applicable laws and regulations. Moreover, network operators are obligated to delete unlawfully collected information and to amend incorrect information.

On December 29, 2011, the MIIT issued the Several Provisions on Regulating the Market Order of Internet Information Services (《規範互聯網信息服務市場秩序若干規定》), which took effect on March 15, 2012 and stipulates that internet information service providers may not collect any user personal information or provide any such information to third parties without the consent of the user, unless otherwise stipulated by laws and administrative regulations. An internet information service provider is also required to properly store users' personal information, and in case of any leak or any possibility of leak of the users' personal information, the internet information service provider must take immediate remedial measures and, when serious consequences have been caused or may be caused, make an immediate report to the telecommunications regulatory authority and cooperate with the relevant authorities in investigation.

Pursuant to the Decision on Strengthening the Protection of Online Information (《關於加強網絡信息保護的決定》), issued by the SCNPC in 2012, and the Order for the Protection of Telecommunication and Internet User Personal Information (《電信和互聯網用戶個人信息保護規定》), issued by the MIIT in 2013, any collection and use of a user's personal information must abide by the principles of legality, legitimacy and necessity, explicitly state the purpose, manners and scopes of the information collection and uses, obtain the consent of the user and shall not violate the provisions of laws, regulations and the agreement with the users. Any violation of these laws and regulations may subject the internet service provider to warnings, fines, confiscation of illegal gains, revocation of licenses, cancelation of filings, closedown of websites or even criminal liabilities.

Pursuant to the Notice of the Supreme People's Court, the Supreme People's Procuratorate and the Ministry of Public Security on Legally Punishing Criminal Activities Infringing upon the Personal Information of Citizens (《最高人民法院、最高人民檢察院、公安部關於依法懲處侵害公民個人信息犯罪活動的通知》) issued and effective on April 23, 2013 and the Interpretation of the Supreme People's Court and the Supreme People's Procuratorate on Several Issues regarding Application of Law in Criminal Cases involving Infringing upon the Personal Information of Citizens (《最高人民法院、最高人民檢察院關於辦理侵犯公民個人信息刑事案件適用法律若干問題的解釋》) issued on May 8, 2017 and took effect on June 1, 2017, the following activities may constitute the crime of infringing upon a citizen's personal information: (i) providing a citizen's personal information to specified persons or releasing citizens' personal information online or through other methods in violation of relevant national provisions; (ii) providing legitimately collected personal information of citizens to others without such citizen's consent (unless the information is processed, not identifiable to a specific person and not recoverable) in violation of relevant national provisions; (iii) collecting a citizen's personal information in violation of applicable rules and regulations when performing a duty or providing services; or (iv) collecting a citizen's personal information by purchasing, accepting or exchanging such information in violation of applicable rules and regulations. In addition, the Opinions of the Supreme People's Court, the Supreme People's Procuratorate, and the Ministry of Public Security on Several Issues Concerning the Application of Criminal Procedures in Handling of Criminal Cases Involving Information Networks (《最高人民法院、 最高人民檢察院公安部關於辦理信息網絡犯罪案件適用刑事訴訟程序若干問題的意見》), which took effect on September 1, 2022, further provide detailed procedures on facilitating the handling of criminal cases of (i) refusing to perform the obligation of managing the security of the information networks, (ii) illegally using the information networks, or (iii) assisting in the criminal activities of the information networks.

With respect to the security of information collected and used by mobile apps, and to protect the rights and interests of app users pursuant to the Announcement of Conducting Special Supervision against the Illegal Collection and Use of Personal Information by Apps (《關於開展App違法違規收集使用個人信息專項治理的公告》), which was issued by the Central Cyberspace Affairs Commission, the MIIT, the MPS, and the SAMR on January 23, 2019, app operators shall collect and use personal information in compliance with the PRC Cybersecurity Law and shall be responsible for the security of personal information obtained from users and take effective measures to strengthen personal information protection.

Furthermore, app operators shall not force their users to make authorisation by means of default, bundling, suspending installation or use of the app or other similar means and shall not collect and use personal information in violation of laws, regulations or in breach of user agreements. Such regulatory requirements were emphasised by the Notice on the Special Rectification of Apps Infringing upon User's Personal Rights and Interests (《關於開展APP侵害用戶權益專項整治工作的通知》) issued by MIIT on October 31, 2019. On November 28, 2019, the CAC, the MIIT, the MPS and the SAMR jointly issued the Methods of Identifying Illegal Acts to Collect and Use Personal Information by APPs (《App違法違規收集使用個人信息行為認定方法》). This regulation further illustrates certain common illegal practices of app operators in terms of personal information protection and specifies acts of app operators that will be considered as "collection and use of personal information without users' consent".

On May 28, 2020, the NPC adopted the Civil Code of the PRC (《中華人民共和國民法典》), which came into effect on January 1, 2021. Pursuant to the Civil Code of the PRC, the personal information of a natural person shall be protected by the law. Any organisation or individual shall legally obtain such personal information of others when necessary and ensure the safety of such information, and shall not illegally collect, store, use, process or transmit personal information of others, or illegally buy or sell, provide or make public personal information of others.

On August 20, 2021, the SCNPC promulgated the PRC Personal Information Protection Law (《中華人民共和國個人信息保護法》), which took effect on November 1, 2021. Pursuant to the Personal Information Protection Law, "personal information" refers to any kind of information related to an identified or identifiable individual as electronically or otherwise recorded but excluding the anonymised information. The processing of personal information includes the collection, storage, use, processing, transmission, provision, disclosure and deletion of personal information. The Personal Information Protection Law applies to the processing of personal information of natural persons within the territory of the PRC, as well as personal information processing activities outside the territory of PRC, for the purpose of providing products or services to natural persons located within China, or for analysing or evaluating the behaviors of natural persons located within China, or for other circumstances as prescribed by laws and administrative regulations. A personal information processor may process the personal information of this individual only under the following circumstances: (i) where consent is obtained from the individual; (ii) where it is necessary for the execution or performance of a contract to which the individual is a party, or where it is necessary for carrying out human resource management pursuant to employment rules legally adopted or a collective contract legally concluded; (iii) where it is necessary for performing a statutory responsibility or statutory obligation; (iv) where it is necessary in response to a public health emergency, or for protecting the life, health or property safety of a natural person in the case of an emergency; (v) where the personal information is processed within a reasonable scope to carry out any news reporting, supervision by public opinions or any other activity for public interest purposes; (vi) where the personal information, which has already been disclosed by an individual or otherwise legally disclosed, is processed within a reasonable scope; or (vii) any other circumstance as provided by laws or administrative regulations. In principle, the consent of an individual must be obtained for the processing of his or her personal information, except

under the circumstances of the aforementioned items (ii) to (vii). Where personal information is to be processed based on the consent of an individual, such consent shall be a voluntary and explicit indication of intent given by such individual on a fully informed basis. If laws or administrative regulations provide that the processing of personal information shall be subject to the separate consent or written consent of the individual concerned, such provisions shall prevail.

REGULATIONS RELATED TO ALGORITHMS

On December 31, 2021, the CAC and certain other PRC Governmental Authorities promulgated the Provisions on the Administration of Algorithm Recommendation for Internet Information Services (《互聯網信息服務算法推薦管理規定》), which took effect on March 1, 2022. These provisions require that algorithmic recommendation service providers shall inform users in a conspicuous manner of their provision of algorithmic recommendation services, and publicise the basic principles, purposes, and main operating mechanisms of algorithmic recommendation services in an appropriate manner. Where algorithm recommendation service providers sell goods or provide services to consumers, they shall protect consumers' rights to fair transactions, and shall not use algorithms to implement unreasonably differential treatment in transaction prices and other transaction conditions based on consumers' preferences, transaction habits, and other characteristics and other illegal acts.

REGULATIONS ON LABOR PROTECTION IN THE PRC

Labor Law of the PRC

On July 5, 1994, the SCNPC promulgated the Labor Law of the PRC (《中華人民共和國勞動法》) (the "**Labor Law**"), which took effect on January 1, 1995 and was subsequently amended on August 27, 2009 and December 29, 2018. The Labor Law stipulates an employer shall develop and improve its rules and regulations to safeguard the rights of its workers. An employer shall develop and improve its labor safety and health system, stringently implement national protocols and standards on labor safety and health, conduct labor safety and health education for workers, guard against labor accidents and reduce occupational hazards. Labor safety and health facilities must comply with relevant national standards. An employer must provide workers with the necessary labor protection gear that complies with labor safety and health conditions stipulated under national regulations, as well as provide regular health checks for workers that are engaged in operations with occupational hazards. Laborers engaged in special operations shall have received specialized training and obtained the pertinent qualifications. An employer shall develop a vocational training system. Vocational training funds shall be set aside and used in accordance with national regulations and vocational training for workers shall be carried out systematically based on the actual conditions of the company.

The Labor Contract Law of the PRC and its Implementation Regulations

On June 29,2007, the SCNPC promulgated the Labor Contract Law of the PRC (《中華人民共和國勞動合同法》) (the "**Labor Contract Law**"), which came into effect on January 1, 2008, and was subsequently amended on December 28, 2012 and came into effect on July 1, 2013, and on September 18, 2008, the State Council promulgated the Implementation Regulations on Labor Contract Law of the PRC (《中華人民共和國勞動合同法實施條例》), which became effective on the same date, regulates both parties of a labor contract, namely the employer and the employee, and contain specific provisions involving the terms of the labor contract. It is stipulated under the Labor Contract Law and the Implementation Regulations on Labor Contract Law that a labor contract must be made in writing. An employer and an employee may enter into a fixed-term labor contract, an un-fixed term labor contract, or a labor contract that concludes upon the completion of certain work assignments, after reaching agreement upon due negotiations. An employer may legally terminate a labor contract and dismiss its employees after reaching agreement upon due negotiations with the employee or by fulfilling the statutory conditions.

REGULATION ON SUPERVISION OVER THE SOCIAL SECURITY AND HOUSING PROVIDENT FUNDS

Social Insurance

According to the Interim Regulations on the Collection and Payment of Social Insurance Premiums (《社會保險費徵繳暫行條例》), the Regulations on Work Injury Insurance (《工傷保險條例》), the Regulations on Unemployment Insurance (《失業保險條例》) and the Trial Measures on Employee Maternity Insurance of Enterprises (《企業職工生育保險試行辦法》), enterprises in the PRC shall provide benefit plans for their employees, which include basic pension insurance, unemployment insurance, maternity insurance, work injury insurance and basic medical insurance. An enterprise must provide social insurance by processing social insurance registration with local social insurance agencies, and shall pay or withhold relevant social insurance premiums for or on behalf of employees. The Law on Social Insurance of the PRC (《中華人民共和國社會保險法》) (the "**Social Insurance Law**"), which was promulgated on October 28, 2010 and amended on December 29, 2018, has consolidated pertinent provisions for basic pension insurance, unemployment insurance, maternity insurance, work injury insurance and basic medical insurance, and has elaborated in detail the legal obligations and liabilities of employers who do not comply with relevant laws and regulations on social insurance.

Housing Provident Fund

On April 3, 1999, the State Council promulgated the Regulations on the Administration of Housing Provident Fund (《住房公積金管理條例》) (the "**Housing Provident Fund Regulations**"), which became effective on the same day, and was subsequently amended on March 24, 2002 and March 24, 2019. The Housing Provident Fund Regulations stipulates that housing provident fund contributions by an individual employee and housing provident fund

contributions by his or her employer shall belong to the individual employee. The employer shall timely pay up and deposit housing provident fund contributions in full amount and late or insufficient payments shall be prohibited. The employer shall process housing provident fund payment and deposit registrations with the housing provident fund administration center.

REGULATIONS ON INTELLECTUAL PROPERTY IN THE PRC

Copyright Law and its Implementing Rules of the PRC

On September 7, 1990, the SCNPC promulgated the Copyright Law of the PRC (《中華人民共和國著作權法》) (the "**Copyright Law**"), which was last amended on November 11, 2020 and came into effect on June 1, 2021. The Copyright Law stipulates copyrights include personal rights such as the right of publication and that of attribution as well as property rights such as the right of production and that of distribution. Reproducing, distributing, performing, projecting, broadcasting or compiling a work or communicating the same to the public via an information network without permission from the owner of the copyright therein, unless otherwise provided in the Copyright Law, shall constitute infringements of copyrights. The infringer shall, according to the circumstances of the case, undertake to cease the infringement, take remedial action, and offer an apology, pay damages, etc.

Trademark Law and its implementation regulation of the PRC

Trademarks are protected by the Trademark Law of the PRC (《中華人民共和國商標法》) which was promulgated on August 23, 1982 and subsequently amended on February 22, 1993, October 27, 2001, August 30, 2013, April 23, 2019 and took effect on November 1, 2019 as well as the Implementation Regulation of the PRC Trademark Law (《中華人民共和國商標法實施條例》) adopted by the State Council on August 3, 2002 and revised on April 29, 2014. In the PRC, registered trademarks include commodity trademarks, service trademarks, collective marks and certification marks. The Trademark Office of National Intellectual Property Administration handles trademark registrations and grants a term of 10 years to registered trademarks, renewable every 10 years where a registered trademark needs to be used after the expiration of its validity term.

Patent Law of the PRC

On March 12, 1984, the SCNPC promulgated the Patent Law of the PRC (《中華人民共和國專利法》), which was last amended on October 17, 2020 and came into effect on June 1, 2021. On June 15, 2001, the State Council promulgated the Implementation Rules of The Patent Law of the PRC (《中華人民共和國專利法實施細則》), which was last amended on December 11, 2023 and came into effect on January 20, 2024. Both stipulates that patents in China are divided into invention patent, utility patent and design patent. Invention patent refers to new technical solutions for a product, method or its improvement; utility patent refers to new technical solutions for the shape, structure or the combination of both shape and structure of a product, which is applicable for practical use; design patent refers to new designs of the shape, pattern or the combination of shape and pattern, or the combination of the color, the

shape and pattern of a product with esthetic feeling and industrial application value. Invention patent shall be valid for 20 years from the date of application while utility patent shall be valid for ten years from the date of application and design patent shall be valid for fifteen years from the date of application. The patent right entitled to its owner shall be protected by the laws. Any person shall be licensed or authorized by the patent owner before using such patent. Otherwise, the use constitutes an infringement of the patent right.

Administrative Measures for Internet Domain Names

On August 24, 2017, the MIIT of China promulgated the Administrative Measures for Internet Domain Names (《互聯網域名管理辦法》), which came into effect on November 1, 2017, stipulated that "domain name" shall refer to the character mark of hierarchical structure, which identifies and locates a computer on the internet and corresponds to the internet protocol (IP) address of that computer. The principle of "first come, first serve" is for the domain name registration service.

After completing the domain name registration, the applicant becomes the holder of the domain name registered by him/it. On November 1, 2000, the State Council Information Office promulgated the Administrative Measures for Chinese Domain Names Registration (Trial) (《中文域名註冊管理辦法(試行)》), which stipulates that corresponding fees shall be paid to the registration service agency for Chinese domain names registration. If the domain name holder fails to pay the corresponding fees in 40 days, the operation of the original domain name will be suspended. If the domain name holder fails to pay the corresponding fees in 60 days, the original domain name will be written off.

REGULATIONS ON TAX IN THE PRC

Enterprise Income Tax Law

On March 16, 2007, the SCNPC promulgated the Enterprise Income Tax Law of the PRC (《中華人民共和國企業所得税法》) (the "**EIT Law**"), which was last amended on December 29, 2018 and became effective on the same date. On December 6, 2007, the State Council promulgated the Implementation Rules to the EIT Law (《中華人民共和國企業所得税法實施條例》) (the "**Implementation Rules**"), most recently amended on December 6, 2024 and became effective on January 20, 2025. Both stipulates that enterprises are divided into resident enterprises and non-resident enterprises. A resident enterprise shall pay enterprise income tax on its income deriving from both inside and outside China at the rate of enterprise income tax of 25%. A non-resident enterprise that has an establishment or place of business in the PRC shall pay enterprise income tax on its income deriving from inside China and obtained by such establishment or place of business, and on its income which derives from outside China but has actual relationship with such establishment or place of business, at the rate of enterprise income tax of 25%. A non-resident enterprise that does not have an establishment or place of

business in China, or has an establishment or place of business in China but the income has no actual relationship with such establishment or place of business, shall pay enterprise income tax on its income deriving from inside China at the reduced rate of enterprise income tax of 10%.

Value-added Tax

On December 13, 1993, the State Council promulgated the Interim Regulations of the People's Republic of China on Value-added Tax (《中華人民共和國增值税暫行條例》), which was last amended and became effective on November 19, 2017. On December 25, 1993, the Ministry of Finance (the "**MOF**") promulgated the Detailed Rules for the Implementation of the Interim Regulation of the People's Republic of China on Value Added Tax (《增值税暫行條例實施細則》), which was amended on December 15, 2008, October 28, 2011 and became effective on November 1, 2011. Both stipulates that taxpayers that engage in the sale of goods, the provision of processing, repair and replacement services, the sale of services, intangible assets and immovable properties, and the importation of goods within the territory of the PRC must pay value-added tax.

On May 6, 2016, the State Administration of Taxation (the "**SAT**") promulgated the Measures for the Exemption of Value-Added Tax on Cross-Border Taxable Acts during the Replacement of Business Tax with Value-Added Tax (for Trial Implementation) (《營業税改徵增值税跨境應税行為增值税免税管理辦法(試行)》), which was revised on June 15, 2018, provides that if domestic enterprises provide cross-border taxable activities such as professional technical services, technology transfer, software services, the above-mentioned cross-border taxable activities are exempt from value-added tax.

On March 23, 2016, the MOF and the SAT jointly issued the Circular of Full Implementation of Business Tax to Value-added Tax Reform (《關於全面推開營業税改徵增值税試點的通知》), which confirms that, business tax will be completely replaced by value-added tax from May 1, 2016. Pursuant to the Decision of the State Council on Annulling the Interim Regulations of the People's Republic of China on Business Tax and Amending the Interim Regulations of the People's Republic of China on Value-added Tax (《國務院關於廢止<中華人民共和國營業税暫行條例>和修改<中華人民共和國增值税暫行條例>的決定》) promulgated by the State Council on November 19, 2017, all units and individuals engaged in the sale of goods, provision of processing, repairs and replacement services, sales services, intangible properties, real estate, and the importation of goods within the territory of the PRC are taxpayers of the value-added tax. The general applicable rate of value-added tax is reduced to 17%, 11%, 6%, and 0%, respectively, and the value- added tax rate applicable to small-scaled taxpayers is 3%.

According to the Notice on Adjusting Value-added Tax Rates (《關於調整增值税税率的通知》), which was promulgated by the MOF and the SAT on April 4, 2018 and became effective on May 1, 2018, the tax rates of 17% and 11% applicable to any taxpayer's VAT taxable sale or import of goods shall be adjusted to 16% and 10%, respectively. Pursuant to the Announcement on Relevant Policies for Deepening Value-Added Tax Reform (《關於深化增

值税改革有關政策的公告》) promulgated by the MOF, the SAT and the General Administration of Customs on March 20, 2019 and became effective on April 1, 2019, the value-added tax rates are adjusted to 13% and 9% respectively.

Income Tax in Relation to Dividend Distribution

According to the Treaty on the Avoidance of Double Taxation and Tax Evasion between Main land and Hong Kong (《內地和香港特別行政區關於對所得避免雙重徵税和防止偷漏税的安排》) (the "**Tax Treaty**") entered into between Mainland China and Hong Kong on August 21, 2006, if the non-PRC parent company of a PRC enterprise is a Hong Kong resident which beneficially owns 25% or more interests in the PRC enterprise, the 10% withholding tax rate applicable under the EIT Law may be lowered to 5% for dividends and 7% for interest payments once approvals have been obtained from the relevant tax authorities. The determination of beneficial ownership is clarified under the Announcement of the SAT on Issues Concerning "Beneficial Owners" in Tax Treaties (《國家税務總局關於税收協定中"受益所有人"有關問題的公告》), which was issued by the SAT on February 3, 2018 and came into effect on April 1, 2018, provides that "beneficial owner" shall mean a person who has the ownership and control over the income and the rights and property from which the income is derived. When an individual who is a resident of the treaty counterparty derives dividend income from the PRC, the individual may be determined as a "beneficial owner".

Pursuant to the Circular of the SAT on Relevant Issues relating to the Implementation of Dividend Clauses in Tax Agreements (《國家税務總局關於執行税收協定股息條款有關問題的通知》), which was promulgated by the SAT and became effective on February 20, 2009, stipulates that the non-resident taxpayer or the withholding agent is required to obtain and keep sufficient documentary evidence proving that the recipient of the dividends meets the relevant requirements for enjoying a lower withholding tax rate under a tax treaty if the main purpose of an offshore transaction or arrangement is to obtain a preferential tax treatment.

According to the Administrative Measures on Non-resident Taxpayers to Enjoy the Treatment under Tax Treaties (《非居民納税人享受税收協定待遇管理辦法》) promulgated by the SAT on October 14, 2019 and came into effect on January 1, 2020, where a non-resident taxpayer self-assesses and concludes that it satisfies the criteria for claiming treaty benefits, it may enjoy treaty benefits at the time of tax declaration or at the time of withholding through the withholding agent, simultaneously gather and retain the relevant materials for future inspection, and accept follow-up administration by the tax authorities.

REGULATIONS ON FOREIGN EXCHANGE IN THE PRC

Pursuant to Foreign Exchange Administration Rules of the PRC (《中華人民共和國外匯管理條例》) (the "**Foreign Exchange Administration Rules**"), which was promulgated by the State Council of the PRC on January 29, 1996, came into effect on April 1, 1996 and further amended on January 14, 1997 and August 5, 2008. Under these rules, Renminbi is generally freely convertible for payments of current account items, such as trade and service-related

foreign exchange transactions and dividend payments, but not freely convertible for capital account items, such as capital transfer, direct investment, investment in securities, derivative products or loans unless the prior approval by the competent authorities for the administration of foreign exchange is obtained.

Under the Foreign Exchange Administration Rules of the PRC, foreign-invested enterprises in the PRC may purchase foreign exchange without the approval of SAFE for paying dividends by providing certain evidencing documents (board resolutions, tax certificates, etc.), or for trade and services-related foreign exchange transactions by providing commercial documents evidencing such transactions. They are also allowed to retain foreign currency (subject to a cap approval by SAFE) to satisfy foreign exchange liabilities. In addition, foreign exchange transactions involving overseas direct investment or investment and trading in securities, derivative products abroad are subject to registration with the competent authorities for the administration of foreign exchange and approval or filings with the relevant Governmental Authorities (if necessary).

According to the Circular on Relevant Issues Relating to Domestic Resident's Investment and Financing and Roundtrip Investment through Special Purpose Vehicles (《國家外匯管理局關於境內居民通過特殊目的公司境外投融資及返程投資外匯管理有關問題的通知》) ("Circular No. 37"), which was promulgated on July 4, 2014 and came into effect on the same day, states that (i) a PRC resident, including a PRC resident natural person or a PRC legal person, shall register with the local branch of the SAFE before it contributes the assets of or its equity interests into a special purpose vehicle for the purpose of investment and financing; and (ii) when the special purpose vehicle undergoes changes of basic information, such as changes in PRC resident natural person shareholder, name or operating period, or occurrence of a material event, share capital of a PRC resident natural person, performance of merger or split, the PRC resident shall register such changes with the local branch of the SAFE in a timely manner.

Pursuant to SAFE Circular 13, which was promulgated on February 13, 2015, implemented on June 1, 2015 and subsequently amended on December 30, 2019, the initial foreign exchange registration for establishing or taking control of an SPV by domestic residents can be conducted with a qualified bank, instead of the local foreign exchange bureau.

In February 2012, SAFE promulgated the Notices on Issues Concerning the Foreign Exchange Administration for Domestic Individuals Participating in Stock Incentive Plans of Overseas Publicly-Listed Companies (《國家外匯管理局關於境內個人參與境外上市公司股權激勵計劃外匯管理有關問題的通知》) (the "**Stock Option Rules**"). In accordance with the Stock Option Rules and relevant rules and regulations, PRC citizens or non-PRC citizens residing in China for a continuous period of not less than one year, who participate in any stock incentive plan of an overseas publicly listed company, subject to a few exceptions, must register with SAFE through a domestic qualified agent, which could be a PRC subsidiary of such overseas listed company, and complete certain procedures. In addition, the SAT has issued circulars concerning employee share options or restricted shares. Under these circulars, employees working in the PRC who exercise share options, or whose restricted shares vest, will

be subject to PRC individual income tax. The PRC subsidiaries of an overseas listed company have obligations to file documents related to employee share options or restricted shares with relevant tax authorities and to withhold individual income tax of these employees related to their share options or restricted shares. If the employees fail to pay, or the PRC subsidiaries fail to withhold, their individual income tax in accordance with relevant laws, rules and regulations, the PRC subsidiaries may face penalties imposed by the tax authorities or other PRC government authorities.

According to the Circular of the SAFE on the Reform of the Management Method for the Settlement of Foreign Exchange Capital of Foreign-invested Enterprises (《國家外匯管理局關於改革外商投資企業外匯資本金結匯管理方式的通知》) promulgated by the SAFE on March 30, 2015 and came into effect on June 1, 2015 and subsequently amended on December 30, 2019 and March 23, 2023, the Circular of the SAFE on the Reform and Standardization of the Management Policy of the Settlement of Capital Projects (《國家外匯管理局關於改革和規範資本項目結匯管理政策的通知》) promulgated by the SAFE on June 9, 2016 and amended on December 4, 2023, and the Circular of the SAFE on Further Deepening Reforms to Facilitate Cross-Border Trade and Investment (《國家外匯管理局關於進一步深化改革促進跨境貿易投資便利化的通知》) promulgated by the SAFE on December 4, 2023 and took effect on the same day, the settlement of foreign exchange by foreign invested enterprises shall be governed by the policy of foreign exchange settlement on a discretionary basis. However, the foreign exchange revenue under the capital and foreign debts of non-financial enterprises, and the RMB funds obtained from foreign exchange settlement shall be used in accordance with the principles of authenticity and self-use, and shall not be directly or indirectly used for expenditures prohibited by the laws and regulations of the PRC. In addition, unless otherwise expressly prescribed, they shall not be directly or indirectly used for securities investment or other investment or wealth management purposes (except for wealth management products and structured deposits with risk ratings not higher than Level II), they shall not be used to issue loans to non-affiliates (except for the cases expressly permitted by the business scope and certain areas), and they shall not be used to purchase residential property that is not for self-use (except for enterprises engaged in real estate development operation or lease operation).

According to the Notice of the SAFE on Optimizing Foreign Exchange Administration to Support the Development of Foreign-related Business (《國家外匯管理局關於優化外匯管理支持涉外業務發展的通知》), which was issued by the SAFE on April 10, 2020 and took effect from the same day, under the prerequisite of ensuring true and compliant use of funds and compliance with the prevailing administrative provisions on use of income under the capital account, enterprises which satisfy the criteria are allowed to use income under the capital account, such as capital funds, foreign debt and overseas listing, etc. for domestic payment, without prior provision of proof materials for veracity to the bank for each transaction.

REGULATIONS ON OVERSEAS LISTING

The CSRC promulgated Trial Administrative Measures of the Overseas Securities Offering and Listing by Domestic Companies (《境內企業境外發行證券和上市管理試行辦法》) (the "**Overseas Listing Trial Measures**") and five relevant guidelines on February 17,

2023, which came into effective on March 31, 2023. The Overseas Listing Trial Measures regulate both direct and indirect overseas offering and listing by PRC domestic companies' by adopting a filing-based regulatory regime.

According to the Overseas Listing Trial Measures, PRC domestic companies that seek to offer and list securities in overseas markets, either in direct or indirect means, are required to complete the filing procedure with the CSRC and report relevant information. The Overseas Listing Trial Measures provide that no overseas offering and listing shall be made under any of the following circumstances: (i) such securities offering and listing is explicitly prohibited by provisions in laws, administrative regulations and relevant state rules; (ii) the intended securities offering and listing may endanger national security as reviewed and determined by competent authorities under the State Council in accordance with law; (iii) the domestic company intending to make the securities offering and listing, or its controlling shareholder and the actual controller, have committed relevant crimes such as corruption, bribery, embezzlement, misappropriation of property or undermining the order of the socialist market economy during the latest three years; (iv) the domestic company intending to make the securities offering and listing is currently under investigations for suspicion of criminal offenses or major violations of laws and regulations, and no conclusion has yet been made thereof; or (v) there are material ownership disputes over equity held by the domestic company's controlling shareholder or by other shareholder that are controlled by the controlling shareholder and/or actual controller.

The Overseas Listing Trial Measures also provide that if the issuer both meets the following criteria, the overseas securities offering and listing conducted by such issuer will be deemed as indirect overseas offering subject to the filing procedure set forth under the Overseas Listing Trial Measures: (i) 50% or more of the issuer's operating revenue, total profit, total assets or net assets as documented in its audited consolidated financial statements for the most recent fiscal year is accounted for by domestic companies; and (ii) the issuer's business activities are substantially conducted in mainland China, or its principal place of business are located in mainland China, or the senior managers in charge of its business operations and management are mostly Chinese citizens or domiciled in Mainland China. Where an issuer submits an application for an initial public offering to competent overseas regulators, such issuer must file with the CSRC within three business days after such application is submitted. The Overseas Listing Trial Measures also require subsequent reports to be filed with the CSRC on material events, such as change of control or voluntary or forced delisting of the issuer who have completed overseas offerings and listings.

According to the Notice on the administrative arrangements for the filing of the overseas securities offering and listing by domestic companies (《關於境內企業境外發行上市備案管理安排的通知》) (the "**Notice**") from the CSRC, the domestic companies that have already been listed overseas on or before the effective date of the Overseas Listing Trial Measures (i.e. March 31, 2023) shall be deemed as existing issuers (the "**Existing Issuers**"). Existing Issuers are not required to complete the filling procedures immediately, and they shall be required to file with the CSRC when subsequent corporate actions are involved. Further, according to the Notice from the CSRC, domestic companies that have obtained approval from overseas

regulatory authorities or securities exchanges (for example, a contemplated offering and/or listing in Hong Kong has passed the hearing for the listing application of its shares on the Stock Exchange) for their indirect overseas offering and listing prior to the effective date of the Overseas Listing Trial Measures (i.e. March 31, 2023) but have not yet completed their indirect overseas issuance and listing, are granted a six-month transition period from March 31, 2023. Those who complete their overseas offering and listing within such six-month period, before September 30, 2023, are deemed as Existing Issuers and are not required to file with the CSRC for their overseas offering and listing. Within such six-month transition period, however, if such domestic companies need to reapply for offering and listing procedures to the overseas regulatory authority or securities exchanges (such as requiring a new hearing for the listing application of it shares on the Stock Exchange), or if they fail to complete their indirect overseas issuance and listing, such domestic companies shall complete the filling procedures with the CSRC.

The CSRC and other three relevant government authorities promulgated the Provisions on Strengthening the Confidentiality and Archives Administration of Overseas Securities Offering and Listing by Domestic Companies (《關於加強境內企業境外發行證券和上市相關保密和檔案管理工作的規定》) (the "**Provision on Confidentiality**") on February 24, 2023, and came into effect on March 31, 2023. Pursuant to the Provision on Confidentiality, when a domestic company or its overseas listing entity provides or publicly discloses the documents and materials involving state secrets and working secrets of state organs to the relevant securities companies, securities service institutions, overseas regulatory authorities and other entities and individuals, it shall report to the competent department with the examination and approval authority for approval, and file with the same level secrecy administration department. A domestic company that plans to, either directly or through its overseas listed entity, publicly disclose or provide to relevant individuals and entities including securities companies, securities service providers and overseas regulators, any other documents and materials that, if leaked, will be detrimental to national security or public interest, shall strictly fulfill relevant procedures stipulated by applicable national regulations. Domestic companies providing accounting archives or copies thereof to entities and individuals such as securities companies, securities service institutions and overseas regulatory authorities shall perform the relevant procedures according to relevant regulations. The working papers formed within the territory of the PRC by the securities companies and securities service institutions that provide related services for the overseas offering and listing of domestic enterprises shall be kept within the territory of the PRC. Cross-border transferring of such working papers shall go through the examination and approval formalities in accordance with the relevant regulations.

REGULATIONS ON MANAGEMENT OF LEASE HOUSING IN THE PRC

Administrative Measures on Leasing of Commodity Housing

On December 1, 2010, the Ministry of Housing and Urban-Rural Development promulgated the Administrative Measures on Leasing of Commodity Housing (《商品房屋租賃管理辦法》), which came into effect on February 1, 2011, stipulates that lessors and lessees shall complete property leasing registration and filing formalities within 30 days from execution of the property lease contract with the development (real estate) department of the PRC Government of the centrally-administered municipality, municipality or county where the leased property is located. Organizations who violate the relevant provisions of this regulation shall be ordered by the development (real estate) department of the PRC Governments of centrally-administered municipalities, municipalities or counties to make correction within a stipulated period; where an organization fails to make correction within the stipulated period, a fine ranging from RMB1,000 to RMB10,000 shall be imposed.

OUR HISTORY

Overview

Our Company was incorporated as an exempted limited liability company in the Cayman Islands on August 3, 2023. As part of the Reorganization, our Company became the holding company of our Group for the purpose of Listing with our businesses conducted through our subsidiaries and Consolidated Affiliated Entities. For further details, please refer to the paragraph headed "Reorganization" in this section.

Our Group's history can be traced back to January 2015 when Shenzhen Shouhui was established (formerly known as Shenzhen Muchenglin Technology Co., Ltd (深圳木成林科技有限公司)) as a limited liability company in the PRC by Mr. Guang, Mr. Han and Ms. Wanzhu Hu (胡婉珠) ("**Ms. Hu**"), an Independent Third Party. For the biography of Mr. Guang and Mr. Han, please refer to the section headed "Directors and Senior Management — Board of Directors — Executive Directors" in this prospectus.

KEY MILESTONES

The following table sets out the major achievements and milestones in the business development of our Group:

Year	Event
2015	Shenzhen Shouhui was established in the PRC.
	We launched Xiaoyusan (小雨傘), our online direct distribution platform for policyholders and the insured.
2016	We launched Kachabao (咔嚓保), which is a platform designed to assist our agents.
2017	We launched Qingtianzhu Term Life Insurance (擎天柱定期壽險) and Dahuangfeng Children Critical Illness Insurance (大黃蜂少兒重疾險).
	We became qualified as a National High-tech Enterprise (國家高新技術企業).
2018	We launched Niubao 100 (牛保100), which is a platform designed to assist our business partners.
2019	We launched Chaojimali Critical Illness Insurance (超級瑪麗重疾險).
	We started to operate pension annuity wealth life insurance products.

Year	Event
2020	We launched our independently-developed Picus risk assessment system (啄木鳥風控系統).
	We launched Zengduoduo Incremental Whole Life Insurance (增多多增額終身壽險).
2021	We launched Yangduoduo Pension Annuity Insurance (養多多養老年金險).
	We completed the acquisition of Baihong Insurance Appraisal, a national insurance appraisal company.
	Chaojimali Critical Illness Insurance was awarded "Top 10 Best-selling Protection Insurance Products of the Year" award in the 2021 China Insurance White Elephant List of Today's Insurers (今日保2021中國保險白象榜"年度十大暢銷保障型保險產品"獎).
2022	We launched our independently-developed dual-recording system, Chuangxin Shanlu system (創信閃錄).
	Dahuangfeng Children Critical Illness Insurance was awarded "Houdao Insurance Product of the Year" award in the 2022 China Insurance White Elephant List of Today's Insurance (今日保2022中國保險白象榜"年度厚道保險產品"獎).
	Small Umbrella Insurance Brokerage was awarded "InsurStar 2022 Excellent Intermediary of the Year."
2023	We launched Fuduoduo Pension Annuity (富多多養老年金) and our Jinyibao Long-term Medical Insurance (金醫保長期醫療險).
	Dahuangfeng Children Critical Illness Insurance was awarded "2023 Jin Nuo • Chinese Financial Product Communication Model Award" (2023金諾•中國金融產品傳播典範獎) by the China Banking and Insurance News.
	Jinyibao Million Medical (金醫保百萬醫療) was awarded "2023 Commercial Health Insurance Recommendation Product Award of Today's Insurance" (今日保2023年度商業健康保險推薦產品(醫療)獎).

Year	Event
2024	We launched Fuduoduo Critical Illness Insurance (福多多重大疾病保險).
	Jinyibao Million Medical (金醫保百萬醫療) was awarded "2024 Noteworthy Health Insurance Product of the 22nd Financial China Annual Conference and Fengyun Bang Awards" (第二十二屆財經風雲榜2024年度值得關注健康險產品).
	Zengduoduo Incremental Whole Life Insurance (增多多增額終身壽險) was awarded "2023-2024 Golden Reputation Annual Life Insurance Product Award" (2023-2024金口碑年度壽險保險產品獎).

OUR MAJOR PRC SUBSIDIARIES AND CONSOLIDATED AFFILIATED ENTITIES

The principal business activities and date of establishment of each of our major subsidiaries and Consolidated Affiliated Entities[(Note)] are set out as follows:

Name	Principal business activities	Date of incorporation and commencement of business	Jurisdiction of establishment	Amount of registered capital
Shenzhen Shouhui	IT services and software	January 26, 2015	PRC	RMB4,887,067
Chuangxin Insurance Sales . . .	Insurance agency	September 21, 2006	PRC	RMB50,000,000
Small Umbrella Insurance Brokerage	Insurance brokerage	November 13, 2013	PRC	RMB50,000,000

Note: A subsidiary or Consolidated Affiliated Entity is a major subsidiary or major Consolidated Affiliated Entity if it contributed 5% or more to the total assets, revenue and/or gross profit of our Group on a consolidated basis in any year of the Track Record Period.

CORPORATE HISTORY AND DEVELOPMENT

Shenzhen Shouhui

During the Track Record Period, Shenzhen Shouhui mainly served as the holding company of our major subsidiaries and Consolidated Affiliated Entities.

Establishment

Shenzhen Shouhui was established in the PRC with a former name of Shenzhen Muchenglin Technology Co., Ltd* (深圳木成林科技有限公司) as a limited liability company on January 26, 2015. As of the date of its establishment, the registered capital of Shenzhen Shouhui was RMB5,000,000, of which RMB3,000,000 was owned by Mr. Guang,

RMB1,250,000 was owned by Ms. Hu (to the best knowledge of our Company, a family member of a former senior management member), and RMB750,000 was owned by Mr. Han. Mr. Guang, Ms. Hu and Mr. Han entered into a concert party agreement on November 27, 2015 (the "**First AIC Agreement**"). Between the date of its establishment and the commencement of the Reorganization, the registered capital of Shenzhen Shouhui underwent a number of changes and increased from RMB5,000,000 to RMB9,459,469.97.

Angel Investment

On February 10, 2015, an equity investment agreement was entered into by, among others, Shenzhen Shouhui and Jiaxing Jidixintian I Capital Partnership (L.P.) (嘉興極地信天壹期投資合夥企業(有限合夥)) ("**Jidixintian**"), pursuant to which Jidixintian subscribed for RMB882,353 in the registered capital of Shenzhen Shouhui at a consideration of RMB3,000,000. The consideration was determined by parties after arm's length negotiation with reference to the post-money valuation of Shenzhen Shouhui at RMB20,000,000, the timing of the investments, as well as the operating results and the long-term development potential of Shenzhen Shouhui and its operating entities. The consideration was fully settled on February 16, 2015. Immediately after the increase in the registered capital, Shenzhen Shouhui was owned by Mr. Guang, Ms. Hu, Jidixintian and Mr. Han as to 51.00%, 21.25%, 15.00% and 12.75%, respectively.

Series A Financing

On November 10, 2015, an equity investment agreement was entered into by, among others, Shenzhen Shouhui, Beijing HongShan Xinde Equity Investment Center (Limited Partnership)* (北京紅杉信德股權投資中心(有限合夥)) ("**HongShan Xinde**") and Jidixintian, pursuant to which HongShan Xinde and Jidixintian subscribed for RMB1,642,043 and RMB113,013 in the registered capital of Shenzhen Shouhui at a consideration of RMB20,000,000 and RMB1,376,493, respectively. The considerations were determined by parties after arm's length negotiation with reference to the post-money valuation of Shenzhen Shouhui at RMB93,023,256, the timing of the investments, as well as the operating results and the long-term development potential of Shenzhen Shouhui and its operating entities. The considerations were fully settled by HongShan Xinde and Jidixintian on December 7, 2015 and November 26, 2015, respectively.

Upon completion of the Angel Investment and the Series A Financing, the shareholding structure of Shenzhen Shouhui was as follows:

Shareholders	**Registered capital subscribed for**	**Equity interest in Shenzhen Shouhui**
	(RMB)	*(%)*
Mr. Guang	3,000,000	39.28
HongShan Xinde	1,642,043	21.50

Shareholders	Registered capital subscribed for	Equity interest in Shenzhen Shouhui
	(RMB)	*(%)*
Ms. Hu	1,250,000	16.37
Jidixintian	995,366	13.03
Mr. Han	750,000	9.82

Establishment of the First Employee Shareholding Platform

On April 8, 2016, an equity transfer agreement was entered into among Shenzhen Small Umbrella Investment Management Limited Partnership* (深圳小雨傘投資管理合夥企業(有限合夥)) ("**Small Umbrella (ESOP)**"), Mr. Guang, Ms. Hu, Mr. Han and Jidixintian, pursuant to which Mr. Guang, Ms. Hu, Mr. Han and Jidixintian transferred 5.34%, 2.23%, 1.34% and 0.53% of their then respective equity interest in Shenzhen Shouhui to Small Umbrella (ESOP) at a nominal consideration of RMB1, a nominal consideration of RMB1, a nominal consideration of RMB1 and a consideration of RMB40,478.27 (which is equivalent to the registered capital), respectively, to set up an employee shareholding platform to reward and incentivize certain eligible employees of Shenzhen Shouhui for their contributions. The considerations for the equity transfers were determined with reference to the registered capital of Shenzhen Shouhui at the time. Upon completion of these transfers, Shenzhen Shouhui was owned by Mr. Guang, HongShan Xinde, Ms. Hu, Jidixintian, Small Umbrella (ESOP) and Mr. Han as to approximately 33.94%, 21.50%, 14.14%, 12.50%, 9.43% and 8.49%, respectively.

Equity Transfer in January 2017

On January 9, 2017, an equity transfer agreement was entered into between Small Umbrella (ESOP) and Ms. Liu, pursuant to which Small Umbrella (ESOP) transferred 0.77% of equity interest in Shenzhen Shouhui to Ms. Liu, as a grant of employee share awards as part of the Group's onshore employee share award scheme, at a nominal consideration of RMB1. On January 9, 2017, an equity transfer agreement was entered into between Mr. Guang and Ms. Hu, pursuant to which Mr. Guang transferred 3.80% of equity interest in Shenzhen Shouhui to Ms. Hu at a nominal consideration of RMB1. Immediately after the equity transfers, Shenzhen Shouhui was held by Mr. Guang, HongShan Xinde, Ms. Hu, Jidixintian, Small Umbrella (ESOP), Mr. Han and Ms. Liu as to approximately 30.14%, 21.50%, 17.94%, 12.50%, 8.66%, 8.49% and 0.77%, respectively.

Series B Financing

On February 23, 2017, a capital injection agreement was entered into, among others, Shenzhen Shouhui, Hangzhou Jingtianweidi Investment Partnership (Limited Partnership)* (杭州經天緯地投資合夥企業(有限合夥)) ("**Matrix Jingtianweidi**") and Tasly, pursuant to which the registered capital of Shenzhen Shouhui was increased further to RMB9,546,761.26. Matrix Jingtianweidi subscribed for RMB954,676.13 of the registered capital of Shenzhen Shouhui at a consideration of RMB20,000,000 and Tasly subscribed for RMB954,676.13 of the registered

capital of Shenzhen Shouhui at a consideration of RMB20,000,000. The considerations were determined by parties after arm's length negotiation with reference to the post-money valuation of Shenzhen Shouhui at RMB200,000,000, the timing of the investments, as well as the operating results and the long-term development potential of Shenzhen Shouhui and its operating entities. The considerations were fully settled by Matrix Jingtianweidi and Tasly on March 7, 2017 and March 16, 2017, respectively.

Immediately after the equity transfers in 2016 and 2017 and the Series B Financing, the shareholding structure of Shenzhen Shouhui was as follows:

Shareholders	Registered capital subscribed for	Equity interest in Shenzhen Shouhui
	(RMB)	*(%)*
Mr. Guang	2,301,937	24.11
HongShan Xinde	1,642,043	17.20
Ms. Hu	1,370,289	14.35
Jidixintian	954,890	10.00
Matrix Jingtianweidi	954,676.13	10.00
Tasly	954,676.13	10.00
Small Umbrella (ESOP)	661,400	6.93
Mr. Han	648,042	6.79
Ms. Liu	58,808	0.62

Equity Transfers from 2018 to 2020

On June 15, 2018, an equity transfer agreement was entered into between Small Umbrella (ESOP) and Ms. Liu, pursuant to which Small Umbrella (ESOP) transferred approximately 0.31% of equity interest in Shenzhen Shouhui to Ms. Liu, as a grant of employee share awards under the Group's onshore employee share award scheme, at a nominal consideration of RMB1. On May 27, 2019, an equity transfer agreement was entered into between Small Umbrella (ESOP) and Ms. Liu, pursuant to which Small Umbrella (ESOP) further transferred approximately 0.31% of equity interest in Shenzhen Shouhui to Ms. Liu as a grant of employee share awards under the Group's onshore employee share award scheme, at a nominal consideration of RMB1. After these equity transfers, Shenzhen Shouhui was held by Mr. Guang, HongShan Xinde, Ms. Hu, Jidixintian, Matrix Jingtianweidi, Tasly, Mr. Han, Small Umbrella (ESOP) and Ms. Liu as to approximately 24.11%, 17.20%, 14.35%, 10.00%, 10.00%, 10.00%, 6.79%, 6.31% and 1.23%, respectively.

On November 6, 2020, an equity transfer agreement was entered into by, among others, Ms. Hu, Mr. Guang and Mr. Han, pursuant to which Ms. Hu transferred approximately 11.48% and 2.87% of equity interest in Shenzhen Shouhui to Mr. Guang and Mr. Han respectively, at a consideration of RMB51,200,000 and RMB12,800,000, respectively. The considerations were determined by the parties after arm's length negotiation with reference to the timing of the investments as well as the operating results and the long-term development potential of

Shenzhen Shouhui and its operating entities. The considerations were fully settled on December 31, 2020. Immediately after the equity transfers, Ms. Hu ceased to be a shareholder and supervisor of Shenzhen Shouhui and no longer held any other position in our Group, and Shenzhen Shouhui was held by Mr. Guang, HongShan Xinde, Jidixintian, Matrix Jingtianweidi, Tasly, Mr. Han, Small Umbrella (ESOP) and Ms. Liu as to approximately 35.60%, 17.20%, 10.00%, 10.00%, 10.00%, 9.66%, 6.31% and 1.23%, respectively. Mr. Guang, Mr. Han and Small Umbrella (ESOP) as shareholders entered into a concert party agreement on April 2, 2020 replacing the First AIC Agreement (the "**Second AIC Agreement**"), pursuant to which (i) the parties would act in concert in respect of all matters relating to the operations of Shenzhen Shouhui; and (ii) when and if the parties could not reach a consensus, the decision shall be made by a simple majority of the interests held by the parties. Mr. Guang, Mr. Han, Ms. Liu and Mr. Li Jianting as directors entered into a director concert party agreement on April 30, 2020 (the "**First Director AIC Agreement**") pursuant to which (i) the parties, as directors of Shenzhen Shouhui, would act in concert in exercising director's rights in respect of all matters relating to the operations of Shenzhen Shouhui; and (ii) when and if the parties could not reach a consensus, the decision shall be made by a simple majority of the interests held by the parties.

On December 1, 2020, Mr. Guang and Mr. Han transferred to Ningbo Dacai Xiaohong Enterprise Management Partnership (Limited Partnership)* (寧波大彩小虹企業管理合夥企業(有限合夥)) ("**Dacai Xiaohong**") 11.48% and 2.87% of equity interest in Shenzhen Shouhui as part of an internal restructuring. Dacai Xiaohong is wholly-owned by Mr. Guang and Mr. Han. Immediately after the equity transfers, Shenzhen Shouhui was held by Mr. Guang, HongShan Xinde, Dacai Xiaohong, Jidixintian, Matrix Jingtianweidi, Tasly, Mr. Han, Small Umbrella (ESOP) and Ms. Liu as to approximately 24.11%, 17.20%, 14.35%, 10.00%, 10.00%, 10.00%, 6.79%, 6.31% and 1.23%, respectively.

Establishment of the Second Employee Shareholding Platform

Pursuant to a shareholders' resolution on December 31, 2020, the registered capital of Shenzhen Shouhui was increased by RMB96,431.93 as a result of the capital contribution by Shenzhen Zhengshu Zhilin Investment Partnership (Limited Partnership)* (深圳正樹直林投資合夥企業(有限合夥)) ("**Zhengshu Zhilin (ESOP)**") at a consideration of RMB96,431.93 which was equivalent to the registered capital. Zhengshu Zhilin (ESOP) was established as a second employee shareholding platform to reward and incentivize certain core employees of our Group for their contributions. Immediately after the increase in the registered capital, Shenzhen Shouhui was held by Mr. Guang, HongShan Xinde, Dacai Xiaohong, Jidixintian, Matrix Jingtianweidi, Tasly, Mr. Han, Small Umbrella (ESOP), Ms. Liu and Zhengshu Zhilin (ESOP) as to approximately 23.87%, 17.03%, 14.21%, 9.90%, 9.90%, 9.90%, 6.72%, 6.25%, 1.22%, and 1.00%, respectively.

Series C Financing

On December 30, 2020, an equity transfer and capital injection agreement was entered into by, among others, Shenzhen Shouhui, Dacai Xiaohong, Zhuhai Qifei Equity Investment Center (Limited Partnership)* (珠海麒斐股權投資中心(有限合夥)) ("**Zhuhai Qifei**") and Zhuhai Junchen Equity Investment Center (Limited Partnership)* (珠海君晨股權投資中心(有限合夥)) ("**Zhuhai Junchen**"), pursuant to which (i) Dacai Xiaohong agreed to transfer approximately 4.91% of equity interest in Shenzhen Shouhui to Zhuhai Qifei at a consideration of RMB50,666,666.67 and approximately 2.45% of equity interest in Shenzhen Shouhui to Zhuhai Junchen at a consideration of RMB25,333,333.33, and the considerations were settled on February 9, 2021; and (ii) the registered capital of Shenzhen Shouhui was increased by RMB633,744.49 as Zhuhai Qifei subscribed for RMB422,496.33 of the registered capital and Zhuhai Junchen subscribed for RMB211,248.16 of the registered capital, at a total consideration of RMB74,000,000. The considerations were determined with reference to the post-money valuation of Shenzhen Shouhui at RMB1,146,788,991, the timing of the investments, as well as the operating results and the long-term development potential of Shenzhen Shouhui and its operating entities and were settled on December 31, 2020.

Immediately after the equity transfers and the Series C Financing, the shareholding structure of Shenzhen Shouhui was as follows:

Shareholders	**Registered capital subscribed for**	**Equity interest in Shenzhen Shouhui**
	(RMB)	*(%)*
Mr. Guang	2,301,937	22.40
HongShan Xinde	1,642,043	15.98
Jidixintian	954,890	9.29
Matrix Jingtianweidi	954,676.13	9.29
Tasly	954,676.13	9.29
Zhuhai Qifei	895,858.31	8.72
Dacai Xiaohong	660,246.03	6.42
Mr. Han	648,042	6.31
Small Umbrella (ESOP)	602,591.90	5.86
Zhuhai Junchen	447,929.15	4.36
Ms. Liu	117,616.10	1.14
Zhengshu Zhilin (ESOP)	96,431.93	0.94

Equity Transfers from 2021 to 2022

On May 7, 2021, an equity transfer agreement was entered into by, among others, Jidixintian and Tianjin Juxin Technology Development Partnership (Limited Partnership)* (天津聚新科技發展合夥企業(有限合夥)) ("**Tianjin Juxin**"), pursuant to which Jidixintian transferred 3% of equity interest in Shenzhen Shouhui to Tianjin Juxin at a consideration of RMB36,000,000. The consideration was determined by the parties after arm's length

negotiation with reference to the valuation of Shenzhen Shouhui of RMB1.2 billion as at completion of the subscription, the timing of the investments, as well as the operating results and the long-term development potential of Shenzhen Shouhui and its operating entities and was fully settled on May 31, 2021. Immediately after the equity transfer, Shenzhen Shouhui was held by Mr. Guang, HongShan Xinde, Matrix Jingtianweidi, Tasly, Zhuhai Qifei, Dacai Xiaohong, Mr. Han, Jidixintian, Small Umbrella (ESOP), Zhuhai Junchen, Tianjin Juxin, Ms. Liu and Zhengshu Zhilin (ESOP) as to approximately 22.40%, 15.98%, 9.29%, 9.29%, 8.72%, 6.42%, 6.31%, 6.29%, 5.86%, 4.36%, 3.00%, 1.14%, and 0.94%, respectively.

On July 1, 2022, an equity transfer agreement was entered into by, among others, Tasly and Tibet Juzhi Venture Capital Co., Ltd* (西藏聚智創業投資有限公司) ("**Tibet Juzhi**"), pursuant to which Tasly transferred approximately 9.29% of equity interest in Shenzhen Shouhui to Tibet Juzhi at a consideration of RMB20,000,000 as part of the shareholder's internal restructuring as Tibet Juzhi was a limited partner of Tasly at the time of transfer and Tasly was held as to 50.50% by Tibet Juzhi as of the Latest Practicable Date. The consideration was fully settled on April 6, 2022. Immediately after the equity transfer, Shenzhen Shouhui was held by Mr. Guang, HongShan Xinde, Matrix Jingtianweidi, Tibet Juzhi, Zhuhai Qifei, Dacai Xiaohong, Mr. Han, Jidixintian, Small Umbrella (ESOP), Zhuhai Junchen, Tianjin Juxin, Ms. Liu and Zhengshu Zhilin (ESOP) as to approximately 22.40%, 15.98%, 9.29%, 9.29%, 8.72%, 6.42%, 6.31%, 6.29%, 5.86%, 4.36%, 3.00%, 1.14%, and 0.94%, respectively.

As Shenzhen Shouhui and its subsidiaries continued to grow, on September 8, 2022, Mr. Guang, Mr. Han, Ms. Liu, Small Umbrella (ESOP), Dacai Xiaohong and Zhengshu Zhilin (ESOP) as shareholders entered into a concert party agreement replacing the Second AIC Agreement (the "**Third AIC Agreement**") and Mr. Guang, Mr. Han, Ms. Liu, Mr. Jianting Li, Mr. Detao Chen (陳德濤) and Ms. Qing Li (李情) entered into a director concert party agreement replacing the First Director AIC Agreement (the "**Second Director AIC Agreement**"). Pursuant to the Third AIC Agreement and the Second Director AIC Agreement, the parties would act in concert in respect of all matters relating to the operations of Shenzhen Shouhui; and when and if the parties could not reach a consensus, the decision shall be made by a simple majority of the interests held by the parties. In order to support the independent sustainable development of Shenzhen Shouhui and to fully incentivize the employee shareholders, on October 10, 2022, the parties to the Third AIC Agreement and the Second Director AIC Agreement mutually agreed to terminate the Third AIC Agreement and the Second Director AIC Agreement and entered into termination agreements, which in their view, is in the best interests of Shenzhen Shouhui and its shareholders.

Capital Reduction in 2023

On July 17, 2023, a share repurchase agreement was entered into by, among others, Shenzhen Shouhui, HongShan Xinde and Matrix Jingtianweidi, pursuant to which the registered capital of Shenzhen Shouhui was reduced from RMB10,276,937.68 to RMB9,459,469.97. Pursuant to the agreement, Shenzhen Shouhui repurchased RMB395,548.89 of equity interest in Shenzhen Shouhui held by HongShan Xinde at a consideration of RMB15,000,000, and repurchased RMB421,918.82 of equity interest in

Shenzhen Shouhui held by Matrix Jingtianweidi at a consideration of RMB16,000,000. The repurchases were raised by the investors due to maturity of their early established funds. The considerations were determined by the parties after arm's length negotiation and were fully settled on August 11, 2023. Immediately after the capital reduction, Shenzhen Shouhui was held by Mr. Guang, HongShan Xinde, Tibet Juzhi, Zhuhai Qifei, Dacai Xiaohong, Mr. Han, Jidixintian, Small Umbrella (ESOP), Matrix Jingtianweidi, Zhuhai Junchen, Tianjin Juxin, Ms. Liu and Zhengshu Zhilin (ESOP) as to approximately 24.33%, 13.18%, 10.09%, 9.47%, 6.98%, 6.85%, 6.84%, 6.37%, 5.63%, 4.74%, 3.26%, 1.24% and 1.02%, respectively.

For subsequent equity changes undertaken during the Reorganization, please refer to the paragraph headed "Reorganization" in this section.

Small Umbrella Insurance Brokerage

Small Umbrella Insurance Brokerage was established as a limited liability company on November 13, 2013 with a former name of Wan Bei International Insurance Brokerage (Tianjin) Co., Ltd* (萬貝國際保險經紀(天津)有限公司) in the PRC with a registered capital of RMB50,000,000. Upon establishment, Small Umbrella Insurance Brokerage was held as to 90% and 10% by Wan Bei Technology Development Co., Ltd* (萬貝科技發展(天津)集團有限公司) ("**Wan Bei Technology**") and Mr. Gangfu Zhang (張剛福) ("**Mr. Zhang**"), each an Independent Third Party.

On April 20, 2017, Wan Bei Technology, Mr. Zhang and Shenzhen Shouhui entered into an equity transfer agreement (supplemented by a supplemental equity transfer agreement dated April 26, 2017), pursuant to which Wan Bei Technology and Mr. Zhang transferred their respective equity interest (90% and 10%) in Small Umbrella Insurance Brokerage to Shenzhen Shouhui at a consideration of RMB22,000,000, determined by the parties after arm's length negotiation with reference to the timing of the investments, as well as the operating results and the long-term development potential of Small Umbrella Insurance Brokerage. The consideration was fully settled on July 18, 2017.

Since the acquisition and up to the Latest Practicable Date, Small Umbrella Insurance Brokerage had been wholly owned by Shenzhen Shouhui.

Chuangxin Insurance Sales

Chuangxin Insurance Sales Co., Ltd.* (創信保險銷售有限公司) ("**Chuangxin Insurance Sales**") was established as a limited liability company on September 21, 2006 in the PRC with a former name of Taizhou Chuangxin Insurance Agency Co., Ltd* (台州創信保險代理有限公司). As of the date of its establishment, the registered capital of Chuangxin Insurance Sales was RMB500,000, of which RMB125,000 was owned by each of Hao Rong (戎浩), Lin Fan (范臨), Jiangfu Guo (郭將福) and Dongmin Chen (陳冬敏), each an Independent Third Party. Pursuant to a series of equity transfers between 2006 and 2017, Chuangxin Insurance Sales became wholly owned by Shenzhou Changxing (Fujian) Automobile Services Co., Ltd* (神州暢行(福建)汽車服務有限公司), an Independent Third Party, on July 10, 2017.

On October 19, 2020, an equity transfer agreement (supplemented by a supplemental agreement dated October 19, 2020) was entered into between Shenzhou Changxing (Fujian) Automobile Services Co., Ltd and Shenzhen Shouhui, pursuant to which Shenzhou Changxing (Fujian) Automobile Services Co., Ltd transferred 100% of the then equity interest in Chuangxin Insurance Sales to Shenzhen Shouhui at a consideration of RMB27,000,000 determined by the parties after arm's length negotiation with reference to the timing of the investments, as well as the operating results and the long-term development potential of Chuangxin Insurance Sales. The consideration was fully settled on January 13, 2021.

Since the acquisition and up to the Latest Practicable Date, Chuangxin Insurance Sales had been a wholly-owned subsidiary of Shenzhen Shouhui.

PRE-IPO INVESTMENTS

Overview of the Pre-IPO Investments

Our Group underwent Angel Investment, Series A Financing, Series B Financing, Series C Financing and StarReach's investment between 2015 and 2024.

Principal terms of the Pre-IPO Investments

To fund our rapid business expansion and broaden our Shareholder base, our Group has conducted several rounds of investments from investors, details of which are set out in the table below:

	Angel Investment	Series A	Series B	Series C	StarReach's Investment
Date of the equity purchase agreement	February 10, 2015	November 10, 2015	February 23, 2017	December 30, 2020	January 10, 2024
Date on which investment was fully settled	February 16, 2015	December 7, 2015	March 16, 2017	February 9, 2021	January 30, 2024
Consideration/funds received by our Group	RMB3,000,000	RMB21,376,493	RMB40,000,000	RMB74,000,000	Shenzhen Shouhui: RMB3,910,000 Shouhui Chuangxiang: RMB20,586
Cost per equity interest subscribed[(1)] (approximation)	RMB0.17	RMB0.61	RMB1.05	RMB5.84	Shenzhen Shouhui: RMB5.27 Shouhui Chuangxiang: RMB0.05

	Angel Investment	Series A	Series B	Series C	StarReach's Investment
Corresponding post-money valuation of Shenzhen Shouhui or Shouhui Chuangxiang (in the case of StarReach's investment) (approximation)	RMB20,000,000	RMB93,023,256	RMB200,000,000	RMB1,200,000,000	Shenzhen Shouhui: RMB391,000,000 Shouhui Chuangxiang: RMB2,058,600
Discount to the Offer Price[2]	97.48%	90.96%	84.43%	13.41%	Shenzhen Shouhui: 21.86% Shouhui Chuangxiang: 99.26%

Notes:

1. The cost per equity interest subscribed is adjusted as a result of the Capitalization Issue.

2. The discount to the Offer Price is calculated based on the assumption that the Offer Price is HK$7.28 per Share, being the mid-point of the indicative Offer Price range of HK$6.48 to HK$8.08, on the basis that 226,378,600 Shares are expected to be in issue immediately upon completion of the Capitalization Issue and the Global Offering (assuming the conversion of the preference shares on a one-to-one basis and the Over-allotment Option is not exercised).

A summary of investments by Pre-IPO Investors in our Group by way of purchasing existing equity interests is set out below:

Name of investor	Date of share transfer agreement	Date on which investment was fully settled	Total consideration	Cost per equity interest acquired[1] (approximation)	Discount to the Offer Price[2]
Gopher SPV (affiliate of Zhuhai Qifei and Zhuhai Junchen)	December 30, 2020	February 9, 2021	RMB76,000,000	RMB5.35	20.67%
Tianjin Juxin	May 7, 2021	May 31, 2021	RMB36,000,000	RMB5.83	13.56%

Notes:

1. The cost per equity interest acquired is adjusted as a result of the Capitalization Issue.

2. The discount to the Offer Price is calculated based on the assumption that the Offer Price is HK$7.28 per Share, being the mid-point of the indicative Offer Price range of HK$6.48 to HK$8.08, on the basis that 226,378,600 Shares are expected to be in issue immediately upon completion of the Capitalization Issue and the Global Offering (assuming the conversion of the preference shares on a one-to-one basis and the Over-allotment Option is not exercised).

Further details of the Pre-IPO Investments

Shareholding held by each Pre-IPO Investor upon Listing	• Gopher SPV: 12.55% • Jidixintian: 6.04% • Tibet Juzhi and Tianjin Juxin: 11.80% • HongShan Yucheng: 11.64% • Matrix SPV: 4.98% • StarReach: 0.89%
Use of proceeds	As of the Latest Practicable Date, the proceeds received had been fully utilized for contribution into our Group as investment capital to be used for business expansion, capital expenditures and general work capital requirements.
Strategic benefits	Our Directors are of the view that our Company would benefit from the additional capital provided by the Pre-IPO Investments and our Company believes that their investments are reflective of their confidence in our Group's strength and prospects.
Automatic conversion	Upon the closing of a Qualified Public Offering, each of the then outstanding Series Angel Preferred Shares, Series A Preferred Shares, Series B Preferred Shares and Series C Preferred Shares shall be converted into Ordinary Shares on an initial conversion ratio of 1:1 automatically. "Qualified Public Offering" means a public offering of the Ordinary Shares on the Stock Exchange.
Special Rights of the Pre-IPO Investors	The Pre-IPO Investors have been granted certain special rights in relation to our Company, including divestment rights, information rights, pre-emptive rights, rights of first refusal, rights to dividends, liquidation preferences and director appointment rights. The Series A, B and C Pre-IPO Investors have the benefit of a divestment right which has been suspended from the date of first filing of the listing application with the Stock Exchange (the "**First Filing**") until 30 September 2025 or 18 months after the First Filing, as the case may be. Notwithstanding the above, in all cases, if the listing application is withdrawn, rejected or returned, the divestment right shall be automatically restored and the Series A, B and C Pre-IPO Investors may exercise the divestment right in accordance with their terms. Before the suspension of the divestment rights expires as set out above, the Company will negotiate with the relevant Pre-IPO Investors to ensure compliance with the Chapter 4.2 of the Guide for New Listing Applicants. In any event, all special rights will terminate on Listing.

Information about the Pre-IPO Investors

Jidixintian

Jidixintian is a limited partnership established under the laws of PRC, whose general partner is Jiaxing Jidixintian Investment Management Co., Ltd* (嘉興極地信天投資管理有限公司), which is wholly owned by Shenzhen Albatross Venture Capital Co., Ltd. (深圳極地信天創業投資有限公司), which is ultimately controlled and held as to 83% by Ms. Junxi Zhang (張俊熹), a duly authorised representative of the general partner of Jidixintian who is also a former director of Shenzhen Shouhui between December 2015 and January 2024. Ms. Junxi Zhang graduated from the postgraduate school of the Research institute of the People's Bank of China (中國人民銀行金融研究所, currently known as the PBC School of Finance, Tsinghua University (清華大學五道口金融學院)) with a master's degree in finance (insurance included) in January 2010. She worked as an investment director at Vertex Venture Management Pte. Ltd. (新加坡祥峰投資管理集團有限公司), a Singapore venture capital company, and her investment experience includes investments in 91 Wireless Websoft Limited (91無線網絡有限公司). Other than Jiaxing Jidixintian Investment Management Co., Ltd who managed Jidixintian and held approximately 1.67% of the interests in Jidixintian, Jidixintian had 15 limited partners, each held less than 30% of the interests in Jidixintian and an Independent Third Party to the best knowledge of our Company as of the Latest Practicable Date.

Jidixintian pays close attention to industrial internet opportunities driven by new technologies such as cloud computing, artificial intelligence and big data, and focuses on early investment in the digital economy. Its investment projects include but are not limited to Seatnow (Shanghai) Information Technology Co., Ltd. (美味不用等(上海)信息科技股份有限公司), Shenzhen Fadada Network Technology Ltd. (深圳法大大網絡科技有限公司), Suzhou Feiliu Technology Co., Ltd. (蘇州飛榴科技有限公司), etc. As of the third quarter of 2023, Jidixintian's asset management scale has reached RMB423 million.

HongShan Yucheng

HongShan Yucheng is a limited partnership established under the laws of the PRC. The general partner of HongShan Yucheng is Shanghai Huanyuan Investment Management Co., Ltd* (上海桓遠投資管理有限公司) ("**Shanghai Huanyuan**"), which was held as to 97% as of the Latest Practicable Date by Mr. Kui Zhou (周逵), an Independent Third Party to the best knowledge of the Company. Similar to HongShan Xinde, a shareholder of Shenzhen Shouhui prior to the Reorganization, as of the Latest Practicable Date, HongShan Yucheng was controlled by Shanghai Huanyuan which was ultimately controlled by Mr. Kui Zhou, a partner of HongShan.

HongShan Yucheng's limited partnership interest was held as to approximately 99.94% by Beijing HongShan Mingde Equity Investment Center (Limited Partnership)* (北京紅杉銘德股權投資中心(有限合夥) ("**HongShan Mingde**"), as of the Latest Practicable Date. HongShan Mingde is an investment fund whose primary purpose is to make equity investments in private companies. The general partner of HongShan Mingde is Beijing HongShan Kunde Investment

Management Center (Limited Partnership)* (北京紅杉坤德投資管理中心(有限合夥)), whose general partner is Shanghai Huanyuan and is ultimately controlled and owned by Mr. Kui Zhou. HongShan Mingde's limited partnership interest was held as to approximately 66.67% by Beijing HongShan Shengde Equity Investment Center (Limited Partnership)* (北京紅杉盛德股權投資中心(有限合夥)) ("**HongShan Shengde**") and approximately 33.33% by Beijing HongShan Kangde Equity Investment Center (Limited Partnership)* (北京紅杉濂德股權投資中心(有限合夥)) ("**HongShan Kangde**") (none of its limited partners held 30% or more interests in HongShan Kangde, and each an Independent Third Party to the best knowledge of our Company) as of the Latest Practicable Date. HongShan Kangde is managed by its general partner Ningbo Meishan Bonded Port Area HongShan Huide Investment Management Partnership (Limited Partnership)* (寧波梅山保税港區紅杉薈德投資管理合夥企業(有限合夥)) ("**Meishan HongShan**") whose general partner is Shanghai Huanyuan and the limited partnership interest of Meishan HongShan was ultimately controlled by Mr. Kui Zhou as of the Latest Practicable Date. HongShan Shengde had two limited partners holding at least 30% interests, namely, Beijing HongShan Yade Equity Investment Center (Limited Partnership)* (北京紅杉亞德股權投資中心(有限合夥)) ("**HongShan Yade**") holding 40.89% and Hangzhou HongShan Peide Zhihui Equity Investment Center (Limited Partnership)* (杭州紅杉珮德智薈股權投資合夥企業(有限合夥)) ("**Hangzhou HongShan**") holding 38.30%, as of the Latest Practicable Date. HongShan Yade's limited partnership interest was owned by Wuhu Juncheng Investment Center (Limited Partnership)* (蕪湖俊成投資中心(有限合夥)) ("**Wuhu Juncheng**") as to 36.95%. Other than Wuhu Juncheng, none of its 38 other limited partners held 30% or more interests in HongShan Yade, and each an Independent Third Party to the best knowledge of the Company as of the Latest Practicable Date. Hangzhou HongShan's limited partnership interest was owned by Beijing HongShan Haoxin Management Consulting Center (Limited Partnership)* (北京紅杉皓信管理諮詢中心(有限合夥)) ("**HongShan Haoxin**") as to 92.37%, whose limited partnership interest was owned by Wuhu Juncheng as to 99.96%, the general partner of Wuhu Juncheng is Shanghai Jingmu Enterprise Management Co., Ltd. (上海景穆企業管理有限公司) ("**Shanghai Jingmu**"), and limited partner is Shanghai Jingmu Investment Management Co., Ltd. (上海景穆投資管理有限公司). Both Shanghai Jingmu and Shanghai Jingmu Investment Management Co., Ltd. are ultimately controlled and owned by Ms. Wenhong Tan (譚文虹). Ms. Wenhong Tan, an Independent Third Party, is a senior management of Gopher Asset Management Co., Ltd. to the best knowledge of our Company. Other than being the general partner of HongShan Kangde and HongShan Shengde, Meishan HongShan is the general partner of HongShan Xinde, HongShan Yade, Hangzhou HongShan and HongShan Haoxin, respectively.

HongShan Xinde is a limited partnership established under the laws of PRC, whose general partner is Meishan HongShan which held approximately 0.10% interests in HongShan Xinde. Other than Meishan HongShan, HongShan Xinde had one other limited partner, HongShan Shengde who held 99.90% interests as of the Latest Practicable Date.

HongShan is a venture capital and private equity firm investing across technology, healthcare and consumer sectors. Since 2005, HongShan has been fostering entrepreneurship and innovation, backing more than 1,500 companies around the globe.

Matrix SPV

Matrix SPV is a limited partnership established under the laws of the PRC. The general partner of Matrix SPV is Ningbo Matrix Investment Management Co., Ltd* (寧波矩陣投資管理有限公司), who also held 0.002% interests in Matrix SPV. Ningbo Matrix Investment Management Co., Ltd was held as to 90% and 10% by Mr. Lingye Zuo (左凌燁), a partner of Matrix Partners China (經緯創投), and Ms. Ping Xiao (肖萍), respectively, each an Independent Third Party. Other than Ningbo Matrix Investment Management Co., Ltd, Matrix SPV had one limited partner, Matrix Jingtianweidi, which held 99.998% interests therein. Matrix Jingtianweidi, which was a shareholder of Shenzhen Shouhui prior to the Reorganization, is a limited partnership established under the laws of PRC, whose general partner is Shanghai Chuangyun Investment Management Partnership (Limited Partnership)* (上海創鋆投資管理合夥企業(有限合夥)), which was ultimately controlled by Mr. Lingye Zuo as of the Latest Practicable Date. Other than Shanghai Chuangyun Investment Management Partnership (Limited Partnership) who managed Matrix Jingtianweidi and held 0.87% interests in Matrix Jingtianweidi, Matrix Jingtianweidi had 23 limited partners, none of which held more than 15% interest in Matrix Jingtianweidi, and each an Independent Third Party to the best knowledge of our Company as of the Latest Practicable Date.

Matrix SPV is a special purpose vehicle established by Matrix Jingtianweidi to hold its offshore interest in our Company. Matrix Jingtianweidi's main business is venture capital. It mainly focuses on investments in advanced technology, mobile internet, medical health, new consumption, etc. Matrix Jingtianweidi's other investment projects in the past include Shenzhen Raysightmed Co, Ltd. (深圳睿心智能醫療科技有限公司), Beijing Teddy Future Technology Co., Ltd. (北京泰迪未來科技股份有限公司), etc. As of the third quarter of 2023, Matrix Jingtianweidi's asset management scale has exceeded RMB2.0 billion.

Gopher SPV

Gopher SPV is a limited partnership established under the laws of the PRC. The general partner of Gopher SPV is Gopher Asset Management Co., Ltd* (歌斐資產管理有限公司) which also held approximately 0.01% interests therein. Other than Gopher Asset Management Co., Ltd, Gopher SPV was held as to approximately 66.66% and 33.33% by Zhuhai Qifei and Zhuhai Junchen as of the Latest Practicable Date.

Zhuhai Qifei, which was a shareholder of Shenzhen Shouhui prior to the Reorganization, is a limited partnership established under the laws of PRC, whose general partner is Gopher Asset Management Co., Ltd, which was wholly owned by Shanghai Noah Investment Management Co., Ltd (上海諾亞投資管理有限公司) ("**Shanghai Noah**") which was held as to 46% by Ms. Jingbo Wang (汪靜波), an Independent Third Party, as of the Latest Practicable Date. Ms. Jingbo Wang is the co-founder and chairwoman of the board of Noah Holdings Limited (NYSE: NOAH, HKEX: 6686). Shanghai Noah is also ultimately controlled by Noah Holdings Limited. Other than Gopher Asset Management Co., Ltd who managed Zhuhai Qifei and held less than 0.01% interests in Zhuhai Qifei, Zhuhai Qifei had seven limited partners of which six limited partners each held less than 30% interests in Zhuhai Qifei. The limited partner who held approximately 34.10% interests in Zhuhai Qifei was Wuhu Lanpai Investment Centre (Limited Partnership)* (蕪湖覽派投資中心(有限合夥)) ("**Wuhu Lanpai**"). Wuhu

Lanpai's general partner was Gopher Asset Management Co., Ltd and none of Wuhu Lanpai's limited partners held more than 20% interests therein, and each an Independent Third Party to the best knowledge of our Company as of the Latest Practicable Date.

Zhuhai Junchen, which was a shareholder of Shenzhen Shouhui prior to the Reorganization, is a limited partnership established under the laws of PRC, whose general partner is Gopher Asset Management Co., Ltd. Other than Gopher Asset Management Co., Ltd who managed Zhuhai Junchen and held approximately 0.002% interests in Zhuhai Junchen, Zhuhai Junchen had seven other limited partners, all of which held less than 30% interests in Zhuhai Junchen, and each an Independent Third Party to the best knowledge of our Company as of the Latest Practicable Date.

Gopher SPV is a special purpose vehicle initiated by Gopher Asset Management Co., Ltd to hold its offshore interest in our Company. Gopher Asset Management Co., Ltd is a multi-asset management company under Noah Holdings Limited, focusing on investments in hard tech, soft tech (corporate services), healthcare and consumer sectors. Its core projects include CanSino Biologics Inc. (康希諾生物股份公司), a company listed on the Stock Exchange (stock code: 6185), Hunan Fumi Information Technology Ltd (湖南福米信息科技有限責任公司), Opple Lighting Co., Ltd (歐普照明股份有限公司), a company listed on the Shanghai Stock Exchange (stock code: 603515), Beijing Lianjia Real Estate Agency Co., Ltd. (北京鏈家房地產經紀有限公司), Shanghai Lazhasi Information Technology Co., Ltd. (上海拉紮斯信息科技有限公司), Land Space Technology Corporation Ltd. (藍箭航天空間科技股份有限公司) etc. As of the third quarter of 2023, Gopher Asset Management Co., Ltd's asset management scale has reached RMB154.87 billion.

Mr. Byron Ye, a representative of Gopher SPV, is our non-executive Director. Ms. Wenhong Tan who controls Shanghai Jingmu and Shanghai Jingmu Investment Management Co., Ltd mentioned in "— Information about the Pre-IPO Investors — HongShan Yucheng" above is a senior management of Gopher Asset Management Co., Ltd.

Tibet Juzhi and Tianjin Juxin

Tianjin Juxin is a limited partnership established under the laws of PRC, whose general partner is Shenzhen Chongshi Private Equity Investment Fund Management Co., Ltd.* (深圳崇石私募股權投資基金管理有限公司), which was held as to 51% by Mr. Kaijing Yan (閆凱境), a former director of Shenzhen Shouhui between May 2017 and January 2024, and held as to 49% by Tasly Investment Holdings Group Co., Ltd (天士力大健康產業投資集團有限公司) ("**Tasly Investment**"), which was ultimately controlled by Mr. Kaijing Yan, as of the Latest Practicable Date. Other than Shenzhen Chongshi Private Equity Investment Fund Management Co., Ltd who managed Tianjin Juxin and held approximately 1.03% interests in Tianjin Juxin, Tianjin Juxin had two other limited partners, Tianjin Sincerity Health Industry Group Co., Ltd* (天津誠意健康產業集團有限公司) (68.43%), which was wholly owned by its executive director and manager, Ms. Ke Wang (王可) (an Independent Third Party), and Hainan Yunsheng Technology Co., Ltd* (海南雲盛科技有限公司) (30.55%), which was ultimately owned by Ms. Xiaohang Su (蘇曉航) as to 90% and Ms. Han Zhang (張晗) as to 10% as of the Latest Practicable Date, each an Independent Third Party.

Mr. Kaijing Yan currently serves as the executive chairman of the board of directors and the chairman of the board of directors of Tasly Bio-pharmaceutical Industry Group Co., Ltd. (天士力生物醫藥產業集團有限公司), and chairman of the board of directors of Tasly Capital Holding (Beijing) Co., Ltd. (天士力資本控股(北京)有限公司) ("**Tasly Capital**"). He has more than 20 years of investment experience as well as rich experience in corporate management. Ms. Xiaohang Su currently serves as the general manager of the general department of Tasly Financial Leasing Co., Ltd. (天士力融資租賃有限公司), while Ms. Han Zhang currently serves as the vice president of Tasly Financial Leasing Co., Ltd.

Tibet Juzhi is a limited liability company established under the laws of PRC, which was wholly owned by Tasly Bio-pharmaceutical Industry Group Co., Ltd. (天士力生物醫藥產業集團有限公司), which was held as to approximately 67.08% by Tasly Investment, which was ultimately controlled by Mr. Kaijing Yan, as of the Latest Practicable Date.

Tibet Juzhi and Tianjin Juxin are both affiliated investment entities of Tasly Capital. Tasly Capital covers core areas of the big health industry, and is a comprehensive investment platform for integrating equity investment, industrial mergers and acquisitions and incubation, asset management and other businesses. It focuses on the "4D" (drug, diagnosis, device and digital health) investment areas. Its investment projects include Meinian Onehealth Healthcare Holdings Co., Ltd. (美年大健康產業控股股份有限公司), a company listed on the Shenzhen Stock Exchange (stock code: 002044), ClouDr Group Limited (智雲健康科技集團), a company listed on the Stock Exchange (stock code: 9955), AIM Vaccine Co., Ltd. (艾美疫苗股份有限公司), a company listed on the Stock Exchange (stock code: 6660), Shanghai HeartCare Medical Technology Corporation Limited (上海心瑋醫療科技股份有限公司), a company listed on the Stock Exchange (stock code: 6609), Just Medical Devices (Tianjin) Co., Ltd. (嘉思特醫療器材(天津)股份有限公司), CARsgen Therapeutics Holdings Limited (科濟藥業控股有限公司), a company listed on the Stock Exchange (stock code: 2171), etc. As of July 2022, the capital under management of Tasly Capital has reached RMB13.5 billion.

Mr. Sirui Li, a representative of Tibet Juzhi and Tianjin Juxin, is our non-executive Director.

StarReach Tech Limited

StarReach Tech Limited is a limited company incorporated in the BVI on October 24, 2023. StarReach Tech Limited is a special purpose vehicle wholly owned by Mr. Gable Feng Gao, an Independent Third Party. Mr. Gao has more than 15 years of experience in investment banking and corporate finances. The Group became acquainted with Mr. Gao through Mr. Byron Ye, our non-executive Director.

To the best of our knowledge, information and belief, save for the relationships as disclosed above in this section, there was no other past or present relationship among the Pre-IPO Investors as of the Latest Practicable Date.

To the best of our knowledge, information and belief, save for (i) each of Gopher SPV, Tibet Juzhi and Tianjin Juxin, and HongShan Yucheng who was our Substantial Shareholder immediately after the completion of the Capitalization Issue and the Global Offering (assuming the Over-allotment Option was not exercised); (ii) the relationship between the senior management of Gopher Asset Management Co., Ltd. and HongShan Yucheng; (iii) investments made by partners of certain Pre-IPO Investors (e.g. Zhuhai Junchen invested in funds which are controlled by Mr. Lingye Zuo); (iv) certain former directors of Shenzhen Shouhui and Directors who were board representatives of certain Pre-IPO Investors as disclosed above and the Pre-IPO Investments in our Group as disclosed above in this section; and (v) Mr. Byron Ye, our non-executive Director, is a former director of StarReach Tech Limited, each of the Pre-IPO Investors and their respective beneficial owners had no other past or present relationship with our Company, our subsidiaries, the respective shareholders and directors, our senior management or any of their respective associates as of the Latest Practicable Date.

Reasons for Listing

Our Board is of the view that the Global Offering will provide us with the necessary funding to further develop our business. We also believe that the Listing on the Stock Exchange will present us with an opportunity to further expand our investor base and broaden our access to capital markets.

Compliance with Chapter 4.2 of the Guide for New Listing Applicants

On the basis that (i) the completion of the last Pre-IPO Investment, being the investment by StarSpark Tech H.K. Limited, will be settled no less than 120 clear days before the Listing Date; and (ii) all special rights granted to the Pre-IPO Investors have been suspended or terminated prior to the First Filing and/or will be terminated upon Listing, as the case may be, the Joint Sponsors confirm that the Pre-IPO Investments are in compliance with Chapter 4.2 of the Guide for New Listing Applicants.

VOTING PROXY ARRANGEMENTS

Pursuant to the voting proxy agreements executed on August 23, 2024, November 12, 2024 and December 16, 2024, the Proxy Shareholders agreed to appoint Little Blue Light Ltd, a company wholly owned by Mr. Guang, as their attorney and proxy to exercise the voting rights attached to certain Shares held by them (collectively, the "**Proxy Shares**"), representing approximately 21.16% of shareholding interest in our Company immediately after the completion of the Capitalization Issue and the Global Offering (assuming the Over-allotment Option is not exercised), at the general meetings of our Company. The relevant voting rights under the voting proxy agreements will be vested on Little Blue Light Ltd with effect from the Listing Date, and such voting rights shall be exercised by Little Blue Light Ltd solely at all general meetings of the Company (with or without the attendance of the Proxy Shareholders or their respective representatives).

Each of Convolution Ltd and Plmmliu Ltd has irrevocably undertaken to lock up all their Shares (including the Proxy Shares) for a period of 12 months commencing from the Listing Date, and to not amend, revoke or terminate their voting proxy agreements for as long as they hold any Share. Each of Gopher SPV, HongShan Yucheng, Tibet Juzhi and Tianjin Juxin has undertaken to lock up the Proxy Shares for a period of six months commencing from the Listing Date, and to not amend, revoke or terminate their voting proxy agreements during the lock-up period, while the voting proxy agreements shall be deemed terminated when they cease to hold any Proxy Shares. In the case of Gopher SPV, HongShan Yucheng, Tibet Juzhi and Tianjin Juxin, each of them shall be regarded as having first disposed of all non-Proxy Shares prior to disposing of its Proxy Shares. The voting proxy agreements and lock-up undertaking of each Proxy Shareholder are separate and enforceable independently of each other. For further details of the lock-up undertaking of the Pre-IPO Investors (including Gopher SPV, HongShan Yucheng, Tibet Juzhi and Tianjin Juxin), please refer to the section headed "Underwriting".

By entrusting such voting rights to Little Blue Light Ltd, the Proxy Shareholders affirm their support and faith in the leadership and management of Mr. Guang to act in a manner that is aligned with the interests of our Group and Shareholders as a whole. The voting proxy agreements will be beneficial to the overall strategic planning and decision-making process of our Company.

The following table sets forth the respective percentage of shareholding of each Proxy Shareholders immediately after the completion of the Capitalization Issue and the Global Offering (assuming the Over-allotment Option is not exercised).

Name of Proxy Shareholder	Number of Proxy Shares	Shareholding of Proxy Shares in our Company	Total shareholding in our Company
Convolution Ltd[(1)]	16,522,800	7.30%	7.30%
Gopher SPV[(2)]	10,101,020	4.46%	12.55%
HongShan Yucheng[(2)(3)]	8,696,952	3.84%	11.64%
Tibet Juzhi[(2)]	7,676,780	3.39%	8.92%
Plmmliu Ltd[(1)]	2,486,800	1.10%	1.10%
Tianjin Juxin[(2)]	2,424,240	1.07%	2.88%
Total	47,908,592	21.16%	44.39%

Notes:

(1) As Convolution Ltd (a company controlled by Mr. Han, our executive Director) and Plmmliu Ltd (a company controlled by Ms. Liu, our executive Director) will be our core connected person upon Listing, the Shares held by them will not be counted towards public float.

(2) As each of Gopher SPV, HongShan Yucheng, Tibet Juzhi and Tianjin Juxin will be our core connected person upon Listing, the Shares held by them will not be counted towards public float.

(3) Pursuant to the voting proxy agreement executed by HongShan Yucheng, the Proxy Shares entrusted by HongShan Yucheng should be 33.0% of the Shares held by it in our Company from time to time (but at no time exceeding 4.30% of the total issued Shares immediately after the completion of the Capitalization Issue and the Global Offering (assuming the Over-allotment Option is not exercised)).

As a result, immediately after the completion of the Capitalization Issue and the Global Offering (assuming the Over-allotment Option is not exercised), Mr. Guang, through Little Blue Light Ltd, will control approximately 47.64% of all the voting power at the general meetings of our Company, comprising approximately 26.48% beneficially owned by himself through Little Blue Light Ltd and approximately 21.16% vested to Little Blue Light Ltd by the Proxy Shareholders.

PUBLIC FLOAT

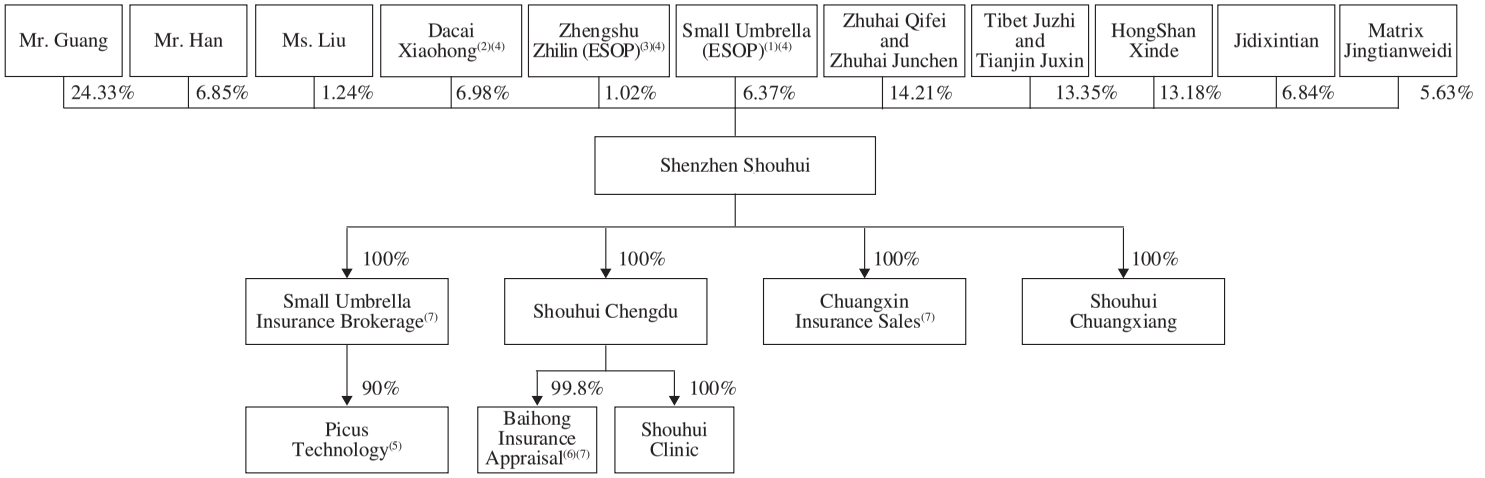
As (i) Mr. Guang, Mr. Han and Ms. Liu are our Directors; (ii) each of Gopher SPV, Tibet Juzhi and Tianjin Juxin, and HongShan Yucheng will hold more than 10% of total issued Shares upon completion of the Capitalization Issue and the Global Offering (assuming the Over-allotment Option is not exercised), each of them is therefore our core connected person. As such, the shareholding of (i) the company controlled by each of Mr. Guang (i.e. Little Blue Light Ltd), Mr. Han (i.e. Convolution Ltd) and Ms. Liu (i.e. Plmmliu Ltd), representing an aggregate of approximately 34.88% of the total issued Shares upon completion of the Capitalization Issue and the Global Offering (assuming the Over-allotment Option is not exercised); and (ii) each of Gopher SPV, Tibet Juzhi and Tianjin Juxin, and HongShan Yucheng in our Company, representing an aggregate of approximately 35.99% of the total issued Shares upon completion of the Capitalization Issue and the Global Offering (assuming the Over-allotment Option is not exercised), will not be counted as part of the public float for the purposes of Rule 8.08 of the Listing Rules.

Save as disclosed in this section, none of the remaining existing Shareholders is a core connected person of our Company and all the Shares held by the remaining existing Shareholders will count towards the public float. As a result, approximately 29.13% of the total issued Shares upon completion of the Capitalization Issue and the Global Offering (assuming the Over-allotment Option is not exercised), will be counted as part of the public float.

REORGANIZATION

In preparation for the Global Offering and the Listing, we underwent a corporate reorganization pursuant to which our Company became the holding company and listing vehicle of our Group.

The following chart sets forth the corporate structure of our Company, our major subsidiaries and Consolidated Affiliated Entities immediately prior to our Reorganization:



Notes:

(1) Small Umbrella (ESOP) is a limited partnership and one of the employee shareholding platforms. Small Umbrella (ESOP) is established under the laws of PRC on January 5, 2016 with a registered capital of RMB720,300. Upon establishment, Small Umbrella (ESOP) was owned by Mr. Guang and Muchenglin Investment(4) as to approximately 99.00% and 1.00%, respectively. As of the Latest Practicable Date, Small Umbrella (ESOP) had 23 limited partners, consisting of Mr. Guang (35.95%), an Executive Director, chief executive officer and Chairman of our Board, Muchenglin Investment (1.00%), (also the general partner of Small Umbrella (ESOP)), and a group of existing and former employees (Mr. Jianting Li (李鑒庭) (12.29%), who is also our executive Director, Mr. Shaofeng Li (李少鋒) (6.33%), Mr. Detao Chen (陳德濤) (3.90%), who is the general manager of Small Umbrella Insurance Brokerage, Mr. Wenjun Yin (尹文俊) (3.80%), Mr. Zuowen Wang (王佐文) (3.80%), Mr. Dapeng Kou (寇大鵬) (2.53%), Ms. Yu Guo (郭瑜) (2.53%), Mr. Chen Peng (彭辰) (1.95%), Ms. Shanshan Lin (林珊珊) (2.53%), Mr. Jingwei Liang (梁經緯) (2.53%), Mr. Hui Li (厲輝) (1.27%), Ms. Rui Cui (崔蕊)

(1.27%), Ms. Qi Zhang (張琪) (1.27%), Mr. Weidong Zhang (張維東) (1.27%), Mr. Yanbin Cheng (成炎彬) (1.27%), Mr. Zejian Cai (蔡澤鍵) (1.27%), Mr. Yilin Zhang (張毅麟) (0.98%), Ms. Qing Li (李情) (0.98%) who is also one of our joint company secretaries, Mr. Xing Jiang (蔣星) (0.98%), Ms. Kunlan Chen (陳坤蘭) (1.27%), Mr. Huan Zhao (趙歡) (2.22%) and Ms. Xin Wang (王馨) (6.82%), who is also our chief financial officer) who were each granted employee share awards under the Group's onshore employee share award scheme. Save as disclosed above, to the best knowledge of the Directors, none of the limited partners of Small Umbrella (ESOP) is a core connected person of the Company.

(2) Dacai Xiaohong is established under the laws of PRC on December 1, 2020 with a registered capital of RMB100,000. Upon establishment and as of the Latest Practicable Date, Dacai Xiaohong was owned by Muchenglin Investment, Mr. Guang and Mr. Han as to 1.00%, 79.20% and 19.80%, respectively.

(3) Zhengshu Zhilin (ESOP) is a limited partnership and one of the employee shareholding platforms. Zhengshu Zhilin (ESOP) is established under the laws of PRC on November 25, 2020 with a registered capital of RMB100,000. Upon establishment and as of the Latest Practicable Date, Zhengshu Zhilin (ESOP) was owned by Muchenglin Investment and Mr. Guang as to 1.00% and 99.00%, respectively.

(4) The general partner of each of Small Umbrella (ESOP), Dacai Xiaohong and Zhengshu Zhilin (ESOP) is Muchenglin Investment which was held as to 80% by Mr. Guang and 20% by Mr. Han as of the Latest Practicable Date. Muchenglin Investment is thus a core connected person of the Company.

(5) As of the Latest Practicable Date, Picus Technology was held as to 10% by Meizai Technology (Shenzhen) Co., Ltd* (美再(深圳)科技有限責任公司), an Independent Third Party.

(6) As of the Latest Practicable Date, Baihong Insurance Appraisal was held as to 0.01% by each of Ms. Na Liu (劉娜), a supervisor of Baihong Insurance Appraisal, and Ms. Ting Ting Cao (曹婷婷), a director of Baihong Insurance Appraisal.

(7) There are local branches under each of Small Umbrella Insurance Brokerage, Chuangxin Insurance Sales and Baihong Insurance Appraisal.

The Reorganization involves the following steps:

1. Offshore Reorganization

(i) Incorporation of our Company

Our Company was incorporated as an exempted company limited by shares in the Cayman Islands on August 3, 2023 and had an authorized share capital of US$50,000 divided into 50,000 shares with a par value of US$1.0 each. Upon incorporation, our Company allotted and issued one share with par value of US$1.0 to Vistra (Cayman) Limited which is immediately transferred to Little Blue Light Ltd. On the same day, our Company further allotted and issued one share with par value of US$1.0 to Convolution Ltd and Plmmliu Ltd, respectively. Immediately after the allotment, our Company was owned by Little Blue Light Ltd, Convolution Ltd and Plmmliu Ltd as to 33.33% each.

On October 16, 2023, each of the then existing issued and unissued ordinary shares of US$1.00 each in the then share capital of the Company was subdivided into 100,000 shares of US$0.00001 each and all the subdivided shares be ranked *pari passu* in all aspects with each other. Thereafter, the authorized share capital of the Company became US$50,000 divided into 5,000,000,000 ordinary shares with a par value of US$0.00001 each.

On October 16, 2023, to reflect the pro rata interests of each of Mr. Guang, Mr. Han, Ms. Liu and Small Umbrella (ESOP) in Shenzhen Shouhui and as part of the establishment of the Pre-IPO Share Award Scheme, our Company further allotted and issued a total of 4,379,820 Shares at the consideration set out in the table below to Little Blue Light Ltd, Convolution Ltd, Plmmliu Ltd, Xiaoyusan Limited and New Umbrella Ltd. in the following manner:

Shareholders	Number of Shares allotted	Class of Shares	Consideration[(1)]	Issuance Date
Little Blue Light Ltd[(2)]	2,891,850	Ordinary Shares	US$28.92	October 16, 2023
Convolution Ltd[(3)]	726,140	Ordinary Shares	US$7.26	October 16, 2023
Plmmliu Ltd[(4)]	24,340	Ordinary Shares	US$0.24	October 16, 2023
Xiaoyusan Limited[(5)]	401,660	Ordinary Shares	US$4.02	October 16, 2023
New Umbrella Ltd.[(6)]	335,830	Ordinary Shares	US$3.36	October 16, 2023

Notes:

(1) The considerations were equivalent to the par value of the relevant Shares.

(2) Little Blue Light Ltd, a limited liability company incorporated in the BVI on July 24, 2023, is wholly owned by Little Green Light Ltd, a limited liability company incorporated in the BVI on March 24, 2020 which is wholly owned by Mr. Yao Guang, an executive Director.

(3) Convolution Ltd, a limited liability company incorporated in the BVI on July 31, 2023, is wholly owned by MallocLuke Ltd, a limited liability company incorporated in the BVI on March 24, 2020 which is wholly owned by Mr. Liwei Han, an executive Director.

(4) Plmmliu Ltd, a limited liability company incorporated in the BVI on August 2, 2023, is wholly owned by Plmm Ltd, a limited liability company incorporated in the BVI on March 24, 2020 which is wholly owned by Ms. Li Liu, an executive Director.

(5) Xiaoyusan Limited, a limited liability company incorporated in the BVI on September 15, 2023 which is owned by a group of existing and former employees of the Company (Mr. Jianting Li (19.50%), who is also our executive Director; Mr. Shaofeng Li (10.05%); Mr. Detao Chen (6.19%), who is the general manager of Small Umbrella Insurance Brokerage; Mr. Wenjun Yin (6.03%); Mr. Zuowen Wang (6.03%); Mr. Kou Dapeng (4.02%); Ms. Yu Guo (4.02%); Mr. Chen Peng (3.09%); Ms. Shanshan Lin (4.02%); Mr. Jingwei Liang (4.02%); Mr. Hui Li (2.01%); Ms. Rui Cui (2.01%); Ms. Qi Zhang (2.01%); Mr. Weidong Zhang (2.01%); Mr. Yanbin Cheng (2.01%); Mr. Zejian Cai (2.01%); Mr. Yilin Zhang (1.55%); Ms. Qing Li (1.55%), who is also one of our joint company secretaries; Mr. Xing Jiang (1.55%); Ms. Kunlan Chen (2.01%); Mr. Huan Zhao (3.52%); and Ms. Xin Wang (10.82%), who is also our chief financial officer) who each held interests in Xiaoyusan Limited as a result of grant of employee share awards under the Group's onshore employee share award scheme. Save for Mr. Jianting Li and Mr. Detao Chen, none of the remaining shareholders of Xiaoyusan Limited is a core connected person of the Company. As at the Latest Practicable Date, none of the shareholders was interested in 30% or more of the issued share capital in Xiaoyusan Limited. Ms. Yu Guo (who held 4.02% of the issued share capital in Xiaoyusan Limited), Mr. Shaofeng Li (who held 10.05% of the issued share capital in Xiaoyusan Limited) and Mr. Yilin Zhang (who held 1.55% of the issued share capital in Xiaoyusan Limited), each an Independent Third Party who is also independent from each other, are the directors of Xiaoyusan Limited. According to the articles of association of Xiaoyusan Limited, no core connected person of the Company may act as a director of Xiaoyusan Limited. Furthermore, since Mr. Jianting Li and Mr. Detao Chen's aggregate interest is not sufficient to carry any ordinary or special resolution of Xiaoyusan Limited to appoint or remove any directors, they also do not control the composition of the board of directors of Xiaoyusan Limited. Xiaoyusan Limited is an investment holding company. The decision-making authority of Xiaoyusan Limited is undertaken by its board of directors who is responsible for overseeing and managing its shareholding interest in the Company. All board resolutions including matters relating to Xiaoyusan Limited's shareholding in the Company are approved based on majority vote of the directors. Each of the other shareholders of Xiaoyusan Limited is entitled to only economic interest proportional to their respective shareholding interest in Xiaoyusan Limited. While the shareholders may realise their economic interest (which correspond to their effective interest in the Shares) via exit from Xiaoyusan Limited, the shareholders have no discretion as to the acquisition, disposal, voting or other disposition of Xiaoyusan Limited's shareholding in the Company.

(6) New Umbrella Ltd., a limited liability company incorporated in the BVI on October 5, 2023, is wholly owned by Little Umbrella Ltd, a limited liability company incorporated in the BVI on September 6, 2023.

On November 28, 2023, New Umbrella Ltd. transferred 5,910 Shares to Little Blue Light Ltd at nil consideration. As of the Latest Practicable Date, the considerations for the subscriptions and transfer were fully settled.

On December 22, 2023, New Umbrella Ltd. transferred 329,920 Shares to Vitality Innovations Limited, a limited liability company incorporated in the BVI on December 14, 2023, at nil consideration. The Shares are held by Vitality Innovations Limited which is wholly owned by Futu Trustee Limited as the trustee of the Share Award Trust, for the benefit of the employees who were granted Awards under the Pre-IPO Share Award Scheme. For more details, please see the paragraph headed "Statutory and General Information — D. Shares Incentive Scheme — 1. Pre-IPO Share Award Scheme" in Appendix IV to this prospectus.

On January 2, 2024, (i) 894,847 of the unissued Ordinary Shares of the Company were redesignated as Series Angel Preference Shares, (ii) 1,432,333 of the unissued Ordinary Shares of the Company were redesignated as Series A Preference Shares, (iii) 1,572,430 of the unissued Ordinary Shares of the Company were redesignated as Series B Preference Shares and (iv) 1,420,570 of the unissued Ordinary Shares of the Company were redesignated as Series C Preferences Shares, respectively.

On January 2, 2024, to reflect the pro rata interest of each of HongShan Xinde, Jidixintian, Matrix Jingtianweidi, Tibet Juzhi, Zhuhai Qifei, Zhuhai Junchen and Tianjin Juxin in Shenzhen Shouhui, our Company allotted and issued 894,847 Series Angel Preferred Shares, 1,432,333 Series A Preferred Shares, 1,572,430 Series B Preferred Shares, 1,420,570 Series C Preferred Shares at the considerations set out in the table below to HongShan Yucheng, Matrix SPV, Gopher SPV, Jidixintian, Tibet Juzhi and Tianjin Juxin respectively:

Shareholders	Number of Shares allotted	Class of Shares	Consideration[(1)(2)]	Issuance Date
HongShan Yucheng . .	1,317,720	Series A Preferred Shares	US$ equivalent of RMB15,182,235	January 2, 2024
Jidixintian	568,917	Series Angel Preferred Shares	US$ equivalent of RMB3,283,812.16	January 2, 2024
	114,613	Series A Preferred Shares		
Matrix SPV	563,200	Series B Preferred Shares	US$ equivalent of RMB11,161,006.19	January 2, 2024
Tibet Juzhi	1,009,230	Series B Preferred Shares	US$ equivalent of RMB20,000,000	January 2, 2024
Gopher SPV	1,420,570	Series C Preferred Shares	US$ equivalent of RMB150,000,000	January 2, 2024
Tianjin Juxin	325,930	Series Angel Preferred Shares	US$ equivalent of RMB36,000,000	January 2, 2024

Notes:

(1) As of the Latest Practicable Date, the considerations were fully settled.

(2) The considerations were equivalent to the considerations paid by Shenzhen Shouhui for the capital reduction in step (vi) of the Onshore Reorganization.

(ii) Incorporation of certain subsidiaries

Shouhui Holding Limited was incorporated under the laws of BVI as our Company's wholly-owned subsidiary on August 10, 2023.

Shouhui Tech H.K. Limited was incorporated under the laws of Hong Kong as Shouhui Holding Limited's wholly-owned subsidiary on August 21, 2023.

(iii) Share Swap between our Company and StarReach Tech Limited

After the completion of steps (iv) and (vii) in the Onshore Reorganization, on January 10, 2024, StarReach Tech Limited, entered into an agreement to transfer all its 100% shares in StarSong Tech Limited and pay a cash component of (i) RMB20,586, an amount equivalent to the consideration payable by StarSpark Tech H.K. Limited (星闪科技有限公司) in step (iv) in the Onshore Reorganization to our Company; and (ii) RMB3,910,000, an amount equivalent to the consideration payable by StarSpark Tech H.K. Limited in step (vii) in the Onshore Reorganization to our Company, in consideration of the issuance of 101,010 Shares, representing approximately 1.00% of our issued share capital, by our Company to StarReach Tech Limited. As of January 30, 2024, the cash component was fully settled. Upon completion of such share swap, StarSong Tech Limited and its wholly owned subsidiary StarSpark Tech H.K. Limited became wholly-owned subsidiaries of our Company.

2. Onshore Reorganization

(i) Establishment of Shouhui Tianjin

Shouhui Tianjin was incorporated under the laws of the PRC as a directly wholly-owned subsidiary of Shouhui Tech H.K. Limited and an indirectly wholly-owned subsidiary of the Company in the PRC on November 13, 2023.

(ii) Transfer of equity interest to Shouhui Chuangxiang

The following transfers were made between our wholly-owned subsidiaries as part of our preparation for the Contractual Arrangements.

Prior to the Reorganization, Dahe Shenzhen Information Co., Limited* (大河(深圳)信息有限公司) ("**Dahe Shenzhen**"), which mainly engaged in the business of IT services and software, was held as to 15% by Shenzhen Shouhui. On October 10, 2023, Shenzhen Shouhui transferred its then 15% equity interest in Dahe Shenzhen (representing RMB214,285.71 of the registered capital) to Shouhui Chuangxiang for RMB808,363.47. As of the Latest Practicable Date, Shouhui Chuangxiang held approximately 17.6% equity interest in Dahe Shenzhen (representing RMB214,285.71 of the registered capital) after Dahe Shenzhen completed a capital reduction.

Prior to the Reorganization, Picus Technology, which mainly engaged in the business of IT services and software, was held as to 90% by Small Umbrella Insurance Brokerage. On October 23, 2023, Small Umbrella Insurance Brokerage transferred all its 90% of equity interest in Picus Technology to Shouhui Chuangxiang for RMB3,165,490.70.

Prior to the Reorganization, You Tai An Insurance Brokers Co., Ltd (友太安保險經紀有限公司) ("**You Tai An Insurance Brokers**"), which mainly engaged in the business of tendering agency services, was held as to 0.40% by Shenzhen Shouhui. On November 23, 2023, Shenzhen Shouhui transferred all its 0.40% of equity interest in You Tai An Insurance Brokers to Shouhui Chuangxiang for RMB398,400.

(iii) Disposal to Muchenglin Investment

As the clinic healthcare business of Shouhui Clinic was still at the early trial stage, and Shouhui Clinic had not carried out any substantial business and did not generate substantial revenue or profit since its establishment and up to the date of disposal, to optimize our management and other resources and to focus on our core business, on September 8, 2023, Shouhui Chengdu transferred its 100% equity interest in Shouhui Clinic to Muchenglin Investment, a company held by Mr. Guang as to 80% and Mr. Han as to 20%, at the consideration of RMB10. The disposal was completed and Muchenglin Investment fully settled the consideration in cash on November 23, 2023. The consideration was determined with reference to the registered capital of Shouhui Clinic taking into account its operating results. Prior to the disposal, Shouhui Clinic was loss making. To the best of the knowledge of the Directors, Shouhui Clinic did not have any material non-compliance during the Track Record Period and up to the date of disposal. The disposal was legally and properly completed and all applicable regulatory approvals for the disposal have been obtained. Upon completion of the disposal, Shouhui Clinic ceased to be our subsidiary.

(iv) Transfer of Shouhui Chuangxiang to Shouhui Tianjin and StarSpark Tech H.K. Limited

On November 7, 2023, StarSpark Tech H.K. Limited was incorporated under the laws of Hong Kong as StarSong Tech Limited's wholly-owned subsidiary. StarSong Tech Limited is a limited liability company incorporated in the BVI on October 24, 2023 and is wholly owned by StarReach Tech Limited. For further details on StarReach Tech Limited, please refer to the paragraph headed "Pre-IPO Investments — Information about the Pre-IPO Investors — StarReach Tech Limited" in this section.

After step (ii) in the Onshore Reorganization, on December 15, 2023, StarSpark Tech H.K. Limited subscribed for 1% of the equity interest in Shouhui Chuangxiang at a consideration of RMB20,586. The consideration was determined by the shareholders' equity of Shouhui Chuangxiang as of November 24, 2023 of RMB2,058,621.76 based on a valuation report issued by an independent valuer after considering the timing and structure of the investment. The subscription was completed and the consideration was fully settled on January 10, 2024. After the subscription, Shouhui Chuangxiang was held by Shenzhen Shouhui and StarSpark Tech H.K. Limited as to 99% and 1%, respectively.

On December 25, 2023, as part of the preparation of setting up the Contractual Arrangements, Shenzhen Shouhui transferred all its 99% equity interest in Shouhui Chuangxiang to Shouhui Tianjin at a consideration of RMB2,038,014 which is determined based on the appraisal value of Shouhui Chuangxiang of RMB2,058,621.76. After the transfer, Shouhui Chuangxiang was held by Shouhui Tianjin and StarSpark Tech H.K. Limited as to 99% and 1%, respectively.

(v) Initial Agreements under the Contractual Arrangements

On January 2, 2024, Shouhui Tech H.K. Limited, the Initial Shareholders (consisting of Mr. Guang, Mr. Han, Ms. Liu, Small Umbrella (ESOP), Zhengshu Zhilin (ESOP), Dacai Xiaohong, HongShan Xinde, Tibet Juzhi, Matrix Jingtianweidi, Zhuhai Qifei, Zhuhai Junchen, Jidixintian, Tianjin Juxin) and the Consolidated Affiliated Entities entered into the Transitional Contractual Arrangements, in preparation for the entering into of the Contractual Arrangements. For further details, please refer to the section headed "Contractual Arrangements" in this prospectus.

(vi) Capital reduction of Shenzhen Shouhui

On January 4, 2024, pursuant to a capital reduction agreement dated November 17, 2023, the registered share capital of Shenzhen Shouhui was reduced, and the following shareholders of Shenzhen Shouhui ceased to be the shareholders of Shenzhen Shouhui after the capital reduction:

Name of shareholder	Registered Capital before reduction	Registered Capital after reduction	Consideration
	(RMB)		
Dacai Xiaohong	660,246.03	Nil	Nil[(1)]
Zhengshu Zhilin (ESOP)	96,431.93	Nil	Nil[(1)]
Jidixintian	646,581.87	Nil	RMB3,283,812.16[(2)]
Tianjin Juxin	308,308.13	Nil	RMB36,000,000[(3)]
HongShan Xinde	1,246,494.11	Nil	RMB15,182,235[(4)]
Matrix Jingtianweidi	532,757.31	Nil	RMB11,161,006.19[(5)]
Tibet Juzhi	954,676.13	Nil	RMB20,000,000[(6)]
Zhuhai Qifei	895,858.31	Nil	RMB100,000,000[(7)]
Zhuhai Junchen	447,929.15	Nil	RMB50,000,000[(8)]

Notes:

(1) The considerations were nil as the registered capital had not been paid up at the capital reduction.

(2) The consideration was determined by the total consideration of its investments multiplied by the ratio of its registered capital subscribed in Shenzhen Shouhui before this step (vi) capital reduction and the total registered capital it subscribed in Shenzhen Shouhui at initial investment (as adjusted by the transfer to establish Small Umbrella (ESOP) and transfer to Tianjin Juxin). The consideration was fully settled on January 9, 2024.

(3) The consideration was equivalent to the consideration of RMB36,000,000 of the equity transfer from Jidixintian to Tianjin Juxin on May 7, 2021. The consideration was fully settled on January 8, 2024.

(4) The consideration was determined by the consideration of its initial investment multiplied by the ratio of its registered capital subscribed in Shenzhen Shouhui before this step (vi) capital reduction and the registered capital it subscribed in Shenzhen Shouhui at initial investment). The consideration was fully settled on January 10, 2024.

(5) The consideration was determined by the consideration of its initial investment multiplied by the ratio of its registered capital subscribed in Shenzhen Shouhui before this step (vi) capital reduction and the registered capital it subscribed in Shenzhen Shouhui at initial investment. The consideration was fully settled on January 10, 2024.

(6) The consideration was equivalent to the consideration of RMB20,000,000 of the equity transfer from Tasly to Tibet Juzhi on July 1, 2022. The consideration was fully settled on January 8, 2024.

(7) The consideration was equivalent to the sum of (i) the consideration of RMB50,666,666.67 of the equity transfer from Dacai Xiaohong to Zhuhai Qifei on December 30, 2020 and (ii) the capital contribution of RMB49,333,333.33 by Zhuhai Qifei on December 30, 2020. The consideration was fully settled on January 9, 2024.

(8) The consideration was equivalent to the sum of (i) the consideration of RMB25,333,333.33 of the equity transfer from Dacai Xiaohong to Zhuhai Junchen on December 30, 2020 and (ii) the capital contribution of RMB24,666,666.67 by Zhuhai Junchen on December 30, 2020. The consideration was fully settled on January 9, 2024.

Immediately after the capital reduction, Shenzhen Shouhui was held by Mr. Guang, Mr. Han, Ms. Liu and Small Umbrella (ESOP) as to 62.72%, 17.66%, 3.20% and 16.42%, respectively.

(vii) Capital increase in Shenzhen Shouhui

On January 8, 2024, Shenzhen Shouhui increased its registered capital by RMB37,073 from RMB3,670,187 to RMB3,707,260 contributed by StarSpark Tech H.K. Limited at a consideration of RMB3,910,000. The consideration was determined by the net asset value of Shenzhen Shouhui as of January 5, 2024 of RMB391,000,000 based on a valuation report issued by an independent valuer after considering the timing and structure of the investment. Our Company has received the consideration as of January 30, 2024 as part of the share swap between our Company and StarReach Tech Limited in step (iii) in the Offshore Reorganization.

On January 10, 2024, Shenzhen Shouhui further increased its registered capital by RMB1,179,807 from RMB3,707,260 to RMB4,887,067 contributed by Shouhui Tianjin at a consideration of RMB94,392,874. The consideration was determined by the appraisal value of Shenzhen Shouhui of RMB391,000,000. Upon the increases in registered capital, Shenzhen Shouhui was held by Mr. Guang, Mr. Han, Ms. Liu, Small Umbrella (ESOP), Shouhui Tianjin and StarSpark Tech H.K. Limited as to 47.10%, 13.26%, 2.41%, 12.33%, 24.14% and 0.76%, respectively.

(viii) Contractual Arrangements

Due to the foreign investment restrictions in the PRC, in preparation for Listing, to allow the Company to exercise effective control over the Consolidated Affiliated Entities and to receive all the economic benefits of the Consolidated Affiliated Entities, we entered into the Contractual Arrangements with some of the shareholders of the Consolidated Affiliated Entities and terminated the Transitional Contractual Arrangements. For further details, please refer to the section headed "Contractual Arrangements" in this prospectus.

After the Reorganization, the shareholding structure of our Company was as follows:

Shareholders	Number of Shares	Percentage of Shareholding
Little Blue Light Ltd	2,997,760	29.68%
Convolution Ltd	826,140	8.18%
Plmmliu Ltd	124,340	1.23%
Xiaoyusan Limited	401,660	3.98%
Vitality Innovations Limited	329,920	3.27%
HongShan Yucheng	1,317,720	13.05%
Jidixintian	683,530	6.77%
Matrix SPV	563,200	5.58%
Tibet Juzhi	1,009,230	9.99%
Gopher SPV	1,420,570	14.06%
Tianjin Juxin	325,930	3.23%
StarReach Tech Limited	101,010	1.00%
Total	10,101,010	100%

MATERIAL ACQUISITIONS AND DISPOSALS DURING THE TRACK RECORD PERIOD

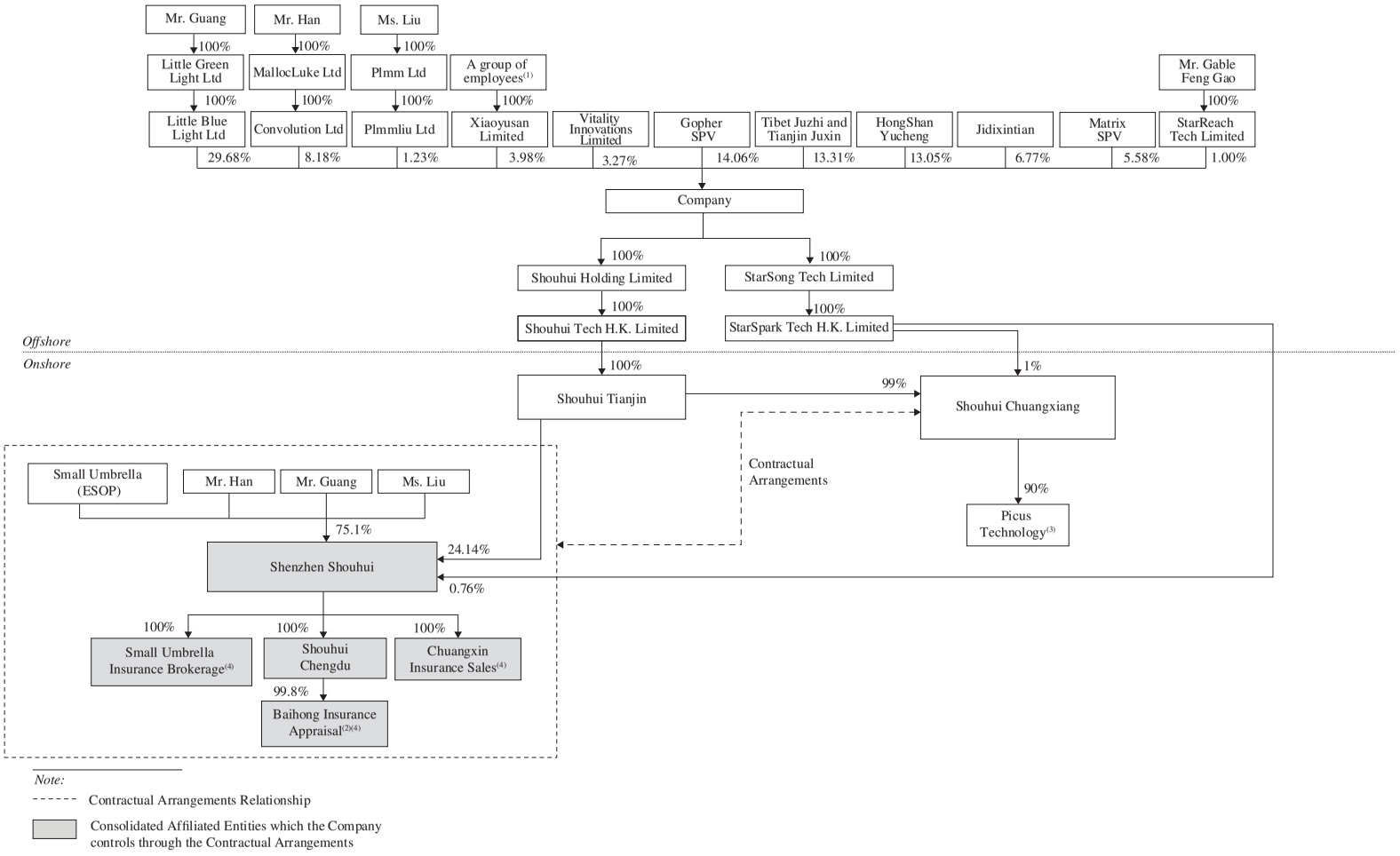
Pursuant to various equity transfers agreements dated December 2, 2021, as part of the growth and development of our business, Shouhui Chengdu, Ms. Na Liu (劉娜), a supervisor of Baihong Insurance Appraisal, and Ms. Tingting Cao (曹婷婷), a director of Baihong Insurance Appraisal, acquired 100% of equity interest in Baihong Insurance Appraisal from Mr. Zhirui Deng (鄧志銳), Mr. Min Lin (林敏) and Mr. Zhimin Su (蘇智敏) (each an Independent Third Party) for a total consideration of RMB1,350,000, determined by the parties after arm' length negotiation with reference to the timing of the investments and status of the operating results and the long-term development potential of Baihong Insurance Appraisal, and were fully settled on February 22, 2022. The acquisition was legally and properly completed and all applicable regulatory approvals for the acquisition have been obtained. Upon completion of the acquisition on December 3, 2021, Baihong Insurance Appraisal was owned by Shouhui Chengdu, Ms. Na Liu and Ms. Tingting Cao, as to 99.80%, 0.10% and 0.10%, respectively. The acquisition of Baihong Insurance Appraisal does not constitute an acquisition of material subsidiary or business by us during the Track Record Period under Rule 4.05A of the Listing Rules. Except for the acquisition of Baihong Insurance Appraisal by Shouhui Chengdu on December 3, 2021, there were no other acquisitions by us during the Track Record Period and up to the Latest Practicable Date.

Except for the disposal of Shouhui Clinic by Shenzhen Shouhui to Muchenglin Investment in September 2023 as disclosed above in the paragraph headed "Reorganization — 2. Onshore Reorganization — (iii) Disposal to Muchenglin Investment" in this prospectus, there were no other material disposals by us during the Track Record Period and up to the Latest Practicable Date.

CORPORATE STRUCTURE

Corporate Structure Immediately Following the Completion of the Reorganization and prior to the Global Offering

The following chart sets forth the corporate structure of our Company, our major subsidiaries and Consolidated Affiliated Entities immediately following the completion of the Reorganization and prior to the Global Offering:



Notes:

(1) Xiaoyusan Limited is held by a group of existing and former employees (Mr. Jianting Li (19.50%); Mr. Shaofeng Li (10.05%); Mr. Detao Chen (6.19%); Mr. Wenjun Yin (6.03%); Mr. Zuowen Wang (6.03%); Mr. Kou Dapeng (4.02%); Ms. Yu Guo (4.02%); Mr. Chen Peng (3.09%); Ms. Shanshan Lin (4.02%); Mr. Jingwei Liang (4.02%); Mr. Hui Li (2.01%); Ms. Rui Cui (2.01%); Ms. Qi Zhang (2.01%); Mr. Weidong Zhang (2.01%); Mr. Yanbin Cheng (2.01%); Mr. Zejian Cai (2.01%); Mr. Yilin Zhang (1.55%); Ms. Qing Li (1.55%); Mr. Xing Jiang (1.55%); Ms. Kunlan Chen (2.01%); Mr. Huan Zhao (3.52%); and Ms. Xin Wang (10.82%)).

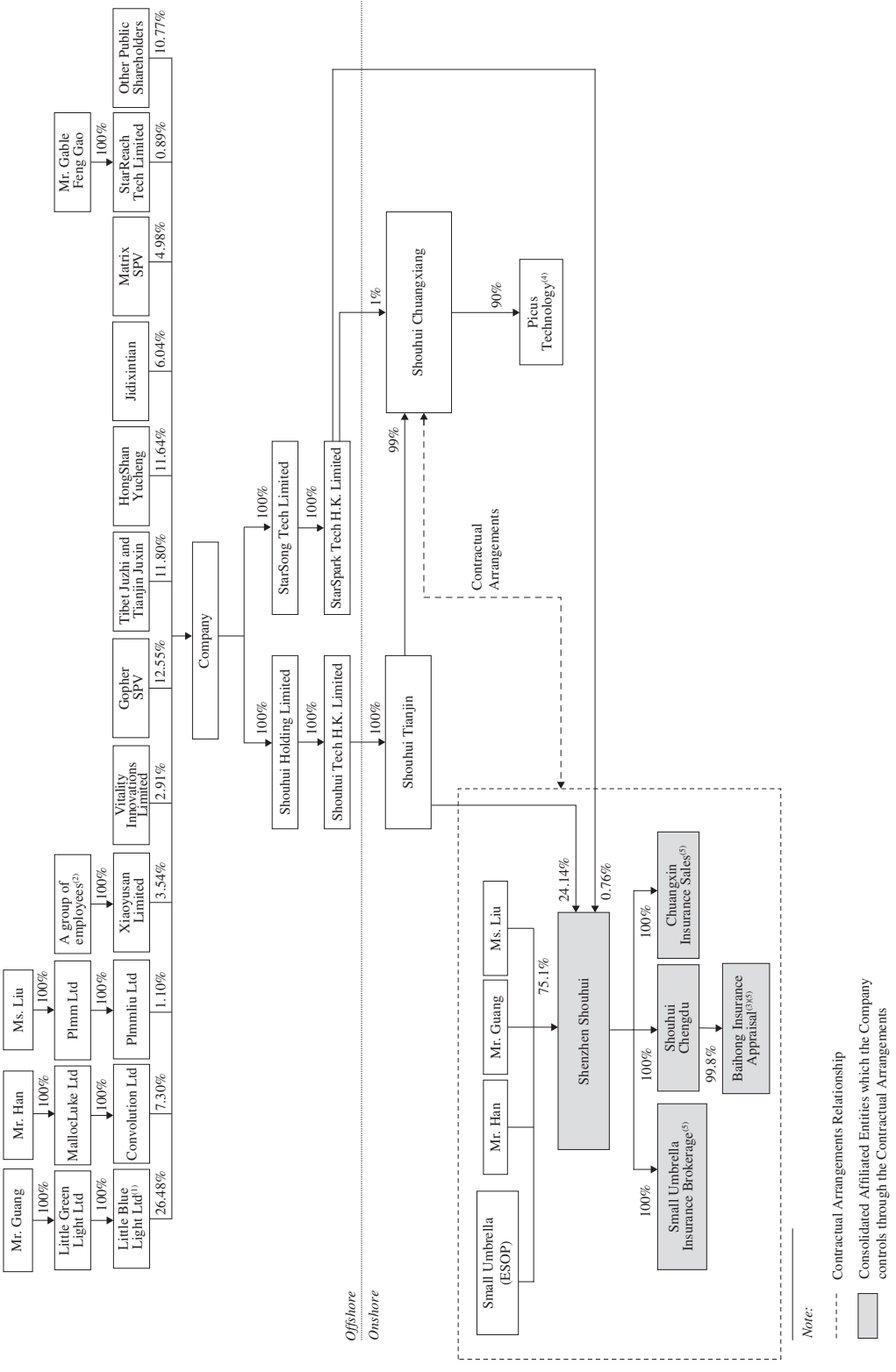
(2) As of the Latest Practicable Date, Baihong Insurance Appraisal was held as to 0.01% by each of Ms. Na Liu (劉娜), a supervisor of Baihong Insurance Appraisal, and Ms. Ting Ting Cao (曹婷婷), a director of Baihong Insurance Appraisal.

(3) As of the Latest Practicable Date, Picus Technology was held as to 10% by Meizai Technology (Shenzhen) Co., Ltd* (美再(深圳)科技有限責任公司), an Independent Third Party.

(4) There are local branches under each of Small Umbrella Insurance Brokerage, Chuangxin Insurance Sales and Baihong Insurance Appraisal.

Corporate Structure Immediately Following the Completion of the Global Offering

The following chart sets forth the corporate structure of our Company, our major subsidiaries and Consolidated Affiliated Entities immediately following the completion of the Global Offering:



Notes:

(1) Pursuant to the voting proxy agreements executed on August 23, 2024, November 12, 2024 and December 16, 2024, the Proxy Shareholders agreed to appoint Little Blue Light Ltd, a company wholly owned by Mr. Guang, as their attorney and proxy to exercise the voting rights attached to certain Shares held by them, at the general meeting of our Company. For more details, please refer to the section headed "History, Reorganization and Corporate Structure — Voting Proxy Arrangements" in this prospectus.

(2) Xiaoyusan Limited is held by a group of existing and former employees (Mr. Jianting Li (19.50%); Mr. Shaofeng Li (10.05%); Mr. Detao Chen (6.19%); Mr. Wenjun Yin (6.03%); Mr. Zuowen Wang (6.03%); Mr. Kou Dapeng (4.02%); Ms. Yu Guo (4.02%); Mr. Chen Peng (3.09%); Ms. Shanshan Lin (4.02%); Mr. Jingwei Liang (4.02%); Mr. Hui Li (2.01%); Ms. Rui Cui (2.01%); Ms. Qi Zhang (2.01%); Mr. Weidong Zhang (2.01%); Mr. Yanbin Cheng (2.01%); Mr. Zejian Cai (2.01%); Mr. Yilin Zhang (1.55%); Ms. Qing Li (1.55%); Mr. Xing Jiang (1.55%); Ms. Kunlan Chen (2.01%); Mr. Huan Zhao (3.52%); and Ms. Xin Wang (10.82%)).

(3) As of the Latest Practicable Date, Baihong Insurance Appraisal was held as to 0.01% by each of Ms. Na Liu (劉娜), a supervisor of Baihong Insurance Appraisal, and Ms. Ting Ting Cao (曹婷婷), a director of Baihong Insurance Appraisal.

(4) As of the Latest Practicable Date, Picus Technology was held as to 10% by Meizai Technology (Shenzhen) Co., Ltd* (美再(深圳)科技有限責任公司), an Independent Third Party.

(5) There are local branches under each of Small Umbrella Insurance Brokerage, Chuangxin Insurance Sales and Baihong Insurance Appraisal.

PRE-IPO SHARE AWARD SCHEME

On November 30, 2023, our Company adopted the Pre-IPO Share Award Scheme to recognize and reward the contributions of certain eligible employees of the Group, and incentivize them for their future contribution to the continual operation and development of our Company. Vitality Innovations Limited is a company incorporated as the holding vehicle for the administration of the Share Award Trust and to hold Shares for the benefit of our employees who were awarded Shares under the Pre-IPO Share Award Scheme. The principal terms of the Pre-IPO Share Award Scheme are set out in "Statutory and General Information — D. Share Incentive Scheme — 1. Pre-IPO Share Award Scheme" in Appendix IV to this prospectus.

As of the Latest Practicable Date, the employee's trust held 329,920 Shares or 6,598,400 Shares immediately after the Capitalization Issue for the benefit of 166 employees, representing approximately 2.91% in the total number of Shares in issue immediately after completion of the Capitalization Issue and the Global Offering and assuming the Over-allotment option is not exercised. For further details regarding the grantees under the Pre-IPO Share Incentive Scheme, please refer to "Statutory and General Information — D. Share Incentive Scheme — 1. Pre-IPO Share Award Scheme" in Appendix IV to this prospectus.

COMPLIANCE WITH PRC LAWS AND REGULATIONS

Our PRC Legal Advisor has confirmed that all material government approvals from the relevant PRC authorities in respect of the equity transfers and changes in registered capital of the PRC subsidiaries of our Group as part of the Reorganization have been obtained in accordance with the PRC laws and regulations and the Reorganization steps to which the PRC laws and regulations are applicable have complied with the PRC laws and regulations in all material respects.

M&A Rules

According to the Regulations on Mergers with and Acquisition of Domestic Enterprises by Foreign Investors (《關於外國投資者併購境內企業的規定》) (the "**M&A Rules**") jointly issued by the MOFCOM, the State-owned Assets Supervision and Administration Commission of the State Council, the SAT, the CSRC, the SAIC and the SAFE on August 8, 2006, effective as of September 8, 2006 and amended on June 22, 2009, a foreign investor may be required to obtain necessary approvals when it:

(a) acquires the equity of a domestic non-foreign invested enterprise so as to convert the domestic enterprise into a foreign-invested enterprise;

(b) subscribes for the increased capital of a domestic enterprise so as to convert the domestic enterprise into a foreign-invested enterprise;

(c) establishes a foreign-invested enterprise which purchases and operates the assets of a domestic enterprise; or

(d) purchases the assets of a domestic enterprise and invests such assets to establish a foreign-invested enterprise (collectively, the "**Regulated Activities**").

According to the M&A Rules, where a domestic company, enterprise or natural person intends to acquire its/his/her related domestic company in the name of an offshore company which it/he/she lawfully established or controls, the acquisition shall be subject to the examination and approval of the MOFCOM.

The M&A Rules, among other things, further purport to require that an offshore special vehicle, or a special purpose vehicle, formed for overseas listing purposes of the interests in a PRC company, that is controlled directly or indirectly by PRC companies or individuals, shall obtain the approval of the CSRC prior to the listing and trading of such special purpose vehicle's securities on an overseas stock exchange, especially in the event that the special purpose vehicle acquires shares of or equity interest in the PRC companies in exchange for the shares of offshore companies.

Given that (i) Shouhui Tianjin was incorporated as a wholly foreign-owned enterprise without involving acquisition of the equity or asset of a PRC domestic company as defined under the M&A rules; (ii) no provision in the M&A Rules clearly classifies the Contractual Arrangements as a type of Regulated Activities under the M&A Rules; (iii) Shouhui Chuangxiang had been an existing foreign-invested enterprise prior to Shouhui Tianjin's acquisition of 99% equity interest in Shouhui Chuangxiang; and (iv) Shenzhen Shouhui had been an existing foreign-invested enterprise prior to the capital increase in Shenzhen Shouhui by Shouhui Tianjin, the PRC Legal Advisor has advised us that, the Listing of our Company does not require approvals from the CSRC and the MOFCOM under the M&A Rules. However, our PRC Legal Advisor has further advised us that there remains uncertainties as to how the M&A Rules will be interpreted or implemented in the future in the context of an overseas offering and we cannot assure you that relevant PRC government authorities, including the CSRC, would reach the same conclusion as our PRC Legal Advisor, its opinions summarized above are subject to any new laws, regulations and rules or detailed implementations and interpretations in any form relating to the M&A Rules. For further details on the relevant risks with respect to our Contractual Arrangements, please refer to the paragraph headed "Risk Factors — Risks Relating to our Contractual Arrangements" in this prospectus.

SAFE Registration

Pursuant to the Circular of the SAFE on Foreign Exchange Administration of Overseas Investment, Financing and Round-trip Investments Conducted by PRC Residents through Special Purpose Vehicles (《關於境內居民通過特殊目的公司境外投融資及返程投資外匯管理有關問題的通知》) (the "**SAFE Circular 37**"), promulgated by SAFE and became effective on July 4, 2014, (i) a PRC resident must register with the local SAFE branch before he/she contributes assets or equity interest to an overseas special purpose vehicle (the "**Overseas SPV**") that is directly established or indirectly controlled by the PRC resident for the purpose of conducting investment or financing; and (ii) following the initial registration, the PRC resident is also required to register with the local SAFE branch for any major change, in respect

of the Overseas SPV, including, among other things, a change of Overseas SPV's PRC resident shareholder(s), the name of the Overseas SPV, terms of operation, or any increase or reduction of the Overseas SPV's capital, share transfer or swap, and merger or division. Pursuant to the SAFE Circular No. 37, failure to comply with these registration procedures may result in penalties.

Pursuant to the Circular of the SAFE on Further Simplifying and Improving Policies for the Foreign Exchange Administration on Direct Investment (《關於進一步簡化和改進直接投資外匯管理政策的通知》), promulgated by SAFE and which became effective on June 1, 2015, also known as the SAFE Circular 13, the power to accept SAFE registration was delegated from local SAFE to local banks where the assets or interests in the domestic entity was located.

Our PRC Legal Advisor has confirmed that Mr. Guang, Mr. Han, Ms. Liu, the shareholders of Xiaoyusan Limited who are PRC residents have completed their initial foreign exchange registration under the SAFE Circular 37 in November 2023.

BACKGROUND

We currently operate or will operate certain businesses in the PRC that are subject to foreign investment restrictions and compliance with foreign investor requirements (the "**Relevant Business(es)**") through our Consolidated Affiliated Entities the operations of which are closely integrated. We indirectly hold equity interest in Shenzhen Shouhui as to a combined total of 24.9% through Shouhui Tianjin and StarSpark Tech H.K. Limited, with the remaining 75.1% held by Mr. Guang, Mr. Han, Ms. Liu and Small Umbrella (ESOP) (collectively, the "**Registered Shareholders**"). For more details on the Registered Shareholders, please refer to the sections headed "History, Reorganization and Corporate Structure" and "Directors and Senior Management" in this prospectus.

The agreements underlying the Contractual Arrangements provide a mechanism through which: (a) economic benefits of our Consolidated Affiliated Entities can be transferred to us through the Exclusive Business Cooperation Agreement (as defined below); and (b) we are able to control our Consolidated Affiliated Entities through a series of agreements such as the Exclusive Option Agreement, the Equity Pledge Agreements, and the Shareholder Voting Rights Proxy Agreement (each defined below) (together with Exclusive Business Cooperation Agreement, "the **Contractual Arrangements**"). Pursuant to the Contractual Arrangements, we will instruct and supervise all substantial and material business decisions made by the Consolidated Affiliated Entities through Shouhui Chuangxiang, which is held as to 99% by Shouhui Tianjin, and 1% by StarSpark Tech H.K. Limited, our indirect wholly-owned subsidiaries, and all risks arising from the Consolidated Affiliated Entities' business are also effectively borne by our Group as a result of the Consolidated Affiliated Entities being treated as our controlled subsidiaries. Accordingly, we are entitled to all economic benefits generated by the Consolidated Affiliated Entities through the Contractual Arrangements.

In preparation for entering into the Contractual Arrangements, the Consolidated Affiliated Entities, the then shareholders of Shenzhen Shouhui and Shouhui Tech H.K. Limited entered into the Initial Exclusive Business Cooperation Agreement, the Initial Exclusive Option Agreement, the Initial Equity Pledge Agreement and the Initial Shareholder Voting Rights Proxy Agreement (each defined below) (collectively, the "**Transitional Contractual Arrangements**").

During the years ended December 31, 2022, 2023 and 2024, the revenue generated from the Consolidated Affiliated Entities was approximately RMB803.6 million, RMB1,628.0 million and RMB1,379.7 million, accounting approximately 99.7%, 99.6% and 99.5% of the consolidated revenue of our Group, respectively.

PRC LAWS RELATING TO RESTRICTIONS ON FOREIGN OWNERSHIP OF THE RELEVANT BUSINESSES

The Insurance Intermediary Industry

Although there is no explicit foreign investment restriction on insurance intermediary industry in the Special Administrative Measures (Negative List) for Foreign Investment Market Access (2024 Version) (《外商投資准入特別管理措施(負面清單)(2024年版)》), which was jointly promulgated by the MOFCOM and the NDRC on September 6, 2024 and took effect from November 1, 2024 (the "**Negative List**"), according to Guidance on the Approval of Insurance Brokerage Business License (《保險經紀業務經營許可審批事項服務指南》) and the Guidance on the Approval of Insurance Agent Business License (《保險代理業務經營許可審批事項服務指南》) issued by the NFRA and based on the NFRA Consultation (as defined below), foreign investors are permitted to hold a maximum of 100% equity interest in insurance brokerage companies (保險經紀機構), insurance agency companies (保險專業代理機構) and insurance adjustment companies (保險公估機構), however, if the foreign investors intend to hold 25% or more (directly or indirectly, on a cumulative basis) of the equity interest of such companies, the companies shall be deemed as foreign-invested insurance brokers, agents and adjusters, and all such foreign investors must satisfy the requirements stipulated for foreign investors therein (the "**Foreign Investors Requirements**"): (i) insurance brokerage companies established in the PRC by overseas insurance brokerage companies which have practical business experience and comply with relevant regulations of NFRA; (ii) wholly owned insurance agency companies established in the PRC by Hong Kong and Macau insurance brokerage companies which have satisfied certain requirements; (iii) insurance agency companies established in the PRC by overseas insurance agency companies which have operated insurance agency business for more than 3 years; (iv) insurance agency companies established in the PRC by foreign insurance companies in PRC which have opened for more than 3 years; and (v) insurance professional intermediary established in the PRC by foreign insurance group companies and domestic foreign-funded insurance group companies.

Our Consolidated Affiliated Entities, namely Small Umbrella Insurance Brokerage, Chuangxin Insurance Sales and Baihong Insurance Appraisal (which engage in the provision of insurance technology services in respect of risk assessment assistance and claims adjustment services, in which foreign investment is restricted) which are insurance brokerage company, insurance agency company and insurance adjustment company, respectively, are subject to the Foreign Investors Requirements.

Our PRC Legal Advisor, the PRC Legal Advisor of the Joint Sponsors and the Company conducted a verbal consultation with the NFRA in December 2023 (the "**NFRA Consultation**"), during which it is confirmed that (i) foreign investors directly or indirectly holding an aggregate of 25% or more equity interest in them respectively would be subject to the Foreign Investors Requirements mentioned above; and (ii) such approval from the Insurance Regulatory Authorities would be practically impossible to be obtained even if we meet the Foreign Investors Requirements.

As advised by our PRC Legal Advisor, the NFRA is the competent authority to provide the confirmations above.

For more details of the Foreign Investors Requirements in the PRC under the applicable PRC laws and regulations, please refer to the sections headed "Regulatory Overview — Regulations on Corporation and Foreign Investment" and "Regulatory Overview — Regulations Related To Insurance Intermediary Business — Market Admittance" in this prospectus. Despite the foregoing, we will closely monitor any future development relating to the Foreign Investors Requirements. We have, as advised by our PRC Legal Advisor, reasonably assessed the requirements under all applicable rules, committed financial and other resources, and implemented the following measures to ensure we will be able to comply with applicable laws, regulations and specific requirements or guidance in case of relaxation of relevant laws or change of relevant laws:

- we are establishing an overseas website to help potential overseas users and investors to better understand our products, services and businesses;

- we have conducted preliminary feasibility studies to find acquisition targets and would seek opportunities to acquire an overseas insurance brokerage company or an insurance agency company with an aim to build up a good track record of practical business experience and comply with the then relevant regulations of NFRA, if necessary;

- we have established a place of business in Hong Kong;

- through the above offshore subsidiaries, we would gradually explore more business opportunities, including but not limited to promote our services and business, and enter into business contracts with offshore counterparties, for the proposed insurance intermediary service in overseas markets;

- we have registered several trademarks in Hong Kong, and we would register a number of trademarks outside the PRC depending on the circumstances for the promotions of our proposed insurance intermediary service overseas; and

- we would also engage external legal advisors or other professional advisors and make inquiries to relevant PRC authorities, if necessary, to assist us in monitoring the latest developments in Foreign Investors Requirements and other relevant laws and regulations and reorganizing our corporate structure, once practically feasible.

THE VALUE-ADDED TELECOMMUNICATION INDUSTRY

Foreign investment activities in the PRC are mainly governed by (i) the Foreign Investment Law of the PRC (《中華人民共和國外商投資法》) (the "**Foreign Investment Law**"), which took effect on January 1, 2020; (ii) the Catalog of Industries for Encouraging Foreign Investment (2022 Version) (《鼓勵外商投資產業目錄(2022年版)》), which was jointly promulgated by the MOFCOM and the NDRC on October 26, 2022 and took effect from January 1, 2023 (the "**Catalog**"); and (iii) the Negative List. The Negative List stipulates industries in which foreign investment is restricted or prohibited.

According to the Negative List, telecommunications and value-added telecommunication services are classified as foreign investment restricted businesses, companies providing value-added telecommunication services (except for e-commerce, domestic multi-party communications, store-and-forward classes, call centers) shall not be held by foreign investors as to more than 50% of their equity interests.

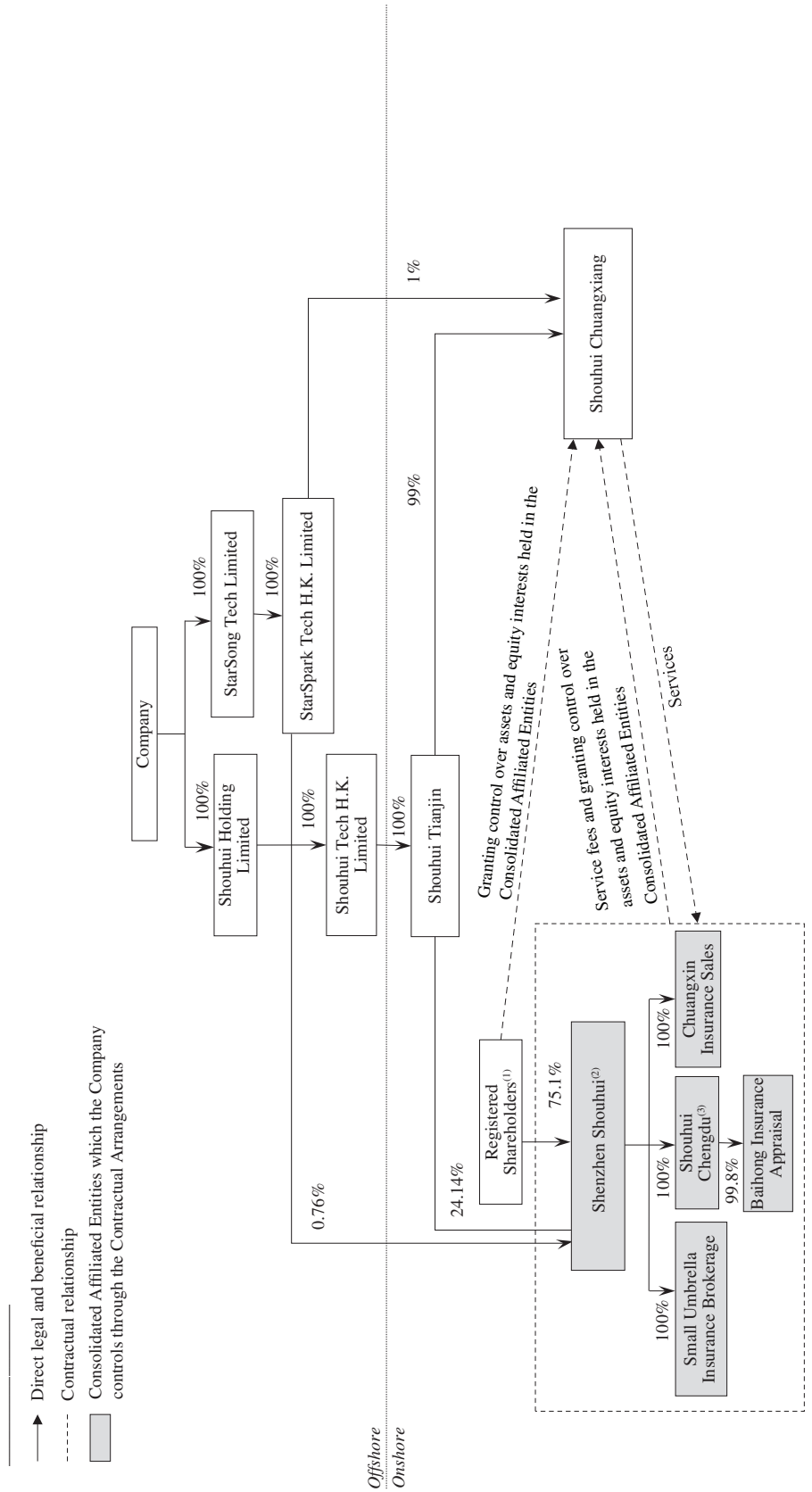
Small Umbrella Insurance Brokerage and Chuangxin Insurance Sales, our Consolidated Affiliated Entities operating the internet information services, which are a sub-categories of valued-added telecommunication business, currently hold the value-added telecommunication business license necessary for the operation of such foreign investment-restricted business.

OUR CONTRACTUAL ARRANGEMENTS

Since (i) there will be additional requirements for foreign investors if the foreign investors intend to hold 25% or more (directly or indirectly, on a cumulative basis) of the equity interest in companies operating insurance brokerage, insurance agency and insurance adjustment businesses; (ii) it is unlikely for us in obtaining approval from the Insurance Regulatory Authorities on foreign investments; and (iii) value-added telecommunication business which is subject to foreign investment restrictions is closely integrated with and cannot be segregated from our insurance business such that the lower threshold for foreign ownership in companies operating insurance brokerage, insurance agency and insurance adjustment businesses applies, it is not viable for our Company to conduct the Relevant Businesses directly through equity ownership in Small Umbrella Insurance Brokerage, Chuangxin Insurance Sales and Baihong Insurance Appraisal. In line with common practice and in order to conduct the Relevant Business in the PRC, our Company, through Shouhui Chuangxiang, our indirect wholly-owned subsidiary, entered into the Contractual Arrangements with (i) the Consolidated Affiliated Entities; and (ii) the Registered Shareholders, pursuant to which our Company has acquired effective control over the Relevant Businesses through the Consolidated Affiliated Entities, and become entitled to all the economic benefits generated from the Consolidated Affiliated Entities. Accordingly, the results of operations and assets and liabilities of all the Consolidated Affiliated Entities can be consolidated into our results of operations and assets and liabilities as if they are the subsidiaries of our Company that we held equity interest in.

Our Directors believe that the Contractual Arrangements conferring significant control and economic benefits from the Consolidated Affiliated Entities to our Company are fair enforceable and reasonable because (i) the Contractual Arrangements were negotiated on an arm's length basis and entered into between Shouhui Chuangxiang, the Consolidated Affiliated Entities and the Registered Shareholders; (ii) by entering into the Exclusive Business Cooperation Agreements with Shouhui Chuangxiang, which is indirectly wholly-owned by our Company, our Consolidated Affiliated Entities will enjoy better economic and technical support from our Company, as well as a better market reputation after the Listing; and (iii) similar arrangements are adopted by other companies in the market to accomplish the same purpose.

The following simplified diagram illustrates our Contractual Arrangements:



Notes:

(1) The Registered Shareholders are three individuals (namely, Mr. Guang, Mr. Han and Ms. Liu, who each holds 47.10%, 13.26% and 2.41% equity interests in Shenzhen Shouhui) and Small Umbrella (ESOP) which holds 12.33% of the equity interests in Shenzhen Shouhui. Mr. Guang is our founder and serves as the chairman of our Board and our executive Director. Mr. Han is our executive Director. Ms. Liu is our executive Director. Small Umbrella (ESOP) is a limited partnership and an employee shareholding platform holding shares. As of the Latest Practicable Date, Small Umbrella (ESOP) had 23 limited partners, consisting of Mr. Guang (35.95%), Muchenglin Investment (1.00%), which was held as to 80% by Mr. Guang and 20% by Mr. Han, which is also the general partner of Small Umbrella (ESOP), and a group of existing and former employees of the Company (Mr. Jianting Li (李鑒庭) (12.29%), who is also our executive Director, Mr. Shaofeng Li (李少鋒) (6.33%), Mr. Detao Chen (陳德濤) (3.90%), who is the general manager of Small Umbrella Insurance Brokerage, Mr. Wenjun Yin (尹文俊) (3.80%), Mr. Zuowen Wang (王佐文) (3.80%), Mr. Dapeng Kou (寇大鵬) (2.53%), Ms. Yu Guo (郭瑜) (2.53%), Mr. Chen Peng (彭辰) (1.95%), Ms. Shanshan Lin (林珊珊) (2.53%), Mr. Jingwei Liang (梁經緯) (2.53%), Mr. Hui Li (厲輝) (1.27%), Ms. Rui Cui (崔蕊) (1.27%), Ms. Qi Zhang (張琪) (1.27%), Mr. Weidong Zhang (張維東) (1.27%), Mr. Yanbin Cheng (成炎彬) (1.27%), Mr. Zejian Cai (蔡澤鍵) (1.27%), Mr. Yilin Zhang (張毅麟) (0.98%), Ms. Qing Li (李情) (0.98%) who is also one of our joint company secretaries, Mr. Xing Jiang (蔣星) (0.98%), Ms. Kunlan Chen (陳坤蘭) (1.27%), Mr. Huan Zhao (趙歡) (2.22%) and Ms. Xin Wang (王馨) (6.82%), who is also our chief financial officer who were each granted employee share awards under the Group's onshore employee share award scheme.

(2) During the Track Record Period, Shenzhen Shouhui mainly served as the holding company of our major subsidiaries and Consolidated Affiliated Entities.

(3) Since December 3, 2021, Shouhui Chengdu mainly served as the holding company of Baihong Insurance Appraisal.

Exclusive Business Cooperation Agreement

On January 2, 2024, the Consolidated Affiliated Entities entered into an exclusive business cooperation agreement with Shouhui Tech H.K. Limited (the "**Initial Exclusive Cooperation Agreement**"), pursuant to which Shenzhen Shouhui agreed to engage Shouhui Tech H.K. Limited as the exclusive service provider to provide technical services, technical consultancy and other services and the Consolidated Affiliated Entities will pay services fees to Shouhui Tech H.K. Limited as consideration.

The Initial Exclusive Cooperation Agreement was terminated pursuant to a termination agreement dated January 10, 2024 and restated by an exclusive business cooperation agreement dated January 10, 2024 entered into by the Consolidated Affiliated Entities and Shouhui Chuangxiang (the "**Exclusive Business Cooperation Agreement**"), pursuant to which Shouhui Chuangxiang agreed to be engaged as the exclusive service provider to provide technical services, technical consultancy and other services to the Consolidated Affiliated Entities based on its business needs, including but not limited to (business support, technology services, network support, business and financial consultancy, intellectual property licensing, equipment licensing, market research, product development, system maintenance, corporate management consulting services, relevant technician support and professional trainings, and all services as required by the Consolidated Affiliated Entities in compliance with the laws of the PRC.) In consideration, the Consolidated Affiliated Entities (except for Baihong Insurance Appraisal which is held 99.80% by Shouhui Chengdu which is the maximum equity interest Shouhui Chengdu can hold under the applicable PRC laws and regulations) will pay service fees which shall consist of 100% of the total consolidated profits of the Consolidated Affiliated Entities

after offsetting the prior-year loss (if any), operating costs, expenses, taxes and other statutory contributions and for Baihong Insurance Appraisal, it will pay service fees which shall consist of the portion of its total consolidated profits which is directly or indirectly attributable to Shouhui Chengdu after offsetting the prior-year loss (if any), operating costs, expenses, taxes and other statutory contributions to Shouhui Chuangxiang. Shouhui Chuangxiang has the right to, at any time, adjust the service fee to be charged and its payment schedule, taking into account factors including: (i) the complexity and difficulty of the services involved; (ii) the time taken for the services; (iii) the scope of the services and their corresponding commercial value; and (iv) comparable service fees charged to third party customers of Shouhui Chuangxiang and the market reference price for services of similar kinds.

Pursuant to the Exclusive Business Cooperation Agreement, without the prior written consent from Shouhui Chuangxiang, the Consolidated Affiliated Entities (including all their respective subsidiaries, if any) shall not, during the term of the Exclusive Business Cooperation Agreement, accept the same or any similar services provided by any third party which are covered by the Exclusive Business Cooperation Agreement nor shall the Consolidated Affiliated Entities (including all their respective subsidiaries, if any) establish cooperation relationships similar to those established by the Exclusive Business Cooperation Agreement with any third party.

Additionally, all intellectual property rights (including copyrights, patents, technical know-how and trade secrets) arising from the performance of the Exclusive Business Cooperation Agreement would exclusively belong to and be the right of Shouhui Chuangxiang, and Shouhui Chuangxiang shall be held harmless by the Consolidated Affiliated Entities. Each of the Consolidated Affiliated Entities (including all of their respective subsidiaries, if any) is required under the Contractual Arrangements to obtain Shouhui Chuangxiang's prior written consent before it transfers, assigns or disposes of any of its intellectual properties to any third party.

The Exclusive Business Cooperation Agreement shall remain effective unless (i) when the Consolidated Affiliated Entities cease to operate any business, become insolvent, bankrupt or are subject to liquidation or dissolution procedures; (ii) the entire equity interests held by the Registered Shareholders in the Consolidated Affiliated Entities or the entire assets held by the Consolidated Affiliated Entities have been transferred to Shouhui Chuangxiang or its designee; or (iii) when it is legally permissible for Shouhui Chuangxiang to hold equity interests directly or indirectly in the Consolidated Affiliated Entities and Shouhui Chuangxiang or its appointee(s) is registered to be the shareholder of the Consolidated Affiliated Entities. Each of the Consolidated Affiliated Entities is not contractually entitled to unilaterally terminate the Exclusive Business Cooperation Agreement with Shouhui Chuangxiang.

Exclusive Option Agreement

On January 2, 2024, Shouhui Tech H.K. Limited, the Consolidated Affiliated Entities and all the then shareholders of Shenzhen Shouhui (i..e. Mr. Guang, Mr. Han, Ms. Liu, Small Umbrella (ESOP), Zhengshu Zhilin (ESOP), Dacai Xiaohong, HongShan Xinde, Tibet Juzhi, Matrix Jingtianweidi, Zhuhai Qifei, Zhuhai Junchen, Jidixintian, Tianjin Juxin (collectively, the "**Initial Shareholders**")) entered into an exclusive option agreement (the "**Initial Exclusive Option Agreement**"), pursuant to which:

(a) each of the Initial Shareholders granted to Shouhui Tech H.K. Limited or its designated person an irrevocable and exclusive option to acquire, at any time, all or part of their equity interests in Shenzhen Shouhui;

(b) Shenzhen Shouhui granted to Shouhui Tech H.K. Limited or its designated person an irrevocable and exclusive option to acquire, at any time, all or part of its assets;

(c) Shenzhen Shouhui, Small Umbrella Insurance Brokerage, Chuangxin Insurance Sales and Shouhui Chengdu granted to Shouhui Tech H.K. Limited or its designated person an irrevocable and exclusive option to acquire, at any time, all or part of Shenzhen Shouhui's equity interests in Small Umbrella Insurance Brokerage, Chuangxin Insurance Sales and Shouhui Chengdu, along with an irrevocable and exclusive option to acquire, at any time, all or part of the respective assets of Small Umbrella Insurance Brokerage, Chuangxin Insurance Sales and Shouhui Chengdu; and

(d) Shouhui Chengdu and Baihong Insurance Appraisal granted to Shouhui Tech H.K. Limited or its designated person an irrevocable and exclusive option to acquire, at any time, all or part of Shouhui Chengdu's equity interests in Baihong Insurance Appraisal, along with an irrevocable and exclusive option to acquire, at any time, all or part of the assets of Baihong Insurance Appraisal indirectly or directly attributable to Shouhui Chengdu.

The Initial Exclusive Option Agreement was terminated pursuant to a termination agreement date January 10, 2024 and was replaced and restated by an exclusive option agreement dated January 10, 2024 by the Consolidated Affiliated Entities, Shouhui Chuangxiang and the Registered Shareholders (the "**Exclusive Option Agreement**"), pursuant to which each of the Registered Shareholders and each of the Consolidated Affiliated Entities, respectively, granted to Shouhui Chuangxiang or its designated person an irrevocable and exclusive option to acquire, at any time, (i) all or part of the Registered Shareholders' equity interests in Shenzhen Shouhui; (ii) all or part of the assets of Shenzhen Shouhui directly or indirectly attributable to the Registered Shareholders; (iii) all or part of Shenzhen Shouhui's equity interests in Small Umbrella Insurance Brokerage, Chuangxin Insurance Sales and Shouhui Chengdu; (iv) all or part of the respective assets of Small Umbrella Insurance Brokerage, Chuangxin Insurance Sales and Shouhui Chengdu; (v) all or part of Shouhui Chengdu's equity interests in Baihong Insurance Appraisal and (vi) all or part of the assets of

Baihong Insurance Appraisal directly or indirectly attributable to Shouhui Chengdu at the lowest price permissible under PRC laws. The option period is from the agreement date until all Registered Shareholders have transferred all their equity interests in Shenzhen Shouhui to Shouhui Chuangxiang or its designated person.

Under the Exclusive Option Agreement, the Registered Shareholders undertook to Shouhui Chuangxiang:

(a) unless with the prior consent of Shouhui Chuangxiang or its designated person, the follow matters, among others, would not take place:

  (i) supplementing, modifying or amending constitutional documents of the Consolidated Affiliated Entities that would materially adversely affect the Consolidated Affiliated Entities' assets, operations, liabilities, equity interests, other legitimate rights or performance of this agreement, or procuring the Consolidated Affiliated Entities to enter into transactions that will materially adversely affect the assets, operations, liabilities, equity interests and other legitimate rights of the Consolidated Affiliated Entities (including but not limited to selling, transferring, pledging or otherwise disposing of such assets, operations, equity interests and other legitimate rights);

  (ii) changing the board or senior management composition of the Consolidated Affiliated Entities;

  (iii) approving or issuing of any dividend or bonus distributions;

  (iv) disposing of or otherwise encumbering the Consolidated Affiliated Entities' equity interest;

  (v) taking any act relating to restructuring (e.g., mergers and acquisitions, investing in third-parties, liquidating or dissolving the Consolidated Affiliated Entities);

(b) they would immediately notify Shouhui Chuangxiang of any litigation, arbitration or administrative procedure occurring or likely occurring that is related to or may materially adversely affect the equity interests of the Consolidated Affiliated Entities, and shall only resolve the relevant litigation/arbitration/administrative procedure after obtaining the prior written consent of Shouhui Chuangxiang;

(c) they would comply with this agreement and any other agreement with Shouhui Chuangxiang and perform their obligations thereunder;

(d) they would cooperate and take necessary actions to assist in the performance of the Exclusive Option Agreement (e.g., amending the Consolidated Affiliated Entities' constitutional documents and make relevant registrations to reflect any transfer under this agreement); and

(e) they would ensure that any proceeds distributed by the Consolidated Affiliated Entities received by Registered Shareholders (e.g., as profit or dividend distribution or proceeds from liquidation) must be paid, transferred or gifted in the manner designated by Shouhui Chuangxiang as permissible under PRC laws; and

(f) they would not terminate or procure others to terminate the agreements under the Contractual Arrangements, or enter into any agreements that are competing, similar to or in conflict with the current Contractual Arrangements.

The Registered Shareholders have also undertaken that, subject to the relevant laws and regulations, they will return to Shouhui Chuangxiang any consideration they receive in the event that Shouhui Chuangxiang exercise the options under the Exclusive Option Agreement to acquire the shares in Shenzhen Shouhui.

In addition to the undertakings by the Registered Shareholders, under the Exclusive Option Agreement, the Consolidated Affiliated Entities undertook to Shouhui Chuangxiang that, unless with prior consent of Shouhui Chuangxiang or its designated person, the following matters, among others, would not take place:

(a) actions taken that would materially adversely affect its assets, operations, liabilities, equity interest and other legitimate rights (e.g., incurring any debts or entering into any material contracts) (other than those arising out of the ordinary course of business);

(b) distribution of dividends or bonuses to its shareholders;

(c) disposal of or otherwise encumbrance of its assets, business or income (other than those arising out of the ordinary course of business); and

(d) amendments to its constitutional documents, the entering into of any merger, or acquisition or investment in third parties.

Equity Pledge Agreement

On January 2, 2024, Shouhui Tech H.K. Limited, Shenzhen Shouhui and the Initial Shareholders entered into an equity pledge agreement (the "**Initial Equity Pledge Agreement**"), pursuant to which each Initial Shareholders pledged all their equity interest in Shenzhen Shouhui to Shouhui Tech H.K. Limited to guarantee performance under the Transitional Contractual Arrangements by the Initial Shareholders and the Consolidated Affiliated Entities.

The Initial Equity Pledge Agreement was terminated pursuant to a termination agreement dated January 10, 2024 and was replaced and restated by an equity pledge agreement dated January 10, 2024 entered into by Shouhui Chuangxiang, Shenzhen Shouhui and the Registered Shareholders (the "**Equity Pledge Agreement**"), pursuant to which the Registered Shareholders pledged all equity interest in Shenzhen Shouhui, held from time to time, to Shouhui Chuangxiang to guarantee performance under the Contractual Arrangements by the shareholder and Shenzhen Shouhui. The pledge period is from the agreement date until (i) all contractual obligations of Shenzhen Shouhui and the Registered Shareholders under the Contractual Arrangement are fulfilled or all guaranteed debts are fully paid off; (ii) Shouhui Chuangxiang or its designated person exercises its exclusive option to purchase the entire equity interests of the Registered Shareholders and/or the entire assets of Shenzhen Shouhui and its subsidiaries pursuant to the terms of the Exclusive Option Agreement when it is permitted to do so under the applicable PRC laws and Shouhui Chuangxiang or its designated person may conduct the business of Shenzhen Shouhui and its subsidiaries; (iii) Shouhui Chuangxiang exercises its unilateral and unconditional right of termination; or (iv) the agreement is required to be terminated in accordance with applicable PRC laws and regulations. To preserve the pledged interests, each Registered Shareholder undertook that, among others:

(i) the pledged interests will not be transferred or encumbered without Shouhui Chuangxiang's prior written consent; and

(ii) any rights over the pledged interests enjoyed by Shouhui Chuangxiang shall not be prejudiced by the Registered Shareholders or their successor or any other person at any time and in any manner, and the Registered Shareholders shall take all necessary and required measures and execute all necessary and required documents to assist Shouhui Chuangxiang in realizing its rights over the pledged interests.

Shareholder Voting Rights Proxy Agreement

On January 2, 2024, a shareholder voting rights proxy agreement was entered into by and among the Initial Shareholders, Shouhui Tech H.K. Limited and the Consolidated Affiliated Entities (the "**Shareholder Voting Rights Proxy Agreement**"), pursuant to which:

(a) the Initial Shareholders irrevocably appointed Shouhui Tech H.K. Limited or other person designated by it (excluding any person who may give rise to conflicts of interest), as the Initial Shareholders' attorney-in-fact with respect to all rights attached to the equity interests held by the Initial Shareholders in Shenzhen Shouhui;

(b) Shenzhen Shouhui irrevocably appointed Shouhui Tech H.K. Limited or other person designated by it (excluding any person who may give rise to conflicts of interest), as Shenzhen Shouhui's attorney-in-fact with respect to all rights attached to the equity interests held by Shenzhen Shouhui in Small Umbrella Insurance Brokerage, Chuangxin Insurance Sales, Shouhui Chengdu; and

(c) Shouhui Chengdu irrevocably appointed Shouhui Tech H.K. Limited or other person designated by it (excluding any person who may give rise to conflicts of interest), as Shouhui Chengdu's attorney-in-fact with respect to all rights attached to the equity interests held by Shouhui Chengdu in Baihong Insurance Appraisal.

The Initial Shareholder Voting Rights Proxy Agreement was terminated pursuant to a termination agreement dated January 10, 2024 and restated by a Shareholder Voting Rights Proxy Agreement dated January 10, 2024 entered into by and among the Registered Shareholders, Shouhui Chuangxiang and the Consolidated Affiliated Entities (the "**Shareholder Voting Rights Proxy Agreement**"), under which the Registered Shareholders irrevocably appointed Shouhui Chuangxiang or other person designated by it (excluding any person who may give rise to conflicts of interest), as the Registered Shareholders' attorney-in-fact with respect to all rights attached to the equity interests held by the Registered Shareholders in the Consolidated Affiliated Entities from time to time. These rights include, among others: (i) the right to propose, convene and attend shareholders' meetings or signing any relevant shareholders' resolutions or file any documents with the relevant companies registry; (ii) the right to exercise all rights attached to the equity interests in the Consolidated Affiliated Entities at law and under the Consolidated Affiliated Entities' constitutional documents (including the right to sell, transfer, pledge or dispose of equity interests); (iii) the right to exercise shareholders' voting rights in a shareholders' meeting; and (iv) the right to nominate and appoint the legal representative, chairpersons, directors, supervisors and other senior management members of the Consolidated Affiliated Entities.

To avoid conflict of interest, the attorney-in-fact appointed ("**attorney-in-fact**") shall not be Shenzhen Shouhui's shareholder or persons who are not independent or may have conflicts of interest. Where any of the shareholders of the Consolidated Affiliated Entities (including the Registered Shareholders) are officers or directors of our Company, the attorney-in-fact shall be officers or directors of our Company other than those who are shareholders of the Consolidated Affiliated Entities. Other than this, the attorney-in-fact may be a director of our Group (who does not have a material conflict of interest) and an administrator or liquidator of Shouhui Chuangxiang. The Shareholder Voting Rights Proxy Agreement remains in effect until the Registered Shareholder ceases to be a shareholder of Shenzhen Shouhui.

The attorney-in-fact is entitled to sign minutes, file documents with the relevant authorities and exercise voting rights on the winding up of Shenzhen Shouhui on behalf of the Registered Shareholders. The Registered Shareholders have undertaken to transfer all assets obtained after the winding up of Shenzhen Shouhui to Shouhui Chuangxiang at nil consideration or the lowest price allowed under the then applicable PRC laws and regulations. As a result of the Shareholder Voting Rights Proxy Agreement, our Company, through our indirectly wholly-owned subsidiary, Shouhui Chuangxiang, is able to exercise management control over the activities that most significantly impact the economic performance of the Consolidated Affiliated Entities.

Spouse Undertakings

Each spouse of the Registered Shareholders has, where applicable, undertaken: (i) not to take any action with the intent to interfere with the arrangements under the Contractual Arrangements, including making any claim that such equity interest constitutes the property or community property; (ii) to unconditionally and irrevocably waive any and all rights or entitlements whatsoever to such equity interest that may be granted to the spouse according to any applicable laws; and (iii) to the extent the spouse acquires any equity interest in Shenzhen Shouhui, the spouse, his or her estate/agents/asset administrator to enter into a set of contractual arrangements with the same or comparable terms as the Contractual Arrangements.

Further information about our Contractual Arrangements

Dispute resolution

Each of the agreements under the Contractual Arrangements stipulates that dispute arising with respect to the agreements shall be resolved through good faith negotiations. In the event the parties failed to reach an agreement on the resolution of such a dispute within 30 days after one party requested for the resolution of such dispute through negotiations, party to the agreement may submit the dispute to the Shenzhen Court of International Arbitration (深圳國際仲裁院) ("**SCIA**") for arbitration in accordance with the then effective the arbitration rules of SCIA.

The arbitration shall be conducted in Shenzhen, and the language used during arbitration shall be Chinese. The arbitration ruling shall be final and binding on all parties. Any party shall have the right to apply to the courts with competent jurisdiction for enforcement of arbitration rulings after the arbitration rulings come into force.

Each of the agreements under the Contractual Arrangements stipulates also that the arbitral tribunal may award remedies over the equity interests, property interests or other assets of the Consolidated Affiliated Entities, injunctive relief (e.g. to limit the conduct of business or to compel the transfer of assets) or order the winding up of the Consolidated Affiliated Entities; and the courts of Hong Kong, the Cayman Islands (being the place of incorporation of our Company) and other jurisdiction with competent jurisdictions including jurisdictions (i) where the Consolidated Affiliated Entities was incorporated, (ii) where the principal assets of the Consolidated Affiliated Entities or Shouhui Chuangxiang are located, also have jurisdiction for the grant and/or enforcement of the arbitral award and the interim remedies against the equity interests, property interests or other assets of the Consolidated Affiliated Entities.

However, our PRC Legal Advisor has advised that the above provisions relating to dispute resolution may not be fully enforceable under PRC laws. For instance, the arbitral tribunal has no power to grant such injunctive relief, nor will it be able to order the winding up of the Consolidated Affiliated Entities pursuant to the current PRC laws. In addition, interim remedies or enforcement orders granted by overseas courts such as the courts of Hong Kong and the Cayman Islands may not be recognized or enforceable in the PRC.

Succession

Under the Contractual Arrangements, any successor of the Registered Shareholders (including transferees), no matter such succession or transfer was due to mergers and acquisitions, reorganizations, succession, transfer or any other reasons, shall assume any and all rights and obligations of the Registered Shareholders under the Contractual Arrangements.

In addition, Shouhui Chuangxiang's rights over the Consolidated Affiliated Entities may be survived by a liquidator in the event of winding up.

In the event that the Consolidated Affiliated Entities are wound-up, Shouhui Chuangxiang's interests in the Consolidated Affiliated Entities are protected, including through: (i) the Consolidated Affiliated Entities undertaking in the Exclusive Option Agreement and Exclusive Business Cooperation Agreement that, in the event of a liquidation for whatever reason, the Consolidated Affiliated Entities shall sell all of its assets and any residual interest through a non-reciprocal transfer to the extent permitted by the laws of PRC to Shouhui Chuangxiang or another qualifying entity designated by Shouhui Chuangxiang, at the lowest selling price permitted by applicable laws of the PRC. Any obligation for Shouhui Chuangxiang to pay the Consolidated Affiliated Entities as a result of such transaction shall be waived by the Consolidated Affiliated Entities or any proceeds from such transaction shall be paid to Shouhui Chuangxiang or the qualifying entity designated by Shouhui Chuangxiang in partial satisfaction of the service fees under the Exclusive Business Cooperation Agreement, as applicable under the then effective laws of the PRC; (ii) the Registered Shareholders undertaking in the Equity Pledge Agreements that, among other things, Shouhui Chuangxiang's rights over the pledged shares would not be prejudiced by the Registered Shareholders or their successors; and (iii) each spouse of the Registered Shareholders undertaking, among other things, in the event of acquiring any equity interest in Shenzhen Shouhui, to enter into a set of contractual arrangements with the same or comparable terms as the Contractual Arrangements to preserve Shouhui Chuangxiang's rights against such spouse.

Arrangements to address potential conflicts of interests

Besides the arrangement to address potential conflicts of interests as set out in the paragraph headed "Our Contractual Arrangements — Shareholder Voting Rights Proxy Agreement" in this section, the Registered Shareholders have undertaken that during the period that the Contractual Arrangements remain effective: (i) the Registered Shareholders would not, directly or indirectly participate, or be interested, or engage in, any business which is or may potentially be in competition with the Relevant Business of the Consolidated Affiliated Entities (and their all respective subsidiaries if any) where Shouhui Chuangxiang has the sole absolute discretion to determine whether such conflict arises; and (ii) any of their actions or omissions would not lead to any conflict of interest between them and Shouhui Chuangxiang (including but not limited to its shareholders). Furthermore, in the event of the occurrence of a conflict of interests (where Shouhui Chuangxiang has the sole absolute discretion to determine whether

such conflict arises), they agree to take any appropriate actions upon the consents of Shouhui Chuangxiang or its designee to eliminate such conflicts, failing which Shouhui Chuangxiang has the right to exercise the option under the Exclusive Option Agreement.

Loss Sharing

The current PRC laws and the agreements constituting the Contractual Arrangements did not provide that our Company or Shouhui Chuangxiang, as the primary beneficiary of our Consolidated Affiliated Entities, is obligated to share losses of, or provide financial support to the Consolidated Affiliated Entities, however, if the Consolidated Affiliated Entities suffer any losses or material difficulties of businesses, Shouhui Chuangxiang may at its discretion, provide financial support as permitted under the PRC laws at its discretion to the Consolidated Affiliated Entities. Notwithstanding this, Shouhui Chuangxiang intends to provide continuous support and assistance to the Consolidated Affiliated Entities, as necessary, and given that the Group conducts the Relevant Business in the PRC through the Consolidated Affiliated Entities, which hold the requisite PRC licenses and approvals, and that the Consolidated Affiliated Entities' financial condition and results of operations are consolidated into our financial condition and results of operations under the applicable accounting principles, our Company's business, financial condition and results of operations would be adversely affected if the Consolidated Affiliated Entities suffer losses.

To minimize the risk of loss, we have undertaken a number of measures under the Contractual Arrangements. For more details on the measures, please refer to the paragraphs headed "Our Contractual Arrangements — Exclusive Option Agreement" and "Our Contractual Arrangements — Equity Pledge Agreement" in this section.

Termination

Pursuant to the Contractual Arrangements, the Contractual Arrangements shall be terminated once (i) Shouhui Chuangxiang holds the entire equity interests in Shenzhen Shouhui or the entire assets of Shenzhen Shouhui in the event that the Foreign Investors Requirements under PRC laws are removed; (ii) the Consolidated Affiliated Entities become insolvent, bankrupted, cease to operate any business or are subject to liquidation or dissolution procedures or; (iii) we are able to obtain approval for foreign investments in our Relevant Businesses.

Insurance

There are certain risks involved under the Contractual Arrangements, in particular, the economic risks the Company (through Shouhui Chuangxiang) bears as the primary beneficiary of the Consolidated Affiliated Entities, the limitations in exercising the option to acquire ownership in the Consolidated Affiliated Entities.

Our Company do not maintain an insurance policy covering the risks relating to the Contractual Arrangements. For more details on these risks, please see the section headed "Risk Factors — Risks Relating to Our Contractual Arrangements".

Our confirmation

As of the Latest Practicable Date, we had not encountered any interference or encumbrance from any PRC governing bodies in operating our businesses through the Consolidated Affiliated Entities under the Contractual Arrangements.

Circumstances under which we will adjust or unwind the Contractual Arrangements

Our Group will adjust or unwind (as the case maybe) the Contractual Arrangements as soon as practicable in respect of the operation of the Relevant Businesses to the extent permissible and we will directly hold the maximum percentage of ownership interests permissible under relevant PRC laws and regulations.

LEGALITY OF THE CONTRACTUAL ARRANGEMENTS

By entering into the Contractual Arrangements, the Relevant Business subject to the Foreign Investors Requirement is only carried out by our Consolidated Affiliated Entities while the other business activities of the Group which are not subject to the Foreign Investors Requirement are carried out by Shouhui Chuangxiang and its subsidiaries.

Our Group, through the Contractual Arrangements, are able to conduct the Relevant Business that is subject to the Foreign Investors Requirements and/or foreign investment restrictions in the PRC. Based on the above, we are of the view that the Contractual Arrangements are narrowly tailored to minimize the potential conflict with the relevant PRC laws and regulations as of the Latest Practicable Date.

Legality of the agreements underlying the Contractual Arrangements

Our PRC Legal Advisor is of the opinion that:

(a) each of the agreements under the Contractual Arrangements is legal, valid and binding on the parties thereto, and does not violate the mandatory provisions under current applicable PRC laws, except that (i) the SCIA has no power to grant injunctive relief, nor will it be able to order the winding-up of Consolidated Affiliated Entities pursuant to the current PRC laws; (ii) interim remedies or enforcement orders granted by overseas courts such as the courts of Hong Kong and the Cayman Islands may not be recognized or enforceable in the PRC;

(b) none of the agreements under the Contractual Arrangements violate any provisions of the articles of association of Shouhui Chuangxiang or the Consolidated Affiliated Entities;

(c) each of the agreements under the Contractual Arrangements does not fall within "conducted through malicious collusion between a person performing the act and a counterparty thereof and thus harms the lawful rights and interests of another person", or fall within circumstances where a contract may be determined void under the PRC Civil Code;

(d) The Contractual Arrangements do not require any pre-approvals from the PRC government authorities to be obtained in their execution and performance, except that:

(i) the exercise of the option by Shouhui Chuangxiang or its designated person under the Exclusive Option Agreement to acquire all or part of the equity interests in and/or assets of the Consolidated Affiliated Entities is subject to the approvals of, consent of, filing with and/or registrations with the PRC government authorities under the then applicable PRC laws;

(ii) any equity pledge contemplated under the Equity Pledge Agreement is subject to the registration and/or filling with competent administration bureau for market regulation; and

(iii) the arbitration awards/interim remedies provided under the dispute resolution provision of the Contractual Arrangements and/or any ruling/judgment granted by overseas courts shall be recognized by the PRC courts before compulsory enforcement; and

(iv) under PRC laws, the arbitral tribunal has no power to grant injunctive relief and may not directly issue a provisional or final liquidation order for the purpose of protecting assets of or equity interests in the Consolidated Affiliated Entities in case of disputes.

However, our PRC Legal Advisor advised us that the interpretation and application of current and future PRC laws and regulations depends on further interpretation and clarification of regulatory authorities. Accordingly, there can be no assurance that the PRC regulatory authorities will not take a view in the future that is contrary to or otherwise different from the above opinion. For more details, please refer to the paragraph headed "Risk Factors — Risks Relating to Our Contractual Arrangements" in this prospectus.

Nevertheless, based on the above analysis and advice from our PRC Legal Advisor, our Directors are of the view that each of the Contractual Arrangements is enforceable under the relevant laws and regulations and the adoption of the Contractual Arrangements is unlikely to be deemed ineffective or invalid under the current applicable PRC laws and regulations.

COMPLIANCE WITH THE CONTRACTUAL ARRANGEMENTS

Our Group has adopted the following measures to ensure the effective operation and control of our Group with the implementation and compliance of the Contractual Arrangements:

(a) major issues arising from the implementation and compliance with the Contractual Arrangements or any regulatory enquiries from government authorities will be submitted to our Board, if necessary, for review and discussion on an occurrence basis;

(b) our Board will review the overall performance of and compliance with the Contractual Arrangements at least once a year;

(c) our Company will disclose the overall performance and compliance with the Contractual Arrangements in its annual reports to update our Shareholders and potential investors;

(d) because the Contractual Arrangements will constitute continuing connected transactions of our Group upon Listing, our Company has applied to the Stock Exchange, and the Stock Exchange has granted a waiver, in relation to the Contractual Arrangements, details of which are set out in the section headed "Continuing Connected Transactions" in this prospectus. Our Company will comply with the conditions prescribed by the Stock Exchange under the waiver given;

(e) our Company will disclose, as soon as possible (i) any updates or changes to the ancillary regulations or implementation rules of the Foreign Investment Law that will materially and adversely affect our Company as and when they occur; and (ii) a clear description and analysis of the updates or changes in the ancillary regulations or implementation rules of the Foreign Investment Law as implemented, specific measures taken by us to fully comply with the changes in the Foreign Investment Law supported by a PRC legal opinion and any material impact on our operations and financial position; and

(f) our Company will engage external legal advisors or other professional advisors, if necessary, to assist the Board to review the implementation of the Contractual Arrangements and the legal compliance of Shouhui Chuangxiang and the Consolidated Affiliated Entities to deal with specific issues or matters arising from the Contractual Arrangements.

ACCOUNTING ASPECTS OF THE CONTRACTUAL ARRANGEMENTS

According to HKFRS 10 — Consolidated Financial Statements, a subsidiary is an entity that is controlled by another entity (known as the parent). An investor controls an investee when it is exposed, or has rights to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Although our Company does not directly or indirectly own our Consolidated Affiliated Entities, the Contractual Arrangements as mentioned above enable our Company to exercise control over our Consolidated Affiliated Entities.

Under the Exclusive Business Cooperation Agreement, it was agreed that, in consideration of the services provided by Shouhui Chuangxiang, the Consolidated Affiliated Entities shall pay service fees to Shouhui Chuangxiang. The service fee shall equal the cost of the services provided and consist of 100% of the total consolidated profits of the Consolidated Affiliated Entities after offsetting the prior-year loss (if any), operating costs, expenses, taxes and other statutory contributions (except for Shouhui Chengdu which holds 99.80% equity interest in Baihong Insurance Appraisal which is the maximum equity interest it can hold under the applicable PRC laws and regulations). Additionally, Shouhui Chuangxiang has a right to periodically receive or inspect the accounts of the Consolidated Affiliated Entities. In addition, under the Exclusive Option Agreement and Equity Pledge Agreements, Shouhui Chuangxiang has absolute contractual control over the distribution of dividends or any other amounts to the Registered Shareholders given that Shouhui Chuangxiang's prior written consent is required before any distribution can be made. If the Registered Shareholders receive any income, profit distribution or dividend, they shall promptly transfer or pay such income, profit distribution or dividend to Shouhui Chuangxiang or its designated person to the extent permissible under PRC laws. Further, under the Shareholder Voting Rights Proxy Agreement, Shouhui Chuangxiang assumes all rights as shareholder and exercises control over the Consolidated Affiliated Entities, including the right as set out in paragraph "Our Contractual Arrangements — Shareholder Voting Rights Proxy Agreement" in this section.

As a result of the Contractual Arrangements, we have obtained control of the Consolidated Affiliated Entities through Shouhui Chuangxiang and, under our sole discretion, can receive substantially all of the economic interest returns generated by the Consolidated Affiliated Entities and their respective subsidiaries (if any). Accordingly, the Consolidated Affiliated Entities' results of operations, assets and liabilities, and cash flows are consolidated into our financial statements.

DEVELOPMENT IN THE PRC LEGISLATION ON FOREIGN INVESTMENT

Background of Foreign Investment Restriction

On March 15, 2019, the 2nd meeting of the 13th Standing Committee of the National People's Congress approved the Foreign Investment Law and it became effective on January 1, 2020. The Foreign Investment Law replaced the law on Sino-Foreign Equity Joint Ventures (《中外合資經營企業法》), the law on Sino-Foreign Contractual Joint Ventures (《中外合作經營企業法》) and the law on Foreign- Capital Enterprises (《外資企業法》) to become the legal foundation for foreign Investment in the PRC. The Foreign Investment Law stipulates three forms of foreign investment: (1) establishment of a foreign invested enterprise in the PRC by a foreign investor, either individually or collectively with any other investor; (2) obtaining shares, equity interests, assets, interests or any other similar rights or interests of an enterprise in the PRC by a foreign investor; and (3) investment in any new construction project in the PRC by a foreign investor, either individually or collectively with any other investor, but does not explicitly stipulate the contractual arrangements as a form of foreign investment.

Potential Impact and consequences of the Foreign Investment Law

Many PRC-based companies have been conducting operations through adopting contractual arrangements, including our Group. Our Group use the Contractual Arrangements to establish control of our Consolidated Affiliated Entities, by Shouhui Chuangxiang, through which we operate our business (including the Relevant Businesses) in the PRC. The Foreign Investment Law stipulates that "foreign investors invest through any other methods under laws, administrative regulations or provisions prescribed by the State Council" is included in forms of foreign investment. Therefore, there remains uncertainty regarding whether future laws, administrative regulations or provisions prescribed by the State Council may regard contractual arrangements as a form of foreign investment, whether our Contractual Arrangements will be deemed to be in violation of the foreign investment access requirements and how the above-mentioned Contractual Arrangements will be handled. Therefore, there is no guarantee that the Contractual Arrangements and the business of our Consolidated Affiliated Entities will not be materially affected in the future due to developments in PRC laws and regulations.

Where there are changes to the Foreign Investment Law that will materially and adversely affect our Company, we will disclose, as soon as possible, any updates of changes as and when occur. For more details, please refer to the section headed "Risk Factors — Risks Relating to Our Contractual Arrangements" in this prospectus.

OVERVIEW

We are a life and health insurance intermediary service provider in China, dedicated to providing insurance service solutions to policyholders and the insured online through life and health insurance transaction and service platforms. The insurance products distributed by us, including those jointly developed with insurance companies, are underwritten by insurance companies, and we do not bear any underwriting risks. Most of our customers are insurance companies in China. Our suppliers primarily consist of insurance agents, promotional service providers and licensed brokerages and agencies. According to Frost & Sullivan, the market size of China's life and health insurance market in terms of GWP amounted to RMB3.8 trillion in 2023. We primarily compete with insurance intermediaries and in-house sales force of insurance companies. In addition, we also compete against other market players including bancassurance channels and concurrent-business insurance agencies. In 2023, the GWP of the life and health insurance intermediary market in China reached RMB237 billion, which accounted for 6.3% of the total GWP in China's life and health insurance market. We ranked eighth in terms of GWP in the life and health insurance intermediary market in China in 2023, with a market share of 2.9%. Online intermediaries dominated China's life and health insurance intermediary market and accounted for 89.1% of the total GWP in China's life and health insurance intermediary market in 2023. We are the second largest online insurance intermediary in China in terms of GWP of long-term life and health insurance in 2023, with a market share of 7.3%, following a prominent player in the market with a share of 45.5%. We are the second largest online insurance intermediary in China in terms of FYP of long-term life and health insurance in 2023.

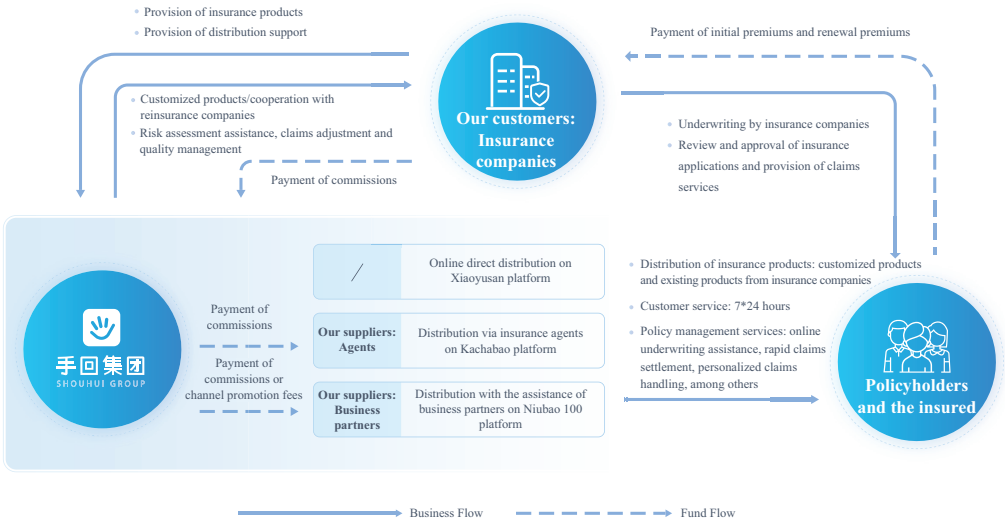
We derive revenue primarily from commissions paid by insurance companies for successful distribution of insurance products underwritten by them to policyholders and the insured through us. We provide insurance transaction services to insurance companies we collaborate with, most of which are major insurance companies in the PRC. Our revenue is generally calculated based on a percentage of the premiums of insurance policies distributed through us. During the Track Record Period, we collaborated with over 110 insurance companies, including over 70% of life and health insurance companies in China. Leveraging latest technologies and our extensive experience from the internet industry, we have built a comprehensive service system capable of serving policyholders and the insured.

We distribute life and health insurance products through three distribution channels facilitated by our three platforms, namely (1) online direct distribution on Xiaoyusan, (2) distribution via insurance agents on Kachabao, and (3) distribution with the assistance of business partners on Niubao 100. Policyholders may purchase directly through Xiaoyusan which allows the policyholders to complete the purchase on a single platform. We utilize Kachabao to assist our insurance agents to serve policyholders and the insured and Niubao 100 to expand our reach to a larger population of policyholders and the insured. Our platforms support insurance agents and business partners by facilitating distribution and providing comprehensive support throughout the insurance transaction process. We pay commissions or channel promotion fees to our insurance agents and business partners for successful distribution based on the commissions we receive from insurance companies.

- **Online direct distribution on Xiaoyusan.** Policyholders may purchase directly through Xiaoyusan, which allows the policyholders to complete the purchase on a single platform and is designed as the direct distribution platform for our customized and selected insurance products. Xiaoyusan enhances the overall experience of policyholders and the insured covering various stages of insurance transactions, including product search, product recommendation, online consultation, personalized insurance plans, product purchases and policy management. In 2024, revenue from online direct distribution on Xiaoyusan amounted to RMB293.1 million and accounted for 21.3% of our total revenue from insurance transaction services.

- **Distribution via insurance agents on Kachabao.** We distribute insurance products via insurance agents on our Kachabao platform. Our insurance agents serve as crucial channels through which we reach policyholders and the insured, deliver information about insurance product offerings, and facilitate the distribution process. Our insurance agents are individual insurance sales practitioners with professional knowledge and experience in different insurance products. Our agents can complete the process of online training, business expansion, insurance transactions and policy management on Kachabao. As of December 31, 2024, we had built a distribution network with over 27,000 insurance agents, out of which over 16,000 distributed insurance products in 2024, covering 15 provincial-level administrative regions in China. In 2024, revenue from distribution via insurance agents on Kachabao amounted to RMB220.1 million and accounted for 15.9% of our total revenue from insurance transaction services.

- **Distribution with the assistance of business partners on Niubao 100.** We distribute insurance products with the assistance of business partners on our Niubao 100 platform. We collaborate with various business partners including (i) self-media traffic channels such as media and advertising companies that have accumulated a large number of user groups with insurance needs and key opinion leaders; and (ii) licensed brokerages and agencies. We engage self-media traffic channels to generate traffic and promote the insurance products online. In addition, licensed brokerages and agencies rely on their own agents or brokers to promote and distribute the insurance products. Our Niubao 100 platform provides business partners, specifically licensed brokerages and agencies, with support throughout the insurance transaction process, including online product selection and recommendation, and online transaction and service assistance. During the Track Record Period, we had over 1,100 business partners. In 2024, revenue from distribution with the assistance of business partners on Niubao 100 amounted to RMB864.6 million and accounted for 62.8% of our total revenue from insurance transaction services.



As a licensed provider of insurance transactions and services, we operate mainly via online platforms in distributing long-term life insurance products, long-term critical illness insurance products, long-term medical and other insurance products, as well as short-term insurance products. We focus on long-term life and health insurance products. The nature of these long-term life and health insurance products and their service cycles have enabled us to build and strengthen long-lasting relationships with policyholders and the insured. We believe this connection allows us to provide insurance services catering to diverse needs of policyholders and the insured at different stages of life, thereby generating a continuous stream of income.

The products we distribute include those customized by us and existing products from insurance companies. Since 2017, we have been distributing customized long-term life and health insurance products for which we are involved in formulating the terms and conditions and pricing, and own IP rights of product brands. We entered into exclusive agreements with insurance companies for the majority of customized insurance products we distributed during the Track Record Period in terms of GWP, for which we had right to distribute exclusively provided that we meet performance related conditions such as premium amount or persistency rate. In the insurance product customization process, we identify and set out insurance product requirements for target policyholders and the insured, engage in competitive negotiations with insurance companies and reinsurance companies, and ultimately select insurance company partners and distribute customized insurance products. Insurance companies underwrite insurance products, collaborate with intermediaries to obtain premium, and cooperate with reinsurance companies and share risks based on product development needs. Reinsurance companies assume the risks from insurance companies and collaborate with intermediaries. The FYP generated by our customized products accounted for 52.5%, 59.0% and 40.5% of the FYP of all of the insurance products we distributed in 2022, 2023 and 2024, respectively. Our customized products with our IP, when distributed on our platforms, has contributed to the enhancement of our brand recognition, building positive market reputation and establishing market influence. Through our strong partnerships with insurance companies, we have

distributed a total of over 1,900 products since our inception, including over 280 customized products and over 1,600 existing products from insurance companies. As of December 31, 2024, we had 306 products available for purchase and had successfully incubated over 14 IPs on our platforms.

As of December 31, 2024, over 1.6 million policyholders and over 2.4 million insured had insurance policies distributed by us that remained effective. We offer insurance products catering to diverse needs of policyholders and the insured at different stages of life. By offering comprehensive insurance services, we establish a strong connection with policyholders and the insured. Our policyholders primarily include people aged from 30 to 45 residing in first-tier and second-tier cities in China. During the Track Record Period, policyholders aged from 30 to 45 contributed to 63.4% of our GWP and 72.2% of policies we distributed. According to Frost & Sullivan, people aged from 30 to 45 in China represent the mainstream consumer group for insurance products, exhibiting a high level of acceptance for online insurance transactions and services, and tend to complete insurance transactions online.

For the years ended December 31, 2022, 2023 and 2024, our revenue reached RMB806.3 million, RMB1,634.4 million and RMB1,387.1 million, respectively. We focus on long-term life and health insurance products, which allows us to generate sustained revenue and strengthens the foundation of our financial growth.

OUR STRENGTHS

We believe the following strengths have contributed to our success and are expected to continue to drive our future growth:

Online long-term life and health insurance intermediary service provider in China

According to Frost & Sullivan, we are the second largest online insurance intermediary in China in terms of GWP of long-term life and health insurance in 2023, with a market share of 7.3%, following a prominent player in the market with a share of 45.5%. We are also the second largest online insurance intermediary in China in terms of FYP of long-term life and health insurance in 2023.

Online intermediaries accounted for substantial market share and led the growth of China's life and health insurance intermediary market. Online intermediaries accounted for 82.1% of the total GWP in China's life and health insurance intermediary market in 2019, which increased to 89.1% in 2023 and is expected to reach 95.2% in 2028.

Online intermediaries have experienced significant growth in the life and health insurance market in China. The GWP contributed by online intermediaries increased from RMB60 billion in 2019 to RMB211 billion in 2023, representing a CAGR of 36.9%. It is expected that online intermediaries will contribute a GWP of RMB1,031 billion in the life and health insurance market in China by 2028, representing a CAGR of 34.2% from 2024 to 2028. Furthermore, long-term insurance has increased from RMB12 billion in 2019 to RMB88 billion in 2023 in terms of GWP in the online life and health insurance intermediary market in China, representing a CAGR of 64.6%. The GWP of long-term online life and health insurance is expected to reach RMB627 billion by 2028, representing a CAGR of 24.5% from 2024 to 2028. Insurance intermediaries that distribute long-term insurance products focus on the stable long-term relationship with policyholders and the insured, which ensures the client retention rate. Moreover, long-term insurance products can contribute more stable and continuous commission income for insurance intermediaries. Leveraging our position in the online long-term life and health insurance intermediary market, we believe that we are well-positioned to seize substantial and growing market opportunities.

We primarily compete with insurance intermediaries and in-house sales force of insurance companies. In addition, we also compete against other market players including bancassurance channels and concurrent-business insurance agencies. The GWP of the life and health insurance intermediary market in China reached RMB237 billion in 2023. We ranked eighth in terms of GWP in life and health insurance intermediary market in China in 2023 with a GWP of RMB6.8 billion, accounting for 2.9% of the market share.

Market-driven product customization and IP management

Since our establishment in 2015, we have remained committed to putting policyholders and the insured at the center of our operations. Through continuous development and customization of insurance products, we are well equipped to meet the diverse needs of policyholders and the insured. In 2024, our customized products generated a FYP of RMB1,234.5 million, accounting for 40.5% of our FYP. We have successfully launched a comprehensive range of customized life and health insurance products. We have an insurance product design team of around 20 members, most of whom possess working experience at insurance companies in connection with insurance product design and actuarial related work. We are able to successfully design and launch a customized life insurance product within one month, allowing us to swiftly upgrade customized product portfolio and seize evolving market opportunities.

Our customization capabilities stem from extensive insurance expertise, up-to-date industry insights, and a deep understanding of policyholders and the insured profiles. Our expertise and capabilities enable us to cooperate with insurance companies in shaping product features, communicating coverage terms, assisting in managing risks, assisting in setting price and updating products. Our customized products are designed to meet the specific demands of policyholders and the insured. Furthermore, our continuous iterations of customized products enable us to reduce client acquisition costs and enhance policyholders and the insured retention.

Through the iteration of customized products, we have developed IPs that cater to different age groups. As of December 31, 2024, we had successfully incubated over 14 IPs on our platforms, covering a wide range of long-term life, long-term critical illness, long-term medical and other insurance, as well as short-term insurance products. The introduction of our IPs has not only differentiated products we customized but also strengthened client loyalty, which ultimately allows us to stand out in a highly competitive industry. For example, one of our IPs and successful series of products that we customized, the Chaojimali Critical Illness Insurance series, has distributed approximately 330,000 policies since its launch. The Chaojimali Critical Illness Insurance series generated a GWP of RMB3.6 billion and a FYP of RMB573.0 million during the Track Record Period, gaining recognition from the market, policyholders and the insured, and thus enhancing our brand.

An online business process that empowers the offering, transaction and service of insurance products

Leveraging years of experience in internet platform development, insurance transactions and risk assessment assistance, we have created a business process that empowers the offering, transaction and service of insurance products. We connect insurance companies, agents, business partners, policyholders and the insured through robust insurance transaction and service platforms.

Our business process empowers insurance product offerings. We utilize technology to understand the evolving needs of policyholders and the insured in order to accurately assess their risk tolerance. This enables us to recommend insurance products that align with the specific needs of policyholders and the insured earning their trust. The long-standing trust of policyholders and the insured and our distribution capabilities make us an attractive partner for insurance companies to form stable cooperation with us.

Our business process facilitates insurance transactions and services, making our platforms a preferred choice for our partners, which ultimately strengthens our position in the industry. Through our three platforms, Xiaoyusan, Kachabao and Niubao 100, we have built diverse distribution scenarios that empower insurance transactions and services. The three platforms ensure wide coverage of policyholders and the insured, offer a variety of product choices, and establish operations and services centered around policyholders and the insured.

Since our inception, we have continuously enhanced the application in connection with the offering, transaction and service stages of insurance transactions on our platforms, in line with industry trends and technological advancements. We believe that by leveraging technology as our competitive advantage, we may attract more participants to cooperate with us going forward and further strengthen our position in the industry.

Efficient and convenient services for policyholders and the insured

Combining diversified acquisition channels with efficient and convenient services, we have established a full range of services for policyholders and the insured. As a result, our brand and services are recognized by a larger number of policyholders and the insured, enhancing their user experience and winning their loyalty.

Since our inception, we have continuously optimized the insurance purchasing and after-sales service processes using technology. We are able to establish an operation covering insurance services in addition to distribution. We have established a dedicated online customer service team, consisting of approximately 50 personnel as of December 31, 2024. We provide 24/7 consultation and claims reporting services, including answering product inquiries, responding to complaints and providing claims reporting assistance. In addition, we have a professional team covering the full range of policy management services, including insurance contract signing, online underwriting assistance, policy safekeeping, renewal payment services, cancellation assistance and claim assistance services. For example, based on policyholders and the insured's health, occupation, age and other factors, we provide appropriate underwriting assistance. Through rapid claims settlement, personalized claim handling and online claim services, we provide professional and efficient claims assistance services to safeguard the rights of policyholders.

Leveraging our technological capabilities and a full range of services closely knitted to meet the needs of policyholders and the insured, we continue to gain the trust and loyalty of policyholders and the insured. As of December 31, 2024, over 1.6 million policyholders had insurance policies distributed by us that remained effective. The policyholders during the Track Record Period purchased approximately four policies each, on average.

Research and development capabilities that are closely integrated with industry practices

Our strong technological capabilities are attributable to our dedication to continuous investment in online capabilities and technology since our inception. As of December 31, 2024, our R&D team comprised 111 members, accounting for 17.3% of our employees. During the Track Record Period, we had incurred research and development expenses. The insights and knowledge of the insurance industry that we have accumulated over the years have enabled us to build capabilities including online access, quality management, and marketing and sales that facilitate efficient insurance transactions in our daily operations.

We utilize various models and systems including, for example, Eagle Eye AI Verification, which uses risk models to identify potential risky policyholders and the insured's application in order to prevent adverse distribution practices; Chuangxin Shanlu system, which is an intelligent dual recording system designed to meet the regulatory requirements for traceability of offline distribution of insurance products and solve the dual recording problem in the insurance purchase process; and AI quality inspection system, which automatically identifies issues in the distribution and client service processes and provides corresponding evaluations and suggestions. These models and systems enhance our ability to accurately identify potential

policyholders and the insured, recommend insurance products, mitigate risks and optimize operational efficiency. In addition, with our technological capabilities, our quality management system is continuously being iterated and strengthened to further optimize the quality and efficiency of insurance transactions, ultimately creating a flywheel effect.

As a major insurance service provider with technological capabilities, we have successfully introduced solutions that cover the main processes of insurance business. We recognize the demand for online solutions of the participants in the insurance industry, in particular risk assessment assistance and claims adjustment. Insurance companies that have demand for insurance technology services have reached out to us. Since May 2019, we have been providing insurance technology services solutions for risk assessment assistance, claims adjustment, and rapid claims settlement to insurance companies, helping insurance companies improve operational efficiency. During the Track Record Period, we effectively identified over two million cases of high-risk insurance application in our assistance to the insurance companies. A well-functioning risk control system and rigorous quality management are not only critical for completing the transaction but also stand as a testament to our commitment to fostering and maintaining enduring, stable and healthy partnerships with insurance companies. During the Track Record Period, we provided over 36,000 cases of rapid claims settlement services.

Experienced management team with in-depth industry expertise

Our experienced management team possesses in-depth industry expertise. We believe that the rapid and diversified development of our Group benefited from the strong sense of mission and mature execution capabilities of our senior management. Our founder, chairman of our Board and our CEO, Mr. Guang, brings with him a wealth of over 17 years of experience in the internet industry and outstanding management expertise. Under his leadership, we have transformed traditional insurance transactions and services. Our senior management team possesses complementary professional and knowledge backgrounds, seamlessly combining insurance business, internet operation and marketing, and software development. Our senior management team has a long-standing collaboration that predates the establishment of our Group, spanning over ten years and continuing to this day. Most of our senior management team joined our Group at its establishment, contributing significantly to the stability and continuity of our Group.

We have consistently adhered to a policyholders and the insured-centric approach, striving to become the lifelong and trustworthy insurance service provider for policyholders and the insured. In our pursuit of this forward-looking vision, we have received strong support from our shareholders, including HongShan, Matrix Jingtianweidi and Tasly, further strengthened our confidence in business development. Their extensive industry knowledge and insights in client acquisition, business partnerships, risk management and technology have further provided us with strong support in our development.

OUR STRATEGIES

We intend to strengthen our market position and further increase our market share by implementing the following strategies.

Enhance our business process with more industry value chain participants

Based on our insurance transaction and service platforms with a policyholders and the insured-centric focus and extensive base of policyholders and the insured, we plan to further develop new partnerships, strengthen the connections among industry value chain participants and ultimately enhance our business process.

- ***Insurance companies:***

We believe that establishing stable partnerships with more insurance companies will help improve our business process. We plan to strengthen our cooperation with insurance companies through our product distribution capabilities and advanced technology that empowers the entire insurance transaction and service process. We plan to further invest in technologies and improve underlying systems to optimize insurance transaction process, including online underwriting assistance, claim management services and risk assessment assistance.

- ***Policyholders and the insured:***

We plan to enhance our market presence and expand policyholders and the insured outreach. We intend to establish an integrated online and offline marketing strategy, emphasizing product IP creation and branding promotion, enhancing the user coverage and conversion, continuously improving the business cycle from client acquisition to insurance policy purchase. Furthermore, we plan to distribute more customized products and further invest in accumulating IPs to expand the coverage of IP product categories. We plan to further invest in data analytics, increase the number of operational staff and optimize client acquisition channels to gain deeper insights into policyholders and the insured and optimize various aspects of their service experience.

- ***Agents:***

We plan to continue recruiting productive agents and remain committed to empowering them through technological innovations. We plan to provide a systematic career training program to enhance agents' brand loyalty and ensure consistent high-quality service. We will take into account the differences in the economies, income levels and other aspects in different cities in establishing differentiated agent management systems, providing differentiated designs for new agent policies and team development to meet the recruitment, retention and growth needs of local teams.

- ***Business partners:***

We plan to strengthen our relationships with our existing business partners by offering more customized products and efficient tools to help them improve operational efficiency. We plan to continue to deepen our collaborations with media advertising companies among our business partners, identifying key opinion leaders whose brand attributes align with ours for long-term partnerships. We intend to continue to actively establish partnerships with agencies and brokerages with good track record. Through the MGA model, we aim to introduce products to licensed insurance brokerages and agencies, forming alliances to meet market demands and enhance brand awareness. This approach ensures business quality, thereby contributing to our long-term and stable business growth.

Develop more customized insurance products and enhance brand awareness

We plan to continue developing new customized products and enhance our existing offerings. In terms of new products, we plan to focus, among others, on annuity pension insurance products with dividends and fixed premiums throughout the life of insurance products. We plan to continuously enrich the product portfolio we distribute based on our understanding of user profiles and user demand. We are actively working on developing customized product series in collaboration with insurance companies to cover the needs at different stages of life of policyholders and the insured. We consider high-quality products as the cornerstone of our competitive edge, and we are dedicated to enhancing brand recognition, expanding our distribution networks, and strengthening our service capabilities.

We aim to expand the base of policyholders and the insured through the implementation of various branding initiatives, targeted marketing efforts, and by deepening policyholders and the insured-centric services through our proprietary platforms. We intend to deploy marketing plans to reach more potential policyholders and the insured and facilitate the conversion of users to policyholders and the insured through a variety of products and user analysis. Our focus is on further penetrating the family and corporate insurance segments.

Increase investment in R&D and technology

Our technology supports our development and daily operations. We plan to continue to attract and cultivate talents in the fields of insurance technology, online transactions and data science to gradually enhance the proportion of our R&D team, enhancing our technological strength.

We plan to continue investing in areas such as distributed internet transaction technologies. This will enable us to enhance the efficiency of our interface integration with insurance companies and improve user experience on our platforms, such as online underwriting assistance, online purchase, and claims adjustment support. We also plan to continue investing in areas such as dual recording, traceability, and risky behavior data analysis, with an aim to provide continuous empowerment for quality management in insurance transactions.

Considering the increasing popularity of short videos, online live streaming, and intelligent customer service, we plan to focus on the strategic development and application of artificial intelligence and relevant technologies in marketing.

Strategically pursue growth through mergers and acquisitions as well as international expansion

In addition to pursuing organic business development, we may selectively explore opportunities through mergers and acquisitions in the global online insurance intermediary service market, to complement our business operating capabilities and further expand the base of policyholders and the insured. For example, we may invest in companies with a mature business model in the value chain of our industry and companies with more diverse types of products. Furthermore, we intend to seek growth opportunities in overseas markets where we can implement our proven business model and operational expertise in a more cost-effective manner to serve new policyholders and the insured in different geographic regions. As of the Latest Practicable Date, we had not identified any investment or acquisition targets.

OUR BUSINESS

Our business consists of two segments: (i) insurance transaction services; and (ii) insurance technology services.

- ***Insurance transaction services***

As a licensed provider of insurance transactions and services, we operate mainly via online platforms in distributing long-term life insurance products, long-term critical illness insurance products, long-term medical and other insurance products, as well as short-term insurance products. The insurance products are underwritten directly by insurance companies, and we are not the policyholder or contracting party with the policyholder. In addition, our product design and research team is dedicated to continuously introducing customized products, optimizing and enhancing the experience of insurance transactions and services in order to better cater to the evolving needs of different policyholders and the insured.

During the Track Record Period, we cooperated with over 110 insurance companies in China and established a close cooperation network. Through our online platforms, we enable these insurance companies to access a vast and fragmented base of policyholders and the insured, significantly boosting their premium income.

- ***Insurance technology services***

As a major insurance service provider with technological capabilities, we have successfully introduced solutions that cover the main processes of insurance business. We recognize the demand for online solutions of the participants in the insurance industry, in particular risk assessment assistance and claims adjustment. Insurance companies that have demand for insurance technology services have reached out to us. Since May 2019, we have been providing online solutions for risk assessment assistance, claims adjustment, and rapid claims settlement to insurance companies, helping insurance companies improve operational efficiency. We provide services with our various systems including Picus Risk Assessment (啄木鳥風控), Eagle Eye AI Verification (鷹眼AI核驗) and rapid claims settlement (閃賠). By offering online solutions, we help insurance companies to improve their operations in addition to promoting the online transformation of the insurance industry.

Our Business Model

We are a life and health insurance intermediary service provider in China, dedicated to providing insurance service solutions to policyholders and the insured online through life and health insurance transaction and service platforms with a policyholders and the insured-centric focus. According to Frost & Sullivan, we are the second largest online insurance intermediary in China in terms of GWP of long-term life and health insurance in 2023, with a market share of 7.3%, following a prominent player in the market with a share of 45.5%. We are the second largest online insurance intermediary in China in terms of FYP of long-term life and health insurance in 2023. Leveraging life and health insurance transaction and service platforms, we offer both products customized by us and existing products from insurance companies to policyholders and the insured, and provide channels for additional premiums to insurance companies. Our primary revenue model is charging insurance companies commissions based on a percentage of the premiums facilitated by us.

We have established a close cooperation network with insurance companies. During the Track Record Period, we collaborated with over 110 insurance companies in China, including 68 life and health insurance companies and 46 property insurance companies[1]. Particularly, leveraging our advantage in the long-term life insurance sector, we have collaborated with over 70% of life and health insurance companies in China in the same period. Our technology-driven capabilities to distribute insurance products and serve policyholders and the insured enable insurance companies to develop multiple distribution scenarios, reach vast and diverse bases of policyholders and the insured, enhance distribution efficiency and improve growth of premiums.

1 According to applicable laws and regulations in China, property insurance companies may provide short-term life and health insurance products.

Leveraging experience and expertise in insurance, up-to-date industry insights and a deep understanding of user profiles, we distribute a comprehensive range of insurance products to policyholders and the insured, through agents and with the assistance of business partners. The products we distribute include those customized by us and existing products from insurance companies. We also maintain close communication with reinsurance companies. In customizing health insurance products, we usually begin by designing an insurance product plan. Through multiple rounds of communication with the reinsurance companies, we obtain incident rates of diseases and the corresponding reinsurance terms. With this information, we engage in further discussions with insurance companies to assist in setting prices for the customized products. Since our inception, we have distributed a total of over 1,900 products, covering long-term life insurance, long-term critical illness insurance, long-term medical and other insurance, as well as short-term insurance. Our comprehensive product offerings have enabled us to establish an IP product matrix that offers protection for children, adults and the elderly. We focus on long-term life and health insurance products. The nature of these long-term life and health insurance products and their service cycles has enabled us to build and strengthen long-lasting relationship with policyholders and the insured. We believe this connection allows us to provide insurance services catering to diverse needs of policyholders and the insured at different stages of life, thereby generating a continuous stream of income. The long-term life and health insurance products we distributed generated most of our total GWP during the Track Record Period. The 13-month persistency rate of long-term insurance was over 95% during the Track Record Period.

We have an insurance product design team of around 20 members, most of whom possess working experience from insurance companies in connection with insurance product design and actuarial related work. We are able to successfully design and launch a customized life and health insurance product within one month, allowing us to swiftly upgrade our product portfolio and seize evolving market opportunities. Since 2017, we have been distributing customized long-term life and health insurance products for which we are involved in formulating the terms and conditions and pricing, and own IP rights of product brands. Since our inception, we have offered over 280 customized products, of which 40 are popular products with FYP over RMB10 million during the Track Record Period, and many of our IPs have demonstrated a stable trend of iterations and upgrades periodically. In 2024, our customized products generated a FYP of RMB1,234.5 million, accounting for 40.5% of our FYP. Our customized products with our IP, when distributed on our platforms, has contributed to the enhancement of our brand recognition, building positive market reputation and establishing market influence. As of December 31, 2024, we had 306 products available for purchase. With our reputable brand name, an increasing number of insurance companies choose to sell more insurance products through our platforms, which in turn attracts a growing base of policyholders and the insured. This trend further reinforces our business model, creating a positive cycle that enables us to continue to strengthen and expand.

We distribute life and health insurance products through three distribution channels facilitated by our three platforms, namely (1) online direct distribution on Xiaoyusan, (2) distribution via insurance agents on Kachabao, and (3) distribution with the assistance of business partners on Niubao 100.

Policyholders may purchase directly through Xiaoyusan, which is our platform that allows the policyholders to complete the purchase on a single platform. We utilize Kachabao to assist our insurance agents to serve policyholders and the insured and Niubao 100 to expand our reach to a larger population of policyholders and the insured. Our platforms support insurance agents and business partners by facilitating distribution and providing comprehensive support throughout the insurance transaction process. We pay commissions or channel promotion fees to our insurance agents and business partners for successful distribution based on the commissions we receive from insurance companies, taking into account a number of factors including the type of the product, term of payment, amount of premium and the policy renewal rates. We conduct semi-annual reviews of the commissions to our insurance agents and business partners. Leveraging our comprehensive insurance industry licenses, proprietary technologies and online platforms and extensive network of insurance companies we cooperate with, we have transformed traditional insurance transactions and services.

- **Online direct distribution on Xiaoyusan.** Policyholders may purchase directly through Xiaoyusan, which allows the policyholders to complete the purchase on a single platform and is designed as the direct distribution platform for our customized and selected insurance products. Xiaoyusan enhances the overall experience of policyholders and the insured covering various stages of insurance transactions, including product search, product recommendation, online consultation, personalized insurance plans, online underwriting assistance, product purchases, and policy management. Our services further improve satisfaction and loyalty of policyholders and the insured. We believe our wide range of product offerings and professional services have attracted a growing number of policyholders and the insured to choose our platform for their insurance transactions. We aim to provide good user experience to policyholders and the insured.

- **Distribution via insurance agents on Kachabao.** Our insurance agents are individual insurance sales practitioners with professional knowledge and experience in different insurance products. We are devoted to offering all the capabilities that our agents need to help them run their practices. Our agents can complete the process of online training, business expansion, insurance transactions and policy management on Kachabao. We focus on attracting and nurturing productive agents and motivate them with results-oriented incentives to better meet the needs of policyholders and the insured, thereby expanding the influence of our insurance products and services among policyholders and the insured. As of December 31, 2024, we had built a distribution network with over 27,000 insurance agents, out of which over 16,000 distributed insurance products in 2024, covering 15 provincial-level administrative regions in China.

- **Distribution with the assistance of business partners on Niubao 100.** We collaborate with various business partners including (i) self-media traffic channels on WeChat official account and other major mainstream online platforms in China such as media and advertising companies that have accumulated a large number of user groups with insurance needs and key opinion leaders; and (ii) licensed brokerages and agencies. We also act as a managed general agency ("**MGA**") and leverage our years of experience in insurance and abundant insurance data to cooperate with local licensed insurance brokerages and agencies. Serving as an interface between insurance companies and licensed insurance brokerages and agencies, we bring new insurance products to the market swiftly. Different from traditional insurance sales models and powered by advanced technology, our business partners bring quality products to more policyholders and the insured, thereby expanding our influence. Our Niubao 100 platform provides business partners, specifically licensed brokerages and agencies, with support throughout the entire insurance transaction process. During the Track Record Period, we had over 1,100 business partners.

Leveraging the latest technologies and our extensive experience from the internet industry, we have built a comprehensive service system capable of serving policyholders and the insured. Through our system, we enhance the overall experience of policyholders and the insured through targeted content delivery, registered user benefits and robust insurance and after-sales services, gradually enhancing our brand recognition among policyholders and the insured. As of December 31, 2024, over 1.6 million policyholders and over 2.4 million insured had insurance policies distributed by us that remained effective. We offer insurance products catering to diverse needs of policyholders and the insured at different stages of life. By offering comprehensive insurance services, we establish a strong connection with policyholders and the insured. Our policyholders primarily include people aged from 30 to 45 residing in first-tier and second-tier cities in China. During the Track Record Period, policyholders aged from 30 to 45 contributed to 63.4% of our GWP and 72.2% of policies we distributed. According to Frost & Sullivan, people aged from 30 to 45 in China exhibit a high level of acceptance for online insurance transactions and services, and tend to complete insurance transactions online. They represent the mainstream consumer group for insurance products. We anticipate a sustained demand as policyholders and the insured progress through different stages of life.

The tables below set forth our key operating data during the Track Record Period.

	As of December 31,		
	2022	2023	2024
Number of policyholders:			
Total number of policyholders[(1)] ('000)	1,143	1,358	1,645
– Number of policyholders on Xiaoyusan platform ('000)	362	409	393
– Number of policyholders on Niubao 100 platform ('000)	511	661	935
– Number of policyholders on Kachabao platform ('000)	269	288	318
Number of the insured:			
Total number of the insured[(2)] ('000)	1,525	1,900	2,431
– Number of the insured on Xiaoyusan platform ('000)	508	586	622
– Number of the insured on Niubao 100 platform ('000)	673	937	1,357
– Number of the insured on Kachabao platform ('000)	343	377	453

	For the year ended December 31,		
	2022	2023	2024
Number of new policies[(3)] ('000)	2,292	3,143	1,852
Average number of new policies per policyholder[(4)]	3.2	3.4	1.8
GWP (RMB'000)	3,997,692	6,766,576	8,195,324
FYP (RMB'000)	1,618,193	3,401,528	3,050,744

Notes:

(1) The number of policyholders refers to the policyholders who had effective insurance policy as of the dates indicated. For the avoidance of doubt, policyholders whose insurance policy had expired as of the dates indicated and policyholders whose insurance policy was cancelled either before the policy became effective or during the cooling-off period have not been included in the number of policyholders.

(2) The number of the insured refers to the insured who had effective insurance policy as of the dates indicated. For the avoidance of doubt, the insured whose insurance policy had expired as of the dates indicated and the insured whose insurance policy was cancelled either before the policy became effective or during the cooling-off period have not been included in the number of the insured.

(3) The number of new policies refers to the number of policies in the relevant period which is the first year of the policy period. For the avoidance of doubt, policies that were cancelled either before the policy became effective or during the cooling-off period have not been included in the number of new policies. The decrease in the number of new policies we distributed in 2024 compared to 2022 and 2023 was mainly because we reduced the number of policies with small premium and policies offered with a promotional focus to control our costs. As a result the new policies we distributed in 2024 had higher average GWP and FYP.

(4) The average number of new policies per policyholder refers to the number of new policies taken out during the relevant period divided by the number of policyholders who purchased insurance products during the relevant period.

Our insurance agents include employee insurance consultants and non-employee insurance agents, both of which are registered with NFRA under us and are employed or engaged by us, respectively, on an exclusive basis. Employee insurance consultants are our full-time employees that assist policyholders and the insured throughout the insurance transaction process on our Xiaoyusan platform. Non-employee insurance agents are agents distributing insurance products on our Kachabao platform, and they are not employed by us. The tables below set forth the number of our insurance agents during the Track Record Period:

	For the year ended December 31,		
	2022	2023	2024
Active employee insurance consultants[2]	163	234	227
Active non-employee insurance agents	13,403	14,602	16,250
Total number of active insurance agents[1]	**13,566**	**14,836**	**16,477**

Notes:

(1) Number of active insurance agents represents the number of insurance agents registered with NFRA under us that distributed insurance products during the relevant period, excluding those who were not engaged or employed by us as of the end of the relevant period.

(2) Some of our other employees are also registered with NFRA and hold qualifications for insurance agents, but they are not included in the calculation of our employee insurance consultants or active employee insurance consultants as their primary job duties do not involve distribution of insurance products.

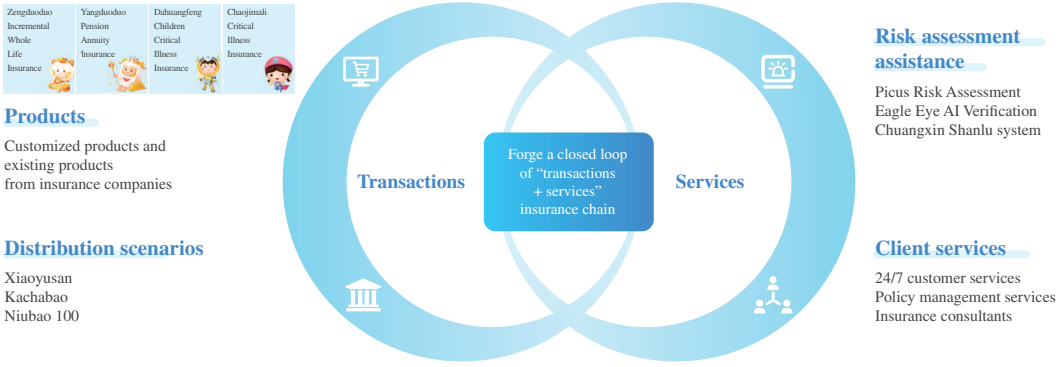
For the years ended December 31, 2022, 2023 and 2024, our total revenue was RMB806.3 million, RMB1,634.4 million and RMB1,387.1 million, respectively.

The following table sets out the breakdown of our total revenue by business segment for the Track Record Period:

	For the year ended December 31,					
	2022		2023		2024	
	Revenue	*%*	*Revenue*	*%*	*Revenue*	*%*
	(RMB in thousands, except for percentages)					
Insurance transaction services	801,670	99.4	1,628,618	99.6	1,377,751	99.3
Insurance technology services	4,588	0.6	5,777	0.4	9,335	0.7
Total	**806,258**	**100.0**	**1,634,395**	**100.0**	**1,387,086**	**100.0**

PRODUCTS WE DISTRIBUTE AND SERVICES WE PROVIDE

Our business has formed a closed loop encompassing insurance transactions and services. As we provide more insurance transaction services and serve more policyholders and the insured, we continuously improve our services and technology, which in turn attracts more policyholders and the insured. Our insurance solutions cover the entire chain including design, offerings, distribution and marketing of insurance products, risk assessment assistance, and client services. Leveraging our extensive industry expertise, we also offer technology services and support to insurance companies, who are also customers of our insurance transaction services business.



We leverage our insurance technology solution in different distribution scenarios to grow our business, which draws more partners and in turn attracts more policyholders and the insured. Xiaoyusan serves clients directly, Kachabao connects with agents, and Niubao 100 connects with business partners, establishing an ABC (agents, business partners and clients) synergistic marketing system. Our risk assessment assistance service offers solutions including Picus Risk Assessment, Eagle Eye AI Verification, Chuangxin Shanlu (創信閃錄) system, among others. We have established a full range of client services for policyholders and the insured including, among others, 24/7 customer services and policy management services. We also have a team of licensed insurance consultants available to assist policyholders and the insured with any questions they may have.

The insights and knowledge of insurance industry that we have accumulated over the years have enabled us to build capabilities including online access, quality management and marketing and sales that facilitate efficient insurance transactions in our daily operations.

Insurance Transaction Services

We are a life and health insurance intermediary service provider in China, dedicated to providing customized insurance service solutions to policyholders and the insured online through life and health insurance transaction and service platforms with a policyholders and the insured-centric focus. Our proprietary online platforms can be accessed through our website, apps, WeChat official account and WeChat mini program. Policyholders can make direct purchases through our online platforms. In addition, we distribute insurance products to policyholders and the insured through our insurance agents, and we work with business partners to expand our reach to a larger group of policyholders and the insured. The insurance products we distribute are underwritten by insurance companies, some of which are products jointly designed and developed by us and insurance companies.

Leveraging experience and expertise in insurance, up-to-date industry insights, and a deep understanding of user profiles, we distribute a comprehensive range of insurance products to policyholders and the insured, through agents and with the assistance of business partners.

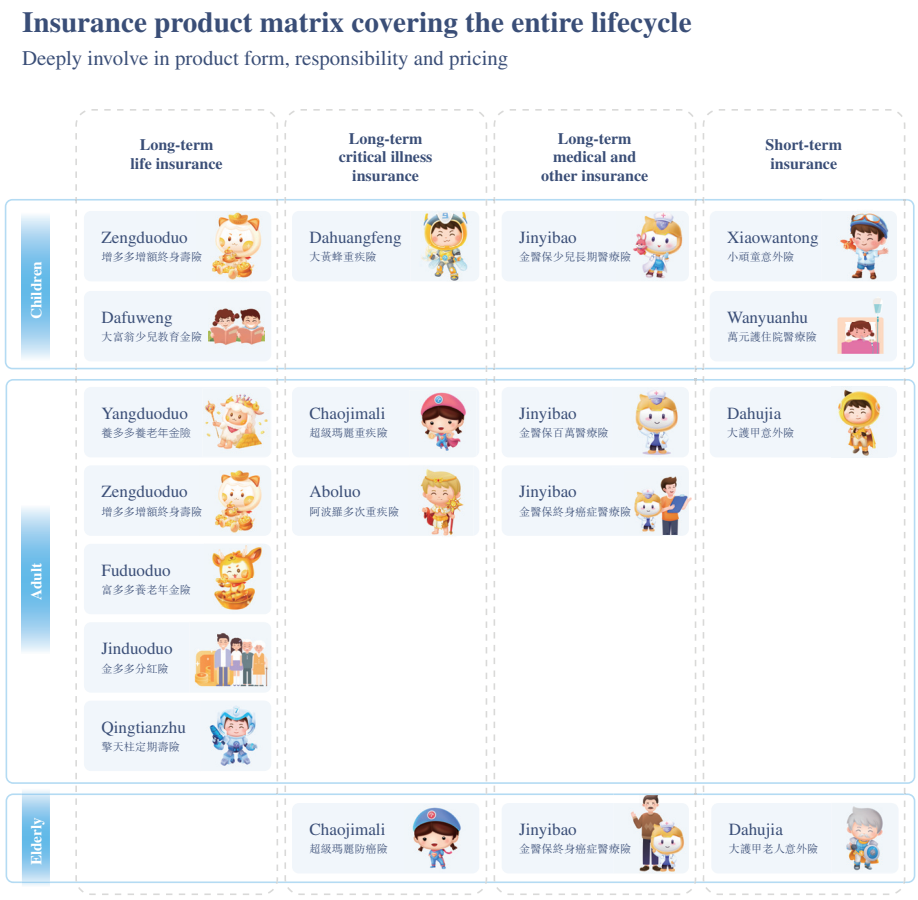
(i) Our Insurance Product Offerings

We cooperate with major insurance companies in China and promote and distribute insurance products underwritten by them. We also cooperate with insurance companies in designing and developing customized insurance products that meet the specific needs of policyholders and the insured. During the Track Record Period, we collaborated with over 110 insurance companies, including over 70% of life and health insurance companies in China. By offering a comprehensive portfolio of insurance products, we have accumulated a large number of policyholders and the insured and are able to provide them with a comprehensive range of product choices to meet their needs under different circumstances and at different stages of life.

The insurance products distributed by us are underwritten by insurance companies, and we do not bear any underwriting risks. Since our inception, we have distributed a total of over 1,900 products, covering long-term life insurance, long-term critical illness insurance, long-term medical and other insurance and short-term insurance. We utilize technology to improve policyholders and the insured's coverage analysis models based on data such as user profiles, family structure, coverage gaps, and needs for service. This enables us to provide full-scope coverage for policyholders and the insured at different stages of life, including essential health coverage, wealth and asset management, and coverage for family, establishing an IP product matrix that offers protection for children, adults and the elderly.

Our competitive edge in different insurance products stems from our experience in the industry and market insight gained from our experience. We are able to better meet the demand of insurance policyholders and strengthen our market influence with customized insurance products. By transitioning customer acquisition, insurance transactions and services into online platforms, we have the ability to effectively grasp the changing needs of policyholders and the insured. This positions us ahead of our peers in understanding potential needs of policyholders and the insured, designing or upgrading customized products and engaging in distribution of customized products. For example, our Chaojimali Critical Illness Insurance series underwent 15 iterations from 2019 to 2024 to meet changing needs of policyholders and the insured by offering additional features such as secondary compensation for cancer and cancer treatment allowances. For details, please refer to the Chaojimali Critical Illness Insurance Series case study in this section. For another example, we launched Yangduoduo Pension Annuity Insurance in 2021 to address the growing demand for retirement solutions in the market. Yangduoduo Pension Annuity Insurance series underwent three iterations as of December 31, 2024. Furthermore, based on our strong performance and the positive market feedback on our customized insurance products, an increasing number of insurance companies are inclined to collaborate with us. Consequently, we enjoy bargaining power regarding customized products. We also cooperate with reinsurance companies in the insurance product customization process, for example in the Dahuangfeng and Chaojimali series. We only participate in the development process of the customized products and do not bear any underwriting risks or any liabilities in the event of disputes between insurance companies, and policyholders and the insured. We jointly develop customized products with insurance companies and have named and own IP rights of some of the customized products to facilitate promotion on the Internet. As of December 31, 2024, we had successfully incubated over 14 IPs on our platforms, covering a wide range of long-term life, long-term critical illness, long-term medical and other insurance, as well as short-term insurance products.

The following chart illustrates the matrix of our core customized products:

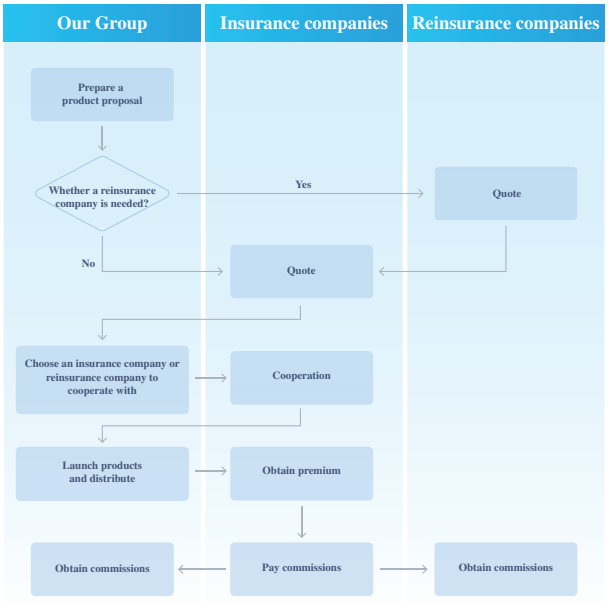


We have an insurance product design team of around 20 members, most of whom possess working experience at insurance companies in connection with insurance product design and actuarial related work. We are able to successfully design and launch a customized life and health insurance product within one month, allowing us to swiftly upgrade our product portfolio and seize evolving market opportunities. We had an R&D team of 111 members as of the Latest Practicable Date. We can launch insurance products by connecting our core business systems with systems of insurance companies, complying with the communication protocols of insurance companies and standardizing the process of insurance policy application. For example, we offer swift product integration for API connections with a docking time which could be as short as five days. Since our inception, we offered over 280 customized products, of which 40 are popular products with a FYP over RMB10 million during the Track Record Period, and many of our IPs have demonstrated a stable trend of iterations and upgrades periodically. In 2024, our customized products generated a FYP of RMB1,234.5 million, accounting for 40.5% of our FYP.

We entered into exclusive agreements with insurance companies for the majority of customized insurance products we distributed during the Track Record Period in terms of GWP, for which we had right to distribute exclusively provided that we meet performance related conditions such as premium amount or persistency rate. In addition, insurance products after customization need to be filed with the NFRA, which typically will not allow filing of insurance products with identical terms. According to Frost & Sullivan, it is unlikely for insurance companies to offer insurance products with terms identical to existing customized products according to common industry commercial practices.

In the insurance product customization process, we identify and set out insurance product requirements for target policyholders and the insured, engage in competitive negotiations with insurance companies and reinsurance companies, and ultimately select insurance company partners and distribute customized insurance products. Insurance companies underwrite insurance products, collaborate with intermediaries to obtain premium, and cooperate with reinsurance companies and share risks based on product development needs. Reinsurance companies assume the risks from insurance companies and collaborate with intermediaries to facilitate better cooperation between insurance companies and intermediaries. For an illustrative example of our insurance product customization, please refer to the Chaojimali Critical Illness Insurance Series case study in this section. The chart below sets out the flow of our typical insurance product customization process:

Product customization process



According to Frost & Sullivan, FYP refers to the first-year premium of newly signed insurance contracts. FYP reflects the scale and growth of new business for insurance companies and is also one of the important indicators of the performance of insurance intermediaries. The following table sets forth the types of insurance products we offered and their corresponding GWP and FYP during the Track Record Period:

Type of Insurance Products	GWP in 2022	GWP in 2023	GWP in 2024	FYP in 2022	FYP in 2023	FYP in 2024
	(RMB'000)	*(RMB'000)*	*(RMB'000)*	*(RMB'000)*	*(RMB'000)*	*(RMB'000)*
Long-term life insurance products	1,851,228	4,178,377	4,930,873	994,888	2,573,068	1,883,058
Long-term critical illness insurance products	1,731,017	2,069,755	2,372,046	292,340	401,231	419,606
Long-term medical and other insurance products	93,702	155,071	283,001	9,221	63,856	138,676
Short-term insurance products	321,745	363,373	609,404	321,745	363,373	609,404
Total	**3,997,692**	**6,766,576**	**8,195,324**	**1,618,193**	**3,401,528**	**3,050,744**

The following table sets forth the FYP generated from customized products as a percentage of all insurance products distributed by us by product type during the Track Record Period:

Type of Insurance Products	2022	2023	2024
	(%)	*(%)*	*(%)*
Long-term life insurance products	46.8	53.7	25.1
Long-term critical illness insurance products	95.8	94.1	91.8
Long-term medical and other insurance products	27.5	80.6	95.6
Short-term insurance products	31.5	54.1	40.0
Total	**52.5**	**59.0**	**40.5**

The FYP generated by our customized products accounted for 52.5%, 59.0% and 40.5% of the FYP of all of the insurance products we distributed in 2022, 2023 and 2024, respectively. The decrease in the percentage of FYP generated from customized products from all of the insurance products we distributed from 59.0% in 2023 to 40.5% in 2024 was mainly due to the decrease in the percentage of FYP generated from customized products from long-term life insurance products from 53.7% in 2023 to 25.1% in 2024, primarily because in early 2024, we and the insurance companies we cooperated with decided to cease distributing some of our existing customized long-term life insurance products to fulfill the requirements of the "unified reporting and underwriting" policy out of prudence.

We mainly offer life and health insurance products, including (a) long-term life insurance products; (b) long-term critical illness insurance products; (c) long-term medical and other insurance products; and (d) short-term insurance products, details of which are as follows:

(a) Long-term life insurance products

Long-term life insurance products offer solutions to address risks associated with death, longevity, savings and others. We offer a comprehensive range of life insurance products on our platforms to cover needs of policyholders and the insured, such as term life insurance, incremental whole life insurance, annuity insurance, universal insurance and children's education annuity insurance. The life insurance products that we offer typically provide long-term coverage, with the maximum protection extending throughout the insured's lifetime.

Since 2020, we have been expanding the offering of whole life insurance and annuity insurance products on our platforms, which have now become the main product lines on our platform, accounting for majority of our FYP in 2022, 2023 and 2024. By collaborating with a large number of life insurance companies, we continuously iterate and upgrade customized products to enrich the insurance products offerings and meet the needs of policyholders and the insured, agents and business partners. We have accumulated a number of IPs for our long-term life insurance products, such as Yangduoduo Pension Annuity Insurance, Fuduoduo Pension Annuity Insurance, Zengduoduo Incremental Whole Life Insurance, Jinduoduo Participating Insurance, Dafuweng Children Educational Annuity Insurance and Qingtianzhu Term Life Insurance. During the Track Record Period, Zengduoduo series and Yangduoduo series reached a GWP of RMB3.3 billion and RMB1.2 billion, respectively.

Among our long-term life insurance products, incremental whole life insurance, traditional annuity insurance, universal insurance, participating life insurance and exclusive commercial pension insurance are insurance products structured with investment and wealth management component. For more details of the relevant applicable laws and regulations, please refer to the paragraphs headed "Regulatory Overview — Regulations Related to Insurance Intermediary Business — Market Behaviours — Management of Insurance Sales", "Regulatory Overview — Regulations Related to Insurance Intermediary Business — Internet Insurance Business — Traceability Management of Internet Insurance Sales Behavior" and "Regulatory Overview — Internet Insurance Business — Information Disclosure" in this prospectus. We are in compliance with the relevant applicable laws and regulations in relation to our Group's insurance products structured with investment and wealth management component.

(b) Long-term critical illness insurance products

Long-term critical illness insurance products mainly offer solutions to protect against the risk of illness, and usually provide a lump-sum payment to the insured if the insured is diagnosed with one of the illnesses or life-threatening critical illnesses as defined in the insurance policy. In China, the amounts of claims for long-term critical illness insurance products are usually specified in the insurance policies, rather than determined based on actual medical expenses. Long-term critical illness insurance products typically address needs of policyholders and the insured for both medical treatment and after-care services.

Long-term critical illness insurance products have been one of the main types of insurance products we offer. Through continuous development, we have accumulated IPs such as Dahuangfeng Children Critical Illness Insurance, Chaojimali Critical Illness Insurance and Aboluo Multiple Times Critical Illness Insurance. Dahuangfeng series and Chaojimali series reached a GWP of RMB1.4 billion and RMB3.6 billion, respectively, during the Track Record Period.

Revenue from long-term critical illness insurance products fluctuated during the Track Record Period. From 2022 to 2023, revenue contribution from long-term critical illness insurance products decreased partly due to the decrease in market demand for long-term critical illness insurance products. According to Frost & Sullivan, the GWP of the critical illness insurance market in China decreased from RMB443.9 billion in 2022 to RMB429.2 billion in 2023. In 2024, revenue contribution from long-term critical illness insurance products increased driven by the upgrade and distribution of customized products including Chaojimali and Dahuangfeng series.

(c) Long-term medical and other insurance products

Long-term medical insurance refers to a one-year medical insurance policy with a guaranteed renewal clause, in which the insurance companies will not refuse to renew the policy within the guaranteed renewal term. Long-term medical insurance mainly covers the risk of hospitalization, and claims will be settled based on actual medical expenses. The longest guaranteed renewal term of long-term medical insurance products offered by us is lifelong.

We have been actively promoting long-term medical insurance since 2022. We currently have a series of IPs such as Jinyibao Million Medical Insurance and Jinyibao Lifelong Medical Insurance for Cancer. The Jinyibao series had a GWP of RMB243.9 million during the Track Record Period.

In addition to long-term medical insurance, we also offer a small number of other long-term insurance products such as long-term casualty insurance.

(d) Short-term insurance products

The individual casualty insurance products we offer generally provide compensation in the event of death or disability of the insured due to an accident during the coverage period of the insurance policy (usually not shorter than one year from the effective date of the policy), or reimbursement of medical expenses incurred by the insured as a result of the accident. These products typically require only a single premium payment.

For casualty insurance, we have a number of IPs, such as Dahujia Casualty Insurance and Xiaowantong Casualty Insurance. We mainly cooperate with the top three property insurance companies in the market in providing these short-term casualty insurance products, and we have strong capabilities and receive wide brand recognition. During the Track Record Period, the GWP of Dahujia series and Xiaowantong series amounted to RMB246.8 million and RMB81.0 million, respectively.

As part of our short-term insurance product offerings, we also provide a small number of hospitalization and property insurance products, including medical insurance for hospitalization of adults or children, travel insurance, group casualty insurance and employers' liability insurance.

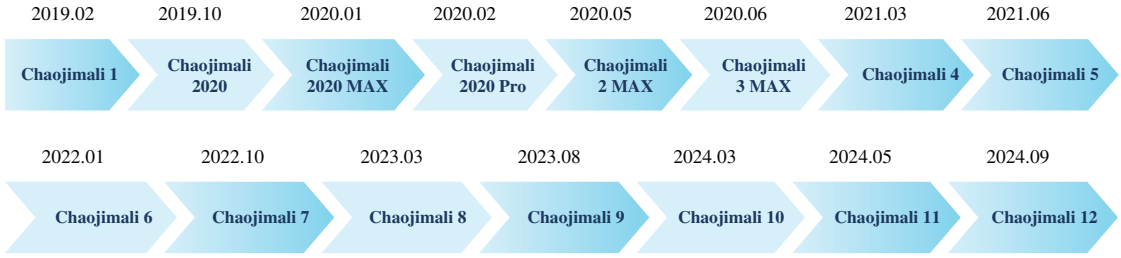
Unlike other categories of insurance products, long-term insurance products generally require periodic payment of premiums, typically annually, during a pre-determined payment period which typically ranges from one to 30 years. We receive revenue within the premium payment period, in accordance with the terms of the contracts entered into between the insurance companies and us. For the insurance policies we distribute, insurance companies pay us a first-year commission based on a percentage of the FYP, and subsequent commissions based on a smaller percentage of the renewal premiums paid by the policyholders in the subsequent years. Therefore, long-term life insurance and long-term critical illness insurance products bring us a continuous flow of commission cash inflow during the payment period as long as the policyholders meet their payment commitments. In line with the industry practice, the first-year commission rate, as agreed by us and insurance companies, is typically higher than other years throughout the payment period of the policyholders.

In order to ensure the information of insurance products we offer is accurate and complete, we have adopted an internal policy regarding the disclosure of insurance product information to ensure its accuracy, completeness and timeliness and have designated dedicated personnel to oversee the process.

During the Track Record Period, we did not enter into any formal agreement with reinsurance companies and reinsurance companies are not considered to be our suppliers. While we obtain proposals for reinsurance terms and pricing from reinsurance companies during the customization process of certain insurance products, we present proposals from the reinsurance companies to insurance companies for consideration and final determination. It is the insurance companies that would enter into agreements with the reinsurance companies, while we enter into agreements directly with the insurance companies.

Case study

Chaojimali Critical Illness Insurance Series



In 2018, the mainstream critical illness insurance products in the market consisted of a combination of critical illness coverage and minor illness coverage. We believe that the target market for critical illness insurance should be the younger generation born in the 1980s. In addition, strengthening the coverage for cancer is also in line with the trends in market demands. Therefore, we collaborated with life insurance companies in China to launch our first customized adult critical illness insurance, Chaojimali 1, which introduced the feature of secondary compensation for specific cancers. From 2019 to 2024, Chaojimali Critical Illness Insurance series underwent 15 iterations incorporating user feedback and designs such as secondary compensation for cancer, cancer treatment allowances, increased compensation for critical illnesses, unlimited times of compensation for cardiovascular and cerebrovascular diseases, secondary compensation for critical illnesses, and unlimited compensation for cancer.

By way of example, we customized and designed with Insurance Company A in iterating our Chaojimali 8 insurance products. Firstly, we initiated the iteration and customization process by setting out our requirements for terms of insurance policy, pricing and commission rates for Chaojimali 8 based on market competition, evolving demands of policyholders and the insured, and historical claims records in relation to Chaojimali 7 to Reinsurance Company A, Reinsurance Company B and Reinsurance Company C and obtained proposals for reinsurance terms and pricing. We selected Reinsurance Company A as Reinsurance Company A was able to meet our requirements.

Secondly, we presented the reinsurance proposal from Reinsurance Company A to a number of insurance companies. We negotiated with the insurance companies and they prepared detailed insurance terms with reference to reinsurance terms and pricing from Reinsurance Company A. After several rounds of negotiation, we selected Insurance Company A as Insurance Company A offered most favorable insurance terms which we believed would meet market demands and strengthen our Chaojimali IP.

Lastly, we entered into an exclusive agreement with Insurance Company A for Chaojimali 8 insurance products. According to the exclusive agreement, Insurance Company A is responsible for underwriting and meeting the claims from policyholders and the insured, and we have the exclusive right to distribute Chaojimali 8 insurance products. We create value for

policyholders and the insured by connecting reinsurance companies with insurance companies, negotiating with reinsurance companies and insurance companies and obtaining terms favorable to policyholders and the insured. We have the ability to carefully choose and negotiate with insurance company partners, benefiting from our industry experience and strong market position. Compared to Chaojimali 7, Chaojimali 8 had the increased limits for coverage and the addition of supplementary coverage for severe expansion of malignant tumors.

Since the launch of Chaojimali Critical Illness Insurance series, approximately 330,000 policies were distributed. Chaojimali Critical Illness Insurance series generated a GWP of RMB3.6 billion and a FYP of RMB573.0 million, respectively, during the Track Record Period. The Chaojimali Critical Illness Insurance series has been recognized by the market, receiving awards such as the 2019 Golden Creation Award for Outstanding Product Innovation in the Insurance Industry, the Top Ten Best-selling Protection Insurance Products on the 2021 China Insurance White Elephant List, and the 2021 Annual Insurance Product Award by China Banking and Insurance Newspaper.

In September 2024, we launched Chaojimali 12 which maintains the characteristics of inclusiveness, high protection and high leverage.

As of December 31, 2024, Chaojimali Critical Illness Insurance Series has ranked among the top four in terms of number of policies distributed among similar products offered by online life and health insurance intermediaries.

(ii) Sales and Marketing and Our Online Platforms

We promote and distribute insurance products mainly through three client sourcing channels, namely (i) direct distribution; (ii) insurance agents; and (iii) business partners, including self-media traffic channels on online platforms and licensed brokerages and agencies. We work with insurance agents and business partners to promote and distribute selected insurance products. We provide solutions and platforms to insurance agents and business partners so that they have support throughout the insurance transaction process.

As of December 31, 2024, we had established a distribution network consisting of over 27,000 insurance agents, out of which over 16,000 distributed insurance products in 2024, covering 15 provincial-level administrative regions in China. During the Track Record Period, we collaborated with more than 1,100 business partners. To comply with the relevant laws and regulations and better serve policyholders and the insured, we have established branch offices at locations where we conduct our insurance transaction services business.

We streamline our transaction process and enhance the experience of all the participants through our online platforms including Xiaoyusan, Kachabao and Niubao 100. Our online platforms can be accessed via our website, apps, WeChat official account and WeChat mini program. We evaluate a wide range of products on our platforms and recommend the most suitable insurance products to policyholders and the insured.

(1) Online direct distribution to policyholders and the insured

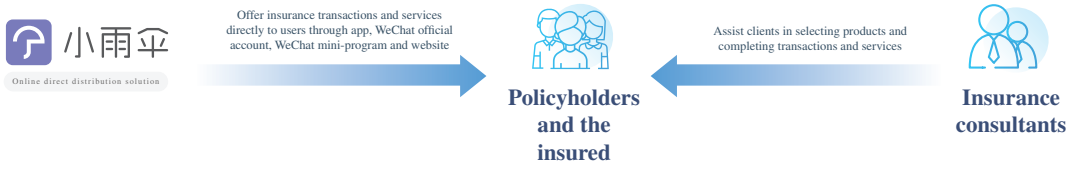
Policyholders may purchase directly through Xiaoyusan, which is designed to be the direct distribution platform for our customized and selected insurance products. Our platform provides policyholders and the insured with a user-friendly interface that allows the policyholders to complete the purchase on a single platform and provides convenient access to a comprehensive range of insurance products. Through a simplified transaction process, we provide personalized product recommendations based on the specific needs of policyholders and the insured. Our operational service system further enhances customer satisfaction and loyalty. We believe our wide range of product offerings and professional services have attracted a growing number of policyholders and the insured to choose our platform for their insurance transactions. We aim to provide good user experience to policyholders and the insured.

We are able to provide insurance product consultation and services directly to policyholders and the insured. We also have a team of licensed insurance consultants available to assist policyholders and the insured with any questions they may have. We monitor the daily business operations of our insurance consultants and closely monitor any complaints or media reports related to them. In addition, we conduct periodic sample checks to ensure that the activities carried on by the insurance consultants in connection with our business operations are in full compliance with the applicable laws and regulations in the PRC.

We enhance our brand awareness through product marketing, user education and brand advertising. For product marketing, we prepare accurate and refined product presentation, as well as promote insurance products through mainstream social media, search engines and content platforms. For user education, we publish educational content, such as basic policy terms, comparisons of insurance products, analysis of common diseases, insurance purchase proposals and guides to after-sales service on our online platforms. We develop such content in view of the complexity of insurance products, aiming to help potential clients in making purchase decisions. User education strengthens our brand awareness, builds client trust and enhances conversion of user traffic. For brand advertising, we place advertisements both offline and online. We analyze the main characteristics of our target client group, based on which we select the locations of offline advertisements. We also place advertisements on widely-used search engines to reach a broader audience through online advertising.

Xiaoyusan Platform

The following diagram illustrates the main service process on our Xiaoyusan platform:



Xiaoyusan is our platform for directly distributing insurance products to policyholders and the insured. Our client base primarily consists of young, internet-savvy individuals located in first-tier and second-tier cities in China. Leveraging our insurance transaction system, we accurately match policyholders and the insured with insurance products that meet their needs and offer value for money. We provide a seamless online platform for policyholders and the insured to access and manage their policies effectively.

Our website

Through our website for Xiaoyusan, we offer various types of insurance products, service policyholders and the insured, enable policyholders and the insured to manage insurance policies, and provide client services.

Below is a screenshot of the homepage of our Xiaoyusan website:

The homepage of our website is divided into several sections: the banner section, the insurance product shelf section, the insurance knowledge section, the insurance consultation appointment section and the customer service section. Each section serves its specific function to provide users with a smooth, professional and accurate experience.

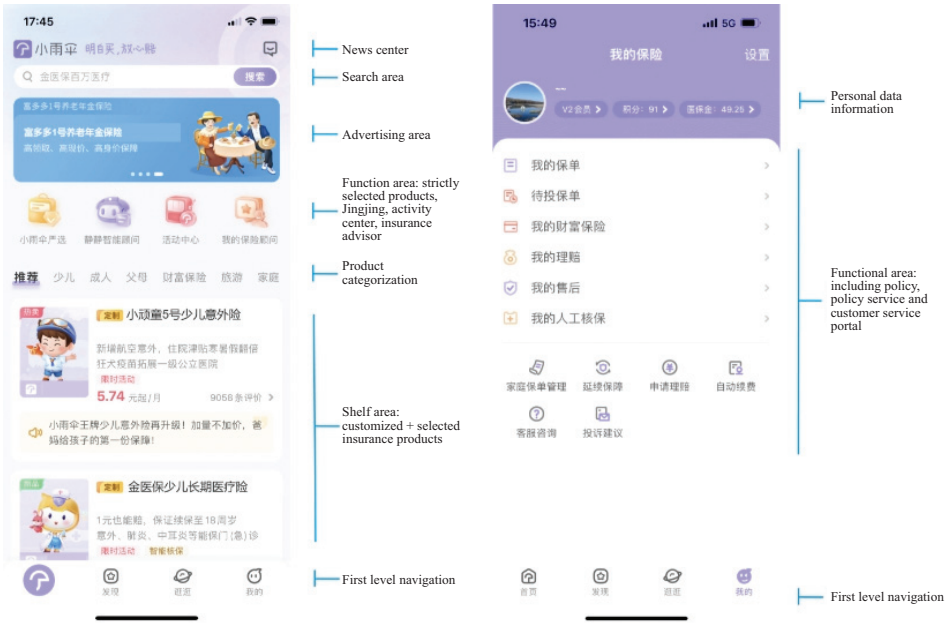
Mobile platforms

In response to the prevalence of use of smartphones and users' growing preference of obtaining information and conducting transactions on mobile devices, we have developed our "Xiaoyusan (小雨傘)" app and established our official account and mini program on the WeChat platform.

Xiaoyusan app

We launched our Xiaoyusan app in October 2016. Our app offers free insurance-related educational content and insights to enhance potential policyholders and the insured's awareness of insurance needs and deepen their understanding of the types of insurance policies that are available and the level of coverage that they may need. Our app also serves as a valuable tool for policyholders and the insured throughout the transaction process, by which they can acquire real-time insurance premium quotes and obtain advice on various questions including terms of and their eligibility for specific insurance products, submit insurance applications and obtain insurance company's underwriting decisions through our app, which automatically interacts with the systems of the insurance companies that we collaborate with.

Below are the screenshots of our Xiaoyusan app, illustrating its key functions and features:



Our Xiaoyusan app has multiple functions. Upon accessing the app, policyholders and the insured can view insurance products and consult with our virtual assistant, Jingjing (靜靜), or our insurance consultants. They can also navigate to "My Insurance" page to access their policy information, claims records and other related details.

WeChat official account and mini-program

We launched our WeChat official account and WeChat mini-program in June 2015 and May 2018, respectively. Through our WeChat official account and mini-program, users can seamlessly access the same interface and utilize the same functions as our Xiaoyusan app. We regularly publish informative articles and reports through our WeChat official account, covering a diverse range of insurance-related topics, including, among others, discovery of insurance products suitable for users and their families, comparisons of insurance products within certain product categories and recommendations of insurance products offered on our platforms. Below is a screenshot of our WeChat mini-program:

(2) Distribution via insurance agents

Insurance agents play an important role in our efforts to promote and distribute insurance products. They serve as crucial channels through which we reach policyholders and the insured, deliver information about insurance product offerings, and facilitate the distribution process. Our insurance agents may respond to potential policyholders and the insured's preliminary questions at the beginning of the insurance transaction, obtain links to the insurance products and generate insurance proposals through Kachabao platform and recommend insurance products suitable to potential clients, assist policyholders and the insured in completing the order forms on our online system and managing their insurance policies on our system should the policyholders and the insured have any questions. Our agents can complete the process of online training, business expansion, productive insurance transactions and policy management on Kachabao. We focus on attracting and nurturing productive agents and motivate them with results-oriented incentives to better meet the needs of

policyholders and the insured, thereby expanding the influence of our insurance products and services among policyholders and the insured. We uphold the principles of professionalism, value and integration, and strive to build a professional insurance marketing team.

Our insurance agents are individual insurance sales practitioners with professional knowledge and experience in different insurance products.

Our insurance agents are individual insurance sales practitioners registered with NFRA under us and are engaged by us on an exclusive basis. By virtue of their registration status, they are subject to the governance of relevant regulations of the NFRA and are eligible to and may engage in the distribution of insurance products we offer. We select our insurance agents based on various criteria, including their reputation, industry experience, operational track record and previous relationship with us. We monitor the services provided by our insurance agents through reviewing (i) the quality of policies distributed, including renewal rates and complaint records; and (ii) the attendance of our training and assessment performance.

We rely on a team of insurance agents to help us expand our client base, and we are committed to providing them with all the necessary tools and resources to achieve optimal performance. Specifically, we provide our agents with products, technology, services and client acquisition initiatives. Our insurance products, particularly those designed in collaboration with insurance companies, have strong brand recognition. Combined with the recognition of our brand, the products offered by our agents can quickly gain recognition from potential policyholders and the insured. Leveraging our technology and online platforms, we provide our insurance agents with tools for products comparison, proposal generation, online underwriting assistance and policy analysis. We facilitate streamlined insurance transaction processes and provide support to both our insurance agents, and policyholders and the insured, enhancing their overall experience on our platform and enabling successful insurance transactions. In addition, we have taken client acquisition initiatives, including utilizing technologies to refer potential clients to best-matching agents and assisting agents in establishing and enhancing their personal brands on social media.

We utilize our Kachabao platform to implement a flat management structure for our insurance agents. When necessary, we may implement a two-tier management system, breaking away from the traditional pyramid model and favoring a distribution model that benefits frontline practitioners. Our approach simplifies the hierarchy and rules. We focus on attracting and nurturing productive agents within the industry, enabling them to better meet needs of policyholders and the insured, driving the transformation of the insurance industry and improving client satisfaction. The average number of policies per active agent increased from 11 for the year ended December 31, 2022 to 15 for the year ended December 31, 2023, and further increased to 17 for the year ended December 31, 2024.

In terms of marketing training, our agents have access to the comprehensive product offerings and marketing tools on our Kachabao platform, enabling them to leverage our product capabilities, and obtain technology support and client acquisition support. The resources we offer help agents expand their client base and improve their efficiency in policy issuance. Our agents can also engage in learning anytime anywhere through our live streaming platforms and self-developed interactive online training system on Kachabao. This includes practical courses on new media IP empowerment and internet marketing experience for converting internet clients. In addition, we have established marketing and service networks for high-end clients in key cities such as Beijing, Shenzhen, Nanjing, Hangzhou and Tianjin. We also integrate resources to empower agents in building their personal professional brands. We launched the "Juli Program" to explain our capabilities of creating IPs and provide our IPs to the agents. We provide agents with the opportunities to enhance their industry influence through participation in product launches, and research reports and book writing. Ultimately, our efforts help high-performing agents in core cities improve their abilities and efficiency in managing high-end clients and business expansion.

We enter into insurance agent agreements with all our external insurance agents and register these agents with the NFRA. Salient terms of the insurance agent agreements include:

Services:	Our external insurance agents are engaged to act as salespersons on an agency basis, distributing insurance products and providing related services on our behalf.
Fees and Payments:	We pay commissions to external insurance agents for successfully distributing insurance products to policyholders and the insured. Insurance agents are entitled to the commissions typically after a policy cooling-off period.
Term:	The term of the agreement is usually one year.
Confidentiality:	Each party is responsible for maintaining the confidentiality of any information obtained during the course of cooperation.
Liability for Breach of the Agreement:	Either party is liable to compensate the other party for any losses incurred due to a breach of the agreement.

Kachabao Platform

The following diagram illustrates the main service process on our Kachabao platform:

Our Kachabao platform provides online training, online business development support, online product selection and recommendation, and online transaction and service assistance to our insurance agents, and online purchase and online policy management and policy services to policyholders and the insured.

Our insurance agents usually distribute insurance products with the assistance of our Kachabao platform by taking the following steps: (i) understanding the needs of policyholders and the insured through communication, (ii) preparing insurance proposals for the client, and (iii) promoting and distributing insurance products.

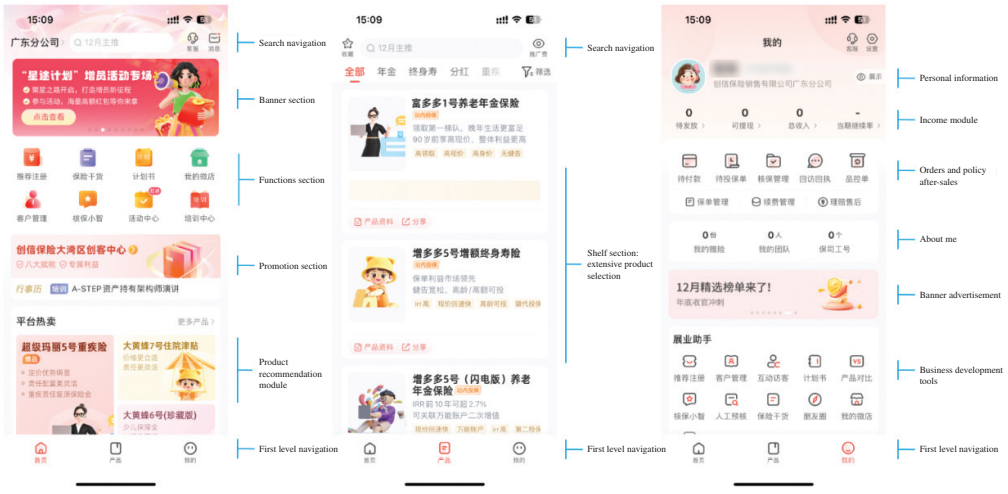
We provide online system support through Kachabao platform for each step. Insurance agents may complete all transaction processes online without the need to visit clients in person or engage in any paperwork. After understanding the needs of policyholders and the insured through online or phone communication, insurance agents may use product comparison tools and insurance proposal templates to create personalized insurance proposals for the clients. They can then send the links to our Kachabao platform to clients for online purchase of insurance products. Policyholders and the insured will receive electronic copies of policies after purchase. Insurance agents are able to assist clients in managing their policies online and perform after-sales services such as policy servicing online.

In some cases, insurance agents may choose to visit clients offline to enhance client relationships or facilitate recurring sales. For example, insurance agents may have face-to-face meetings with policyholders and the insured to understand their insurance needs, conduct detailed discussions after creating proposals, personally deliver physical copies of policies after online purchases, provide assistance in analyzing existing policies during in-person meetings, and offer support for insurance claims processes.

Kachabao provides our agents with a technology-enabled service platform that integrates training, business development, transaction and service capabilities. Through the use of technology, Kachabao assists our agents in their marketing efforts and helps them provide services to policyholders and the insured. Our agents can use our Kachabao platform to access business opportunities which enables them to efficiently acquire clients.

On our Kachabao platform, our agents can guide policyholders and the insured through various processes such as comparing and selecting insurance products, understanding premium quotes, generating proposals, submitting insurance applications and signing contracts online, thereby assisting policyholders and the insured in choosing high-quality insurance products. In addition, our agents can guide policyholders and the insured to access a range of services on our Kachabao platform in relation to their insurance policies, including underwriting consultation, health declaration, policy management and claims services. Kachabao platform enables our agents to offer efficient insurance transactions and services to policyholders and the insured.

Below are screenshots of our Kachabao app, illustrating its key functions and features:



The homepage of our Kachabao app primarily includes search navigation, a banner section, a functions section, a promotion section and product recommendation modules. The product page provides detailed information on categories of products, a list of products, promotion fees and detailed information on products. The personal center page mainly includes income modules and after-sales related functions for orders and policies, among others.

(3) Distribution with the assistance of business partners

Our business partners typically have access to a network of potential policyholders and the insured who might be introduced to us. We collaborate with various business partners including (i) self-media traffic channels on WeChat official account and other major mainstream online platforms in China such as media and advertising companies that have accumulated a large number of user groups with insurance needs and key opinion leaders; and (ii) licensed brokerages and agencies. Our Niubao 100 is a platform developed for business partners. Niubao 100 enables business partners to bring their distribution process online and provide quality products to more policyholders and the insured, thereby expanding our influence. We engage self-media traffic channels to promote the insurance products we offer online. In addition, licensed brokerages and agencies rely on their own agents or brokers to promote and distribute the insurance products. We have business relationship with companies led by the key opinion leaders and their supporting teams and the key opinion leaders we work with typically have full-time jobs in professional capacities, such as insurance actuaries, doctors and financial advisors, and have their respective followers on popular social media channels. As our self-media traffic channels typically do not hold qualifications for insurance agents, our agreements with self-media traffic channels provide that the self-media traffic channels shall not engage in certain insurance activities including the distribution of insurance products, provision of insurance proposals, collection of insurance premium on behalf of insurance companies, among others. For insurance transactions completed on our online platforms by policyholders and the insured, our system only allows policyholders and the insured's access to the insurance purchase process and prevents intervention of other personnel including self-media traffic channels. For insurance transactions completed offline, we only allow licensed brokerages and agencies to initiate a transaction. We may refuse to pay a self-media traffic channel fees and demand damages if the self-media traffic channel distributes insurance products in violation of applicable laws or regulations. For more details of the relevant applicable laws and regulations, please refer to the paragraph headed "Regulatory Overview — Market Behaviours — Financial Marketing Campaigns" and "Regulatory Overview — Internet Insurance Business" in this prospectus. As of the Latest Practicable Date, we were not subject to any fines or other penalties due to non-compliance with the applicable laws and regulations in the PRC by our self-media traffic channels. The media and advertising companies that partner with us have amassed a considerable number of users with insurance needs. To meet the insurance needs of these users or further tap into their value, our partners publish our insurance educational materials on their public platforms, thereby converting some of the users into policyholders and the insured.

We provide self-media traffic channels with informative articles and reports on insurance in general as well as on specific insurance products on Niubao 100 platform that they can tailor to the interests and needs of their followers and users for posting on social media and their own platforms. If the followers or users become interested in certain insurance products after reading such articles or reports, they can get access to our platform through the links embedded. In this way, we raise the insurance awareness of

potential policyholders and the insured and attract them to our platform through our business partners. Potential policyholders and the insured can learn more about the product details, perform premium calculations, and ultimately complete the insurance purchase on our platform. Our business partners possess expertise in content creation and user engagement, but they may face challenges in insurance transactions and policy services. We support them in terms of product learning, user quality management and client services. We have dedicated technical and service teams to support and serve target users, enhancing their transaction experience on our platforms. For users who have completed insurance purchases, we provide ongoing client services, ultimately achieving complete closed-loop support throughout the entire insurance transaction process. Through our collaboration with partners, we address the challenges they face in maintaining their existing user base, while our partners expand their reach and attract users to our platforms, resulting in user monetization.

Licensed insurance brokerages and agencies may also obtain marketing materials such as informative articles on insurance products and reports from Niubao 100 platform. Their agents or brokers may study and tailor the materials before sending them to potential policyholders and the insured. The agents or brokers may also provide explanation and propose insurance plans to the potential policyholders and the insured. If the potential policyholders and the insured become interested in certain insurance products, they can access our platform and learn more about the product details, perform premium calculations, and ultimately complete the insurance purchase on our platform. Our licensed brokerage and agency business partners are mostly traditional licensed brokerages and agencies. Most brokerages and agencies, who are our business partners, are offline traditional licensed brokerages and agencies. They typically have large marketing teams and the ability to continuously recruit, train and manage agents. The client base expanded and maintained by these marketing teams typically consists of clients with strong financial capabilities, high payment abilities and diverse specific insurance needs, which complements internet marketing efforts. The clients of traditional licensed brokerages and agencies usually come from social circles of members of their marketing team, and through referrals and connections outside of the insurance industry. By providing long-term and in-depth tracking of clients, client loyalty can be significantly enhanced. We also act as a MGA and leverage our years of experience in insurance to cooperate with licensed insurance brokerages and agencies and serve as a bridge between insurance companies and licensed insurance brokerages and agencies.

We facilitate collaboration between licensed insurance brokerages and agencies and insurance companies through entering into exclusive MGA agreements with insurance companies. We assist the insurance companies in choosing insurance intermediaries and facilitate the insurance transaction process. We obtain past performance and compliance information on insurance brokerages and agencies and select and evaluate insurance brokerages and agencies based on a number of factors including premium contribution, policy retention rate, training records, complaint records, among others. We offer higher commission rates to insurance brokerages and agencies that achieve favorable evaluation results, which in turn provides incentives for the insurance brokerages and agencies to

improve their performance. The MGA arrangement not only enhances the efficiency of the insurance companies but also ensures control over the quality of licensed insurance brokerages and agencies as we regularly evaluate and provide trainings to the insurance brokerages and agencies. While we assist the insurance companies in choosing licensed insurance brokerages and agencies under the MGA arrangement, we do not bear any underwriting risks and insurance companies make underwriting decisions after reviewing the insurance applications.

For example, we entered into an MGA agreement with Insurance Company B for Chaojimali 9 critical illness insurance products. We provided assistance to licensed insurance brokerages and agencies by entering into agreements with licensed insurance brokerages and agencies for distribution of Chaojimali 9 critical illness insurance products and register the licensed insurance brokerages and agencies with Insurance Company B. The licensed insurance brokerages and agencies were then able to distribute Chaojimali 9 critical illness insurance products to policyholders and the insured. We also provided the insurance transaction system for Chaojimali 9 critical illness insurance products, customized product liability and distribution of policies, provided underwriting assistance and insurance policies quality management to Insurance Company B. Through our collaboration, we bring high-quality insurance products to the market, improve product visibility, and ensure efficient business operations, thereby saving costs for our partners in supply chain communication, which in turn contributes to our long-term and stable growth. Under the MGA model, we are able to directly integrate our partner's information into the systems of insurance companies, improving efficiency and quality of policy issuance, while saving costs in business communication and IT manpower for our partners. As a result of collaboration through the MGA model, our partners experienced a significant increase in premiums.

Niubao 100, which is offered on both our website and WeChat official account, is a platform we developed to connect to and cooperate with our business partners, where we provide them with an order placement system, user account management system and various mobile tools to enhance their efficiency in attracting client traffic. We have established a system of collaborative marketing and promotion among online and offline partners. By leveraging the advantages of our online platforms, we have expanded our presence offline. The branding and promotional capabilities of the internet penetrate into the offline space, while the market feedback from the offline operations in turn enhances our reputation online, creating complementary advantages. Our business partners, as important components of the supply chain, are not only market creators but also beneficiaries, forming a unique business system in the era of Internet Plus. This system creates value across various domains and channels, fostering a robust business model.

When selecting business partners, we primarily take into account their business nature, understanding and knowledge of the industry, operational scale and geographical presence.

We enter into cooperation agreements with our business partners, including agreements for insurance agency (brokerage) business and promotional services. Salient terms of the cooperation agreements are as follows:

Insurance Agency (Brokerage) Business Cooperation Agreement

Services:	We engage in resource integration cooperation in the insurance business with our business partners who are professional insurance intermediaries. We mutually provide corresponding resources and quality services to support each other's business development. Based on the needs of policyholders and the insured, the business partner recommends policyholders and the insured to us and facilitates the conclusion of insurance contracts with the policyholders through us.
Fees and Payments:	We pay commissions to the business partners for successful purchases of insurance products by policyholders and the insured. Commissions are typically paid on a monthly basis.
Term:	Our cooperation agreement usually has a term of one year.
Confidentiality:	Each party is responsible for maintaining the confidentiality of any information of the other party obtained during the course of cooperation.
Liability for Breach of the Agreement:	Either party is liable to compensate the other party for any losses incurred due to a breach of the agreement.

Promotional Services Cooperation Agreement

Services:	Our business partners promote our brand and insurance products we distribute through their websites, apps, WeChat official accounts, other internet platforms, as well as offline promotional channels.
Fees and Payments:	We pay channel promotion fees to the business partner for the promotional services provided by the business partner. Fees are typically based on a percentage of the amount of distribution they facilitated and paid on a monthly basis.

Period:	Our cooperation agreement usually has a term of one year.
Confidentiality:	Each party is responsible for maintaining the confidentiality of any information of the other party obtained during the course of cooperation.
Liability for Breach of the Agreement:	Either party is liable to compensate the other party for any losses incurred due to a breach of the agreement.

Niubao 100 Platform

The following diagram illustrates the main service process on our Niubao 100 platform:

Our Niubao 100 platform provides marketing solutions, business-driven solutions, online product selection and recommendation, and online transaction and service assistance to our business partners, and online purchase and online policy management and policy services to policyholders and the insured.

Licensed insurance brokerages and agencies usually distribute insurance products with the assistance of our Niubao 100 platform by taking the following steps: (i) understanding the needs of policyholders and the insured through communication, (ii) preparing insurance proposals for the client, and (iii) promoting and distributing insurance products.

We provide online system support through Niubao 100 platform for each step. Licensed insurance brokerages and agencies may complete all transaction processes online without the need to visit clients in person or engage in any paperwork. After understanding the needs of policyholders and the insured through online or phone communication, licensed insurance brokerages and agencies may use product comparison tools and insurance proposal templates to create personalized insurance proposals for the clients. They can then send the links to our Niubao 100 platform to clients for online

purchase of insurance products. Policyholders and the insured will receive electronic copies of policies after purchase. Licensed insurance brokerages and agencies are able to assist clients in managing their policies online and perform after-sales services such as policy servicing online.

In some cases, representatives of licensed insurance brokerages and agencies may choose to visit clients offline to enhance client relationships or facilitate recurring sales. For example, licensed insurance brokerages and agencies may have face-to-face meetings with policyholders and the insured to understand their insurance needs, conduct detailed discussions after creating proposals, personally deliver physical copies of policies after online purchases, provide assistance in analyzing existing policies during in-person meetings, and offer support for insurance claims processes.

Self-media traffic channels do not engage in sales activities and they only promote insurance products online with the assistance of our Niubao 100 platform, nor do they conduct any offline activities.

Niubao 100 mainly provides life and health insurance products, and extends to the provision of insurance marketing solutions, business management solutions and other industry-specific solutions. For different business scenarios, Niubao 100 provides assistance to our business partners, offering support in marketing, client management and risk assessment. Our platform helps business partners improve business efficiency, reduce costs, enhance client experience and explore opportunities in the digitization of the insurance industry.

Below are the screenshots of our Niubao 100 website, illustrating its main functions and features:

1. Niubao 100 offers a full range of customized products across various categories to meet the demand for diversified choices and protection of policyholders and the insured.

2. Niubao 100 provides comprehensive service support and establishes a convenient and efficient service system that is suitable for various types of promotional scenarios. Our business partners receive assistance and support in promoting insurance products and claims processes. Our services include providing content, training, live support, professional underwriting and claims support, community support and traffic conversion, enabling business partners to meet client needs in the promotion process and enhance policyholders and the insured's experiences.

3. Niubao 100 has a personalized intelligent system in providing service support. We support one-click appointments and use intelligent analysis to accurately match customized products for policyholders and the insured. For marketing support, we have an order system that caters to the tracking needs of pre-sales, sales and after-sales. We provide assistance to business partners' operations by implementing different layers of user privileges.

(iii) Policyholders and the Insured

We have a large and growing base of policyholders and the insured. As we continue to expand our range of products, enhance our brand recognition and reputation, and deepen our collaboration with business partners, we anticipate ongoing growth in our client base. Leveraging our years of experience in the insurance industry, we have established our brand and have accumulated brand influence and momentum through three marketing channels, including social media influencers, targeted advertising and content marketing. In addition, through our online platforms, we have amassed a user base. As of December 31, 2024, over 1.6 million policyholders and over 2.4 million insured had insurance policies distributed by us that remained effective. The number of policies per policyholder was 3.2, 3.4 and 1.8 in 2022, 2023 and 2024, respectively.

Our diversified traffic channels have brought a wide range of potential users to our online platforms. We promptly track and analyze user behaviors from various traffic channels in order to increase efficiency and minimize client acquisition costs. For existing clients, our system can quickly depict and summarize client profiles based on standardized dimensions extracted. We can label our clients based on their profiles, which assists our sales team in understanding user dynamics. With our market insights, we can capture user demands and steadily increase our policy distribution.

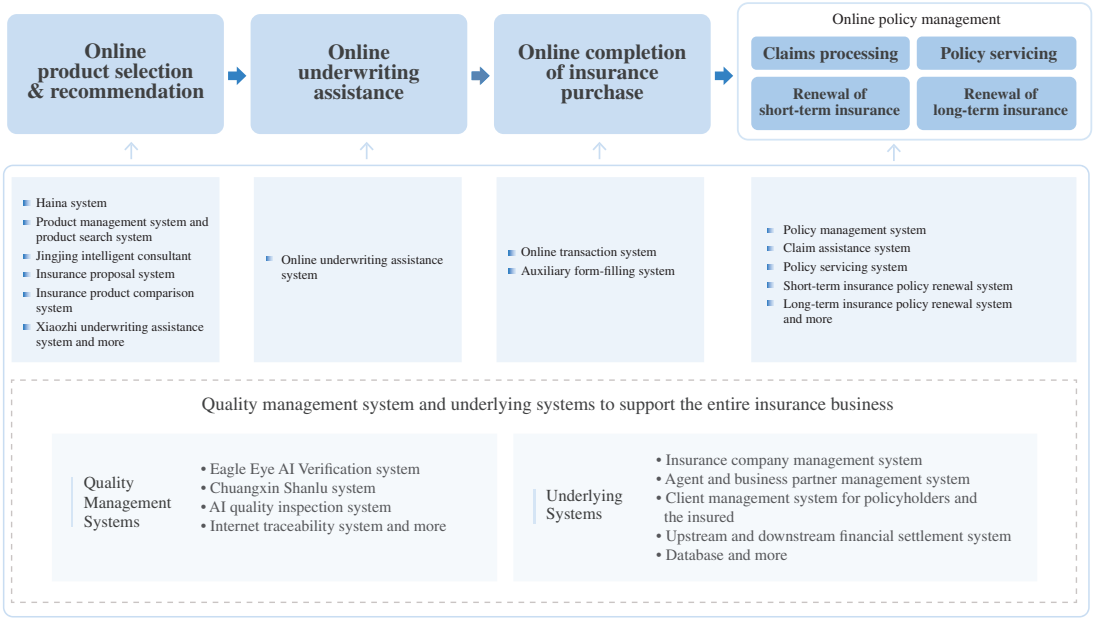
We have a strong focus on serving the younger generation, who are typically well-educated, technologically savvy, and eager to acquire insurance-related knowledge. This demographic segment tends to engage in online consumption and investment. We offer insurance products catering to diverse needs of policyholders and the insured at different stages of life. By offering comprehensive insurance services, we establish a strong connection with policyholders and the insured. Our policyholders primarily include people aged from 30 to 45 residing in first-tier and second-tier cities in China. During the Track Record Period, policyholders aged from 30 to 45 contributed 63.4% of our GWP and 72.2% of policies we distributed. According to Frost & Sullivan, people aged from 30 to 45 in China represent the mainstream consumer group for insurance products because they exhibit a high level of acceptance for online insurance transactions and services, and tend to complete insurance product transactions online. We aim to keep our young client base engaged with our broad product offering and services and meet their life-long insurance needs.

Through seamless integration with the core systems of insurance companies and a continuous focus on client experiences, we provide policyholders and the insured with a convenient online transaction and service solution. In terms of client service for policyholders and the insured, we offer personalized product recommendations based on individual and family needs, taking into account specific client requirements. We have a dedicated team of insurance consultants who provide prompt and professional assistance. Our client service team consists of approximately 50 client service personnel as of December 31, 2024 who provide 24/7 consultation and claim reporting services, in addition to pre-sales and after-sales reporting services such as answering product inquiries and complaints and providing claims reporting assistance.

(iv) Insurance Transaction Process and Services to Policyholders and the Insured

Our insurance transaction process is primarily conducted via our online platforms. The insurance transaction process is generally similar across our three platforms except that for Kachabao and Niubao 100 platforms, insurance agents, or self-media traffic channels or licensed insurance brokerages and agencies may provide recommendation or assistance to potential policyholders and the insured.

Our technology-empowered insurance transaction process is designed to be completed online. Our insurance consultants, insurance agents, self-media traffic channels and licensed insurance brokerages and agencies provide assistance mainly online. Our insurance agents and licensed insurance brokerages and agencies are also available to offer support through face-to-face meetings whenever necessary for policyholders and the insured. The following diagram illustrates the main operational and service processes we provide to policyholders and the insured:



Except that a small part of the first step is performed by our insurance agents and licensed insurance brokerages and agencies offering face-to-face insurance product recommendation, all the remaining steps of our process are conducted entirely online.

Online product selection and recommendation. Our cooperation with a large number of insurance companies allows us to build a diverse and extensive insurance product portfolio to policyholders and the insured. For each insurance product category, we offer a broad selection of insurance products, giving policyholders and the insured adequate options to choose from. As a result, we are able to serve needs of policyholders and the insured in different scenarios and at different life stages. Unlike purchasing insurance products directly from insurance companies, we are able to offer to policyholders and the insured a mix of insurance products underwritten by multiple insurance companies, which broadens their choices of insurance

products. We also conduct risk assessment assistance service for insurance companies we cooperate with to minimize underwriting risks of insurance companies. To optimize our transaction process, our proprietary online platforms provide product information. Our online platforms can be accessed via our reader-friendly insurance website, apps and WeChat official account and mini program. For more details, please refer to the paragraph headed "Products We Distribute and Services We Provide — Insurance Transaction Services — (ii) Sales and Marketing and Our Online Platforms" in this section.

For each client, our platforms generate a set of recommendations based on information provided by the policyholders and the insured and his/her browsing footprint on our platforms, focusing on his/her personal needs. Clients have the flexibility to browse through as many products as they wish. Given a significant number of insurance products are available, our recommendation service plays a critical role in matching policyholders and the insured with the most suitable insurance products.

In addition, we have insurance consultants on our Xiaoyusan platform with expertise in the insurance industry and substantial experience to assist policyholders and the insured in making informed decisions. Each insurance consultant is required to complete mandatory trainings on subjects such as insurance products knowledge and communication skills. Most of our insurance consultants are young professionals who may empathically understand and click with policyholders and the insured. If potential policyholders and the insured have any questions after reading product information or require customized insurance policies, they can seek advice from our insurance consultants. Our insurance consultants are capable of not only answering basic questions on insurance products, but also analyzing clients' risk tolerance and insurance needs, assisting policyholders and the insured with insurance planning and providing product recommendations with comprehensive protection at competitive price to the policyholders and the insured.

Our insurance agents and business partners obtain links to the insurance products through Kachabao platform and Niubao 100 platform, respectively. Our insurance agents and business partners would then be able to recommend insurance products suitable to potential clients. Self-media traffic channel providers acquire marketing materials such as informative articles on insurance products and reports from Niubao 100 platform and post on their channels. If the followers or users become interested in certain insurance products after reading such articles or reports, they can get access to our platform through the links embedded in our marketing materials. Potential policyholders and the insured can learn more about the product details, perform premium calculations, and ultimately complete the insurance purchase on our platform. Licensed insurance brokerages and agencies may also obtain marketing materials such as informative articles on insurance products and reports from Niubao 100 platform. Their agents or brokers may study and tailor the materials before sending them to potential policyholders and the insured. The agents or brokers may also provide explanation and propose insurance plans to the potential policyholders and the insured. If the potential policyholders and the insured become interested in certain insurance products, they can access our platform and learn more about the product details, perform premium calculations, and ultimately complete the insurance purchase on our platform.

We assist our insurance agents and business partners with our self-built tools, primarily including an insurance product database and a client behavior tracking system. The database covers comprehensive information of insurance products available on the market. Insurance agents and business partners can quickly retrieve product information from the database and present to policyholders and the insured a comparison of different insurance products. Our client behavior tracking system analyzes the browsing records and transaction records of policyholders and the insured from various dimensions, and evaluates their insurance needs and purchase preferences. This allows our insurance agents and business partners to predict clients' concerns and queries before the consultation sessions with clients, which substantially improves consulting efficiency.

Specifically, we utilize the following technologies and systems for product selection and recommendation.

- **Provision of a wide range of insurance products**. Our three platforms offer an extensive insurance product portfolio for policyholders, the insured, insurance agents, self-media traffic channels and licensed insurance brokerages and agencies. We developed the Haina system, product management system, product search system and other systems to enable a diverse insurance product selection.

  - Through our Haina system, we have connected the product interfaces with around 100 insurance companies, enabling us to launch an insurance product within one day at the fastest. By integrating with the Haina system, insurance products can be launched and distributed on all our three platforms.

  - Our product management system facilitates information maintenance, sorting, shelving, and delisting of insurance products on the shelves of our three platforms.

  - Our product search system enables searching for insurance products on the shelves of our three platforms.

- **Jingjing Intelligent Virtual Assistant**. Jingjing Intelligent Virtual Assistant is an online intelligent product recommendation system that analyzes various types of information of potential policyholders and the insured, including family information, assets and liabilities to provide quick and efficient insurance product recommendations for policyholders and the insured. Jingjing Intelligent Virtual Assistant is available on both Xiaoyusan and Niubao 100 platforms.

- **Insurance proposal system**. Our insurance proposal system is used by insurance professionals to design insurance coverage plans based on policyholders and the insured information and insurance needs. The system has several functions including product library, premium calculation, and insurance configuration concepts. Our insurance proposal system is an important tool for insurance professionals, including insurance consultants, insurance agents and agents of

licensed insurance agencies and brokerages to provide insurance proposals to clients. Policyholders and the insured are able to understand the specific insurance products they are purchasing by reading the proposals created through our insurance proposal system online. Our insurance proposal system is available on our three platforms.

- **Insurance product comparison system**. Our insurance product comparison system is a tool for comparing differences in coverage and premiums among different insurance products. Our insurance product comparison system helps insurance professionals, including insurance consultants, insurance agents and agents of licensed insurance agencies and brokerages, and policyholders and the insured better understand the differences among various insurance products, thereby enabling them to choose the most suitable product. Our insurance product comparison system is available on our three platforms.

- **Xiaozhi underwriting assistance system**. Xiaozhi underwriting assistance system is a system that recommends insurance products for non-standard policyholders and the insured based on their physical condition, assisting policyholders and the insured with health issues in selecting insurance products efficiently. Xiaozhi underwriting assistance system is available on our three platforms.

Online underwriting assistance. After selecting a particular insurance product, policyholders and the insured are required to complete an online order form to provide information such as name, address contact details and details of the beneficiaries; and confirm the terms and starting date of the insurance policies. Our insurance consultants, insurance agents, and agents of licensed insurance brokerages and agencies may assist policyholders and the insured in completing the order forms on our online system should the policyholders and the insured have any questions. We have developed an online underwriting assistance system for the underwriting process. Our system checks the completeness of the information verifying that each required field of the form is completed with proper information and transfers the information to the insurance companies for verification. For some insurance products, we incorporate the underwriting criteria set by insurance companies into our system, which allows the system to automatically evaluate whether a policyholder or the insured person is eligible for the insurance product. The codified criteria enables the assessment of a variety of conditions, resulting in more accurate evaluation of the eligibility of policyholders and the insured and reducing the rate of rejection by insurance companies. As an insurance intermediary, we do not make underwriting decisions or bear underwriting risks. The specific underwriting criteria may vary based on the requirements set by insurance companies. Our online underwriting assistance system is available on our three platforms.

Upon receiving the information, insurance companies will analyze the eligibility of the insurance application based on their experience and criteria. The insurance companies' systems generally revert with underwriting decisions within a short period of time. The approval from insurance companies also acts as an authorization for us to finalize the insurance policy on their behalf.

Online completion of insurance purchase. Policyholders and the insured either pay the insurance premium directly to insurance companies, or pay the insurance premium to us for our onward payment on their behalf to insurance companies in accordance with the relevant laws and regulations in the PRC.

We provide an online transaction system where policyholders and the insured can fill out the application, sign an agreement, make premium payments, and complete the insurance purchase process online. In addition, to assist policyholders and the insured in completing the online application process, we offer an auxiliary form-filling system for insurance professionals, including insurance consultants, insurance agents and agents of licensed insurance agencies and brokerages, to assist policyholders and the insured in filling out the application. The online transaction system and auxiliary form-filling system are available on our three platforms.

Policy management. Our policy management services primarily include claims processing, policy servicing, short-term insurance renewals and long-term insurance policy renewals. For policyholders and the insured that have purchased products on our Xiaoyusan platform, they may manage their insurance policies on Xiaoyusan platform directly. For policyholders and the insured that have purchased products on Kachabao or Niubao 100 platforms, they may manage their insurance policies through our websites. Our insurance consultants and insurance agents also offer assistance to policyholders and the insured in managing their insurance policies.

Policyholders and the insured may use our policy management system to manage their insurance policies, allowing them to view policy details and download electronic policies. Our order management system has records of the transaction history of policyholders and the insured on our platforms. The policy management system is available on our three platforms.

– **Claims processing.** We act as the policyholders and the insured's trusted point of contact when risks covered by insurance policies realize. We assist policyholders and the insured in the online insurance claim and settlement process but do not make claim decisions as an insurance intermediary. Our claim assistance system supports claim information compilation and preliminary claim review. Relevant documents can be submitted online for our initial review. We then pass our initial review results to relevant insurance companies for their final review and settlement approval, improving claim efficiency and client satisfaction.

  We have developed a claim assistance system that automates some functions. Upon receiving an insurance claim application from a policyholder or the insured person, our system generates a list of documents that the policyholder or the insured person is required to submit in order to support the claim. Upon receipt of the documents and information, our system checks the completeness of the application by verifying that all required documents and information have been provided properly and completely.

Our system then submits the claim to insurance companies on behalf of the policyholders and the insured, and we take the responsibility for communication with insurance companies. Our expertise in the insurance industry equips us with a clear understanding in the claim requirements set by insurance companies, enabling us to effectively assist policyholders and the insured in preparing all necessary documents and information. Our client service team complements our system, dedicated to resolving client inquiries in a timely manner. Policyholders and the insured can track the progress of their claims through our online platform. Our long-term partnerships with insurance companies and our extensive experience in representing clients' interests enable us to provide professional and efficient claims settlement for cases with clear facts and relatively small amounts. Our claim assistance system is available on our three platforms.

– **Policy servicing.** We provide policyholders and the insured with a range of policy-related services, including electronic or physical policy issuance, call back services, receipt acknowledgment and policy cancellations insurance. We establish system-level integration with insurance companies to enable clients to receive policy-related services. For policy services that cannot be integrated into our system, we also provide manual services to effectively support after-sales services.

  Our policy servicing system allows policyholders and the insured to make changes to their policies online. Policyholders and the insured may use the policy servicing system to update personal information, obtain hard copies of policy, request follow-ups, and initiate policy cancellations. Policyholders and the insured can submit policy servicing requests online, and we will conduct initial review or forward the requests to insurance companies for review. Our policy servicing system is available on our three platforms.

– **Short-term insurance renewals and long-term insurance policy renewals.** For clients with short-term insurance policies, if they have further insurance needs after the policy expires, they can consult us and purchase a new policy. Our short-term insurance policy renewal system provides functions such as insurance renewal reminders and recommendations of renewal insurance products, and enables online renewal transaction. For clients with long-term insurance policies, we send them renewal notices to remind them that premiums for their policies are due soon. Our long-term insurance policy renewal system provides renewal reminders, renewal payment plans, and renewal statistics to policyholders and the insured. The policyholders and the insured will then review their policies and decide whether they want to renew the policy or make any changes to their coverage. If they decide to renew, they will need to make premium payment. Some of the life and health insurance products we distribute have a payment term ranging from one to 30 years. Our short-term and long-term insurance policy renewal systems are available on our three platforms.

(v) Our Fee Model

We charge insurance companies commissions mainly based on the type of insurance and pricing of the specific product for successful distribution of their insurance products to policyholders and the insured. During the Track Record Period, the commission rates we charged for the various categories of insurance products are as follows:

Type of insurance products	1st year	2nd year	3rd year	4th year	5th year	6th to 30th year
Long-term life insurance products	0%-127%	0%-80%	0%-32%	0%-23%	0%-11%	0%-2.3%
Long-term critical illness insurance products	1.8%-133%	0%-71%	0%-58%	0%-32%	0%-15%	0%-4%
Long-term medical and other insurance products	8%-60%	0%-50%	1%-33%	2%-33%	1.5%-33%	1%-33%
Short-term insurance products	0%-70%	N/A	N/A	N/A	N/A	N/A

Note: The above-mentioned range of the commission rates is calculated based on the commission rates stipulated in the insurance product contracts we have signed with insurance companies. The specific commission rates for a particular product are determined by the insurance company based on relevant regulatory requirements, business strategies, product types, actuarial assumption models, and other factors. For specific product categories, including universal life insurance and gift insurance, there are instances where the commission rate for the first year may be set at 0%.

During the Track Record Period, the average first year commission rates for the various categories of insurance products are as follows:

	For the year ended December 31,		
Type of insurance products	**2022**	**2023**	**2024**
Long-term life insurance products	34.6%	31.7%	21.5%
Long-term critical illness insurance products	56.0%	53.5%	52.6%
Long-term medical and other insurance products	40.6%	31.2%	30.3%
Short-term insurance products	15.9%	20.9%	21.6%
Total	**34.8%**	**33.1%**	**26.2%**

Note: The average first year commission rate was calculated based on revenue attributable to FYP divided by FYP for the relevant period.

The average first year commission rate for long-term life insurance products remained relatively stable at 31.7% in 2023 compared to 34.6% in 2022. The average first year commission rate for long-term life insurance products decreased from 31.7% in 2023 to 21.5% in 2024 primarily because of the adjustments made by insurance companies out of prudence in response to the changes in the policies in the insurance industry, in particular the "unified reporting and underwriting" policy in the bancassurance channels which is set out in the Notice on Matters Related to Regulating Bancassurance Channels of Life Insurance Companies published by the NFRA in January 2024. The "unified reporting and underwriting policy" requires that the commission rate reported by insurance companies for regulatory approval or filing should be consistent with the actual commission rate. Notwithstanding that a similar policy has not been promulgated for any insurance channel other than bancassurance, the insurance companies adjusted commission rates of insurance intermediaries downwards, in particular commission rates for long-term life insurance products, to control the risk of losses arising from actual operating costs of insurance companies exceeding expected operating costs, as a result of which our revenue from long-term life insurance products have been affected. The policy has led to a decline in the commission rates of bancassurance channels and insurance intermediaries, according to Frost & Sullivan. The average first year commission rate for long-term critical illness insurance products remained relatively stable at 56.0%, 53.5% and 52.6% in 2022, 2023 and 2024, respectively. The average first year commission rates for long-term medical and other insurance products and short-term insurance products fluctuated during the Track Record Period primarily due to the different first year commission rates for different insurance products we distributed. For example, the decrease in the average first year commission rate for long-term medical and other insurance products from 40.6% in 2022 to 31.2% in 2023 was mainly because Jinyibao, a long-term medical insurance product we introduced in 2023, had a relatively low first year commission rate.

The commission rates we charged for Internet life and health insurance products following the promulgation of the Notice issued by the CBIRC on October 12, 2021 are as follows:

Type of Internet insurance products	1st year	2nd year	3rd year	4th year	5th year	6th to 30th year
Long-term life insurance products	1%-60%	0%-49.7%	0%-30.3%	0%-8%	0%-1%	0%
Long-term critical illness insurance products	2%-60%	0%-65%	0%-58%	0%-32%	0%-15%	0%-1%
Long-term medical and other insurance products	8%-60%	0%-50%	1%-33%	2%-33%	1.5%-33%	1%-33%
Short-term insurance products	0%-45%	N/A	N/A	N/A	N/A	N/A

The commission rates for our top 10 products in terms of revenue during each year of the Track Record Period ranged from 0% to 60% for the first year and 0% to 60% for subsequent years.

For insurance products that we customized and designed together with insurance companies, we provide the insurance companies with our pricing range suggestions. In general, our product customization does not have a significant impact on our commission rates, primarily because the pricing of insurance products and the associated commission rates are predominantly determined by the market. We strive to keep competitive commission rates in order to maintain the competitiveness of the insurance products we distribute.

Insurance Technology Services

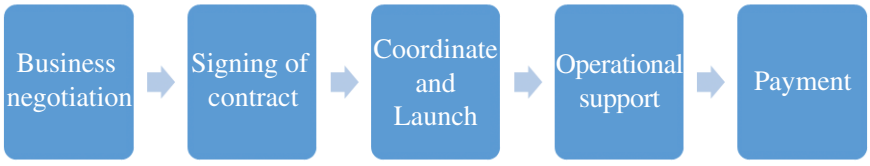
We have successfully introduced solutions that cover the main processes of insurance business. We recognize the demand for online solutions of the participants in the insurance industry, in particular risk assessment assistance and claims adjustment. Insurance companies that have demand for insurance technology services have reached out to us. Since May 2019, we have been providing technology solutions for risk assessment assistance, claims adjustment, and rapid claims settlement to insurance companies, helping insurance companies improve operational efficiency. We provide services with our various systems including Picus Risk Assessment, Eagle Eye AI Verification and rapid claims settlement. By offering online solutions, we help insurance companies to improve their operations in addition to promoting the transformation of the insurance industry.

Specifically, Picus Risk Assessment is an online risk assessment platform that we use to make risk-related suggestions based on the information submitted in insurance applications. Moreover, insurance companies can utilize such system to verify or acquire information according to their underwriting rules and product requirements.

Our Eagle Eye AI Verification provides technology solutions regarding online callbacks to policyholders and the insured in online transactions, confirming their genuine intention to purchase insurance products, assessing the risks of sales during the application process and providing quality control in online insurance transactions.

Our rapid claims settlement service is based on our self-developed intelligent claims calculation system which integrates algorithms, image recognition and other technologies from third parties to assist in calculating the amounts of claims and significantly shortens the claim processing cycle.

The process of our insurance technology services is generally as follows:



We believe that the provision of insurance technology services helps us achieve business diversification through deployment of our available resources and improves our market penetration by building closer relationships with insurance companies, which may also bring more business opportunities to our insurance transaction services business. During the Track Record Period, we provided insurance technology services to more than half of our top five customers in each year.

OUR CUSTOMERS

Our customers for the insurance transaction services business are insurance companies in the PRC. In the PRC insurance market, local branches of insurance companies generally have the authority to enter into contracts in their own names with insurance intermediaries. In general, we enter into and maintain business relationships with insurance companies at the local level. During the Track Record Period, we collaborated with over 110 insurance companies, including 68 life and health insurance companies and 46 property insurance companies. To a lesser extent, we derive a small amount of revenue from insurance brokerages and agencies. Particularly, leveraging our advantage in the long-term life and health insurance sector, we have collaborated with over 70% of life and health insurance companies in China in the same period.

We collaborate with insurance companies to design and develop customized insurance products, as well as offer their existing insurance products. For our cooperation in designing and developing insurance products, we present customized product design ideas and pricing range recommendations to insurance companies, while the insurance companies file the product with the NFRA to ensure regulatory compliance before we launch such product on our platforms. Customized insurance products further deepen our collaboration with these insurance companies and enhances our platforms' attractiveness to policyholders and the insured. We believe that as our brand awareness, reputation and client base continue to expand, we will be able to strengthen our collaboration with insurance companies which are our existing customers while attracting more insurance companies to cooperate with us.

Our platforms are built on a secure and scalable infrastructure that is connected to the systems of insurance companies. The connected systems enable us to provide a seamless client experience and continuously improve operating efficiency. The connected systems primarily include core business systems and account reconciliation systems, which are used to process product, policy and client information, and integrate functions such as new insurance policy entry, underwriting review, premium collection (initial or renewal), insurance policy renewal (automatic or manual), after-sales administrative services (cancellation and refund), and other relevant administrative services.

We help insurance companies improve operational efficiency and acquire a large client base online. Our client service solutions enable insurance companies to receive timely feedbacks on the insurance products they underwrite and complete online claims processing. Leveraging our data capabilities, our client segmentation and selection processes assist insurance companies in effectively expanding their client base. In addition to distributing insurance products, we also offer insurance technology services to insurance companies to help them manage risks and streamline the claims process.

We face certain disintermediation risks, for details please refer to the section headed "Risk Factors — Risks Relating to Our Business and Our Industry — Policyholders may decide to purchase insurance directly from insurance companies, which would have a material adverse impact on our financial condition, results of operations and prospects." According to Frost & Sullivan, the GWP of life and health insurance products distributed by intermediaries grew at a CAGR of 34.2% from 2019 to 2023 and is expected to grow at a CAGR of 32.3% from 2024 to 2028, outpacing the growth of other channels such as insurance companies' individual agents, bancassurance and direct sale. The fast growth of the intermediaries sector is mainly because intermediaries may reach out to insurance companies, policyholders and the insured more efficiently. To effectively mitigate disintermediation risks, we have established a standard operating procedure ("**SOP**") to distribute insurance products efficiently and leverage our years of experience in developing and managing IPs. Our SOP for distributing customized insurance products includes online product management, formulation of promotion strategies, consolidation of key selling points, task delegation, and coordination of media outreach. We assist insurance companies in distributing insurance products efficiently and reaching a wide coverage of policyholders and the insured through our SOP. In addition, as we have been developing and managing our IPs for many years, we are able to update and iterate our customized insurance products with IPs swiftly.

We believe that our commitment to high-quality customer service is a crucial factor in our growth. We value feedback from our customers, policyholders and the insured on our services, and we have set up open channels to receive feedback, complaints and suggestions directly from customers, policyholders and the insured. We also have a dedicated complaint handling team to deal with the complaints from insurance companies, policyholders and the insured in a timely manner. Our legal and compliance department may also participate in the process as appropriate. We conduct internal communication, investigation and devise solutions taking into account factors including the nature and severity of the complaint, the potential reputational risks and specific requirements of insurance companies. During the Track Record Period and up to the Latest Practicable Date, we did not receive any complaint from policyholders, the insured or insurance companies about our services or products that have had a material adverse impact on our business or operations.

Salient terms of agreements with insurance companies

Types and scope of insurance products:	The insurance companies engage us to distribute insurance products and usually specify the types of insurance products we are authorized to distribute on their behalf.
Location:	We conduct insurance agency or brokerage business and distribute insurance products within the geographical areas approved by the relevant insurance regulatory authority in China for both insurance companies and us.
Services:	We conduct insurance or brokerage agency business within the scope permitted by our business license. We guide applicants for insurance policies in completing the insurance application forms and handle the necessary procedures on their behalf. We may also prepare insurance proposals for applicants for insurance policies. If authorized by insurance companies, we assist insurance companies in collecting insurance premiums from applicants by way of bank transfer, and facilitate payments from insurance companies to policyholders or beneficiaries by way of bank transfer.
Fees and payments:	The commission rates are typically specified in the agreement and may vary depending on the type of insurance product.

Cooperation terms applicable to customized products (only in exclusive agreements):	We have the right to distribute the relevant products exclusively provided that we meet performance related conditions such as premium amount or persistency rate.
Qualifications:	We are required to obtain an insurance intermediary license.
Term:	The term of the agreement is generally one year.
Termination:	During the term of the agreement, either party may request to terminate the agreement by providing written notice to the other party in advance. Early termination may be allowed upon mutual agreement and the execution of a written agreement.

The commission rates may also be subject to adjustments as agreed by us and insurance companies from time to time based on factors such as their expectation on profits, policyholders and the insured's demand, requirements set by the industry association, regulatory requirements and governmental policies and other factors that affect insurance companies at the relevant time. For life and health insurance products, some of the insurance companies we cooperate with may require us to maintain a certain percentage of persistency rate at the 13th month during the term of the insurance policy. If we fail to meet such requirement, we may be required to return a portion of the commission we received from the insurance companies in accordance with the terms of the agreements. During the Track Record Period, we did not meet the 13-month persistency rate requirement of long-term insurance products of a total of five insurance companies and we deducted a total commission of approximately RMB2.1 million from our revenue when we returned the commission to the insurance companies. The adjustment mechanism of the commission rates did not have a material impact on our business operation or financial condition during the Track Record Period.

Major Customers

Most of our customers are insurance companies in China. During the Track Record Period, the aggregate revenue generated from our top five customers in each year amounted to RMB622.4 million, RMB1,042.2 million and RMB979.9 million, respectively, accounting for 77.2%, 63.8% and 70.7% of our total revenue in the respective year. During the Track Record Period, the revenue generated from our largest customer in each year amounted to RMB169.0 million, RMB278.1 million and RMB325.6 million, respectively, accounting for 21.0%, 17.0% and 23.5% of our total revenue in the respective year. For the years ended December 31, 2022, 2023 and 2024, we did not have any substantial reliance on any single customer as our largest customer was different during each of the years ended December 31, 2022, 2023 and 2024. For further details of customer concentration risks, please refer to the section headed "Risk Factors — Risks Relating to Our Business and Our Industry — We are subject to customer concentration risk. Our growth and revenue could be materially and adversely affected if we lose any significant customer, or if any significant customer fails to cooperate with us at

anticipated levels" in this prospectus. According to Frost & Sullivan, it is common for insurance intermediaries in China to have high customer concentrations. We believe that we will be able to mitigate customer concentration risks as we are able to change our customer composition and expand our customer base taking into account the large number of insurance companies in China and our years of experience in the industry. In addition, we possess bargaining power with our customers as we design and develop insurance products with insurance companies and provide value to our customers. During the Track Record Period, our customers generally settled their payments through bank transfer.

The following tables set forth the details of our top five customers in each year during the Track Record Period:

For the year ended December 31, 2022

Rank	Customer	Background of the customer	Business scale	Year of commencement of business relationship	Types of services provided by us	Amount of revenue	Percentage of our total revenue	Credit term	Settlement method
						(RMB'000)	*(%)*		
1. . .	Customer C	Customer C is a national life and health insurance company and operates life insurance, health insurance, accident insurance and other products	Registered capital of RMB2.9 billion	2021	Insurance intermediary services	169,014	21.0	10 working days from the date of receipt of statement and invoice	Bank transfer
2. . .	Customer F	Customer F is a national life and health insurance company and operates life insurance, health insurance, accident insurance and other products	Registered capital of RMB1.0 billion	2018	Insurance intermediary services	148,419	18.4	5 working days after receipt of invoice	Bank transfer
3. . .	Customer A	Customer A is a national life and health insurance company and operates life insurance, health insurance, accident insurance and other products	Registered capital of RMB1.5 billion	2019	Insurance intermediary services	138,237	17.1	5 working days from the date of receipt of the invoice	Bank transfer
4. . .	Customer D	Customer D is a national health insurance company and operates health insurance and other products	Registered capital of RMB2.3 billion	2017	Insurance intermediary services	89,673	11.1	7 working days after receipt of invoice	Bank transfer
5. . .	Customer G	Customer G is a national life and health insurance company and operates in individual and group pension insurance and other businesses	Registered capital of RMB3.3 billion	2020	Insurance intermediary services	77,033	9.6	7 working days after receipt of invoice	Bank transfer

For the year ended December 31, 2023

Rank	Customer	Background of the customer	Business scale	Year of commencement of business relationship	Types of services provided by us	Amount of revenue	Percentage of our total revenue	Credit term	Settlement method
						(RMB'000)	*(%)*		
1. . .	Customer H	Customer H is a national life and health insurance company and operates life insurance, health insurance, accident insurance and other products	Registered capital of RMB2.1 billion	2022	Insurance intermediary services	278,081	17.0	5 working days after receipt of invoice	Bank transfer
2. . .	Customer G	Customer G is a national life and health insurance company and operates in individual and group pension insurance and other businesses	Registered capital of RMB3.3 billion	2020	Insurance intermediary services	263,287	16.1	7 working days from the date of receipt of the invoice	Bank transfer
3. . .	Customer A	Customer A is a national life and health insurance company and operates life insurance, health insurance, accident insurance and other products	Registered capital of RMB1.5 billion	2019	Insurance intermediary services	207,407	12.7	5 working days after receipt of invoice	Bank transfer
4. . .	Customer C	Customer C is a national life and health insurance company and operates life insurance, health insurance, accident insurance and other products	Registered capital of RMB2.9 billion	2021	Insurance intermediary services	170,559	10.4	10 working days from the date of receipt of statement and invoice	Bank transfer
5. . .	Customer D	Customer D is a national health insurance company and operates health insurance and other products	Registered capital of RMB2.3 billion	2017	Insurance intermediary services	122,892	7.5	7 working days after receipt of invoice	Bank transfer

For the year ended December 31, 2024

Rank	Customer	Background of the customer	Business scale	Year of commencement of business relationship	Types of services provided by us	Amount of revenue	Percentage of our total revenue	Credit term	Settlement method
						(RMB'000)	*(%)*		
1 . .	Customer H	Customer H is a national life and health insurance company and operates life insurance, health insurance, accident insurance and other products	Registered capital of RMB2.1 billion	2022	Insurance intermediary services	325,611	23.5	5 working days after receipt of invoice	Bank transfer
2 . .	Customer I	Customer I is a national life and health insurance company and operates life insurance, pension insurance, health insurance, accident insurance and other products	Registered capital of RMB25.8 billion	2022	Insurance intermediary services	301,080	21.7	10 working days after receipt of settlement confirmation letter and invoice	Bank transfer
3 . .	Customer K	Customer K is a national life insurance company and operates life insurance, health insurance, pension insurance and accident insurance	Registered capital of RMB11.8 billion	2017	Insurance intermediary services	123,353	8.9	10 working days after receipt of invoice	Bank transfer
4. . .	Customer C	Customer C is a national life and health insurance company and operates life insurance, health insurance, accident insurance and other products	Registered capital of RMB2.9 billion	2021	Insurance intermediary services	119,387	8.6	10 working days from the date of receipt of statement and invoice	Bank transfer
5 . .	Customer J	Customer J is a national life and health insurance company and operates life insurance, health insurance, accident insurance and other products	Registered capital of RMB1.5 billion	2019	Insurance intermediary services	110,509	8.0	7 working days after receipt of invoice	Bank transfer

The percentage of revenue contributed by our five largest customers and largest customer for each year during the Track Record decreased primarily due to the following reasons: (i) a shift in our product mix during the Track Record Period from long-term critical illness insurance products to long-term life insurance products resulted in changes in the composition of our major customers; (ii) we made a strategic decision to diversify our major customers to reduce reliance on our largest customers. For instance, we collaborated with different insurance companies when iterating products with IPs such as the Zengduoduo and Chaojimali series; and (iii) we adjusted our customer base based on the insurance products we promote at a given time and chose insurance companies with products aligned with our requirements as insurance companies may prioritize different products due to their own business development strategies, solvency requirements, and payment capabilities. In such cases, we changed our customers if they were no longer able to provide the insurance products we intended to distribute.

During the Track Record Period, all of our top five customers in each year were Independent Third Parties. None of our Directors, their close associates or any of our shareholders (who, to the knowledge of the Directors, own more than 5% of our issued share capital) had any interest in any of our top five customers for each year during the Track Record Period and as of the Latest Practicable Date.

During the Track Record Period and up to the Latest Practicable Date, there were no litigations or arbitration or disputes between us and our major customers which have a material adverse impact on our business operation or financial condition.

OUR SUPPLIERS

Our suppliers primarily consist of: (i) insurance agents; (ii) insurance brokerage and agency companies; and (iii) promotional service companies, which are our self-media traffic channel providers. Misconduct of promotional service providers could result in violation of law by us, regulatory actions or litigation against us, reputational risk to us or financial harm to us. We proactively take preventive measures including regularly monitoring the activities of promotional service providers and reviewing articles prepared by promotional service providers before the articles are posted. We generally enter into legally binding agreements with our suppliers for a term of one year. We usually settle payments with our suppliers through bank transfer.

Major Suppliers

During the Track Record Period, purchases from our top five suppliers in each year amounted to RMB174.3 million, RMB216.3 million and RMB234.8 million, respectively, accounting for 33.1%, 20.0% and 27.4% of our total purchases in the respective year. During the Track Record Period, purchases from our largest supplier in each year amounted to RMB60.5 million, RMB84.1 million and RMB65.3 million, respectively, accounting for 11.5%, 7.8% and 7.7% of our total purchases in the respective year.

The following tables set forth the details of our top five suppliers in each year during the Track Record Period:

For the year ended December 31, 2022

Rank	Supplier	Background of the supplier	Business scale	Year of commencement of business relationship	Types of services provided to us	Amount of purchases	Percentage of our total purchases	Credit term	Settlement method
						(RMB'000)	*(%)*		
1. . .	Supplier F	A company principally engaged in technical services, development and consulting	Registered capital of RMB10.0 million	2020	Insurance product promotion services	60,473	11.5	20 working days after receipt of invoice	Bank transfer
2. . .	Supplier Group C	A group of companies principally engaged in insurance brokerage services, e-commerce technology development and e-commerce platform operation	*Note 1*	2017	Insurance sales services; insurance product promotion services	49,844	9.5	20 working days after receipt of invoice	Bank transfer
3. . .	Supplier Group A	A group of companies principally engaged in information technology consulting services, information consulting services and insurance brokerage services	*Note 2*	2017	Insurance sales services; insurance product promotion services	22,595	4.3	20 working days after receipt of invoice	Bank transfer
4. . .	Supplier E	A company principally engaged in insurance brokerage services	Registered capital of RMB76.8 million	2020	Insurance sales services	21,455	4.1	15 working days after receipt of invoice	Bank transfer
5. . .	Supplier G	A company principally engaged in insurance agency services	Registered capital of RMB50.0 million	2019	Insurance sales services	19,931	3.8	15 working days after receipt of invoice	Bank transfer

Notes:

1. The registered capital of our suppliers in Supplier Group C is RMB50.0 million and RMB6.3 million, respectively.

2. The registered capital of our suppliers in Supplier Group A is RMB5.0 million and RMB50.0 million, respectively.

For the year ended December 31, 2023

Rank	Supplier	Background of the supplier	Business scale	Year of commencement of business relationship	Types of services provided to us	Amount of purchases	Percentage of our total purchases	Credit term	Settlement method
						(RMB'000)	*(%)*		
1. . .	Supplier Group C	A group of companies principally engaged in insurance brokerage services, e-commerce technology development and e-commerce platform operation	*Note 1*	2017	Insurance sales services; insurance product promotion services	84,092	7.8	20 working days after receipt of invoice	Bank transfer
2. . .	Supplier E	A company principally engaged in insurance brokerage services	Registered capital of RMB76.8 million	2020	Insurance sales services	37,832	3.5	15 working days after receipt of invoice	Bank transfer
3. . .	Supplier H	A company principally engaged in insurance agency services	Registered capital of RMB144.0 billion	2022	Insurance sales services	35,836	3.3	12 working days after receipt of invoice	Bank transfer
4. . .	Supplier I	A company principally engaged in the development and sales of computer software and information system software	Registered capital of RMB1.4 million	2017	Insurance product promotion services	31,713	2.9	20 working days after receipt of invoice	Bank transfer
5. . .	Supplier J	A company principally engaged in the research and development and services of new media technology	Registered capital of RMB10.0 million	2020	Insurance product promotion services	26,847	2.5	20 working days after receipt of invoice	Bank transfer

Note:

1. The registered capital of our suppliers in Supplier Group C is RMB50.0 million and RMB6.3 million, respectively.

For the year ended December 31, 2024

Rank	Supplier	Background of the supplier	Business scale	Year of commencement of business relationship	Types of services provided to us	Amount of purchases	Percentage of our total purchases	Credit term	Settlement method
						(RMB'000)	*(%)*		
1. . .	Supplier Group C	A group of companies principally engaged in insurance brokerage services, e-commerce technology development and e-commerce platform operation	Note 1	2017	Insurance sales services; insurance product promotion services	65,257	7.6	20 working days after receipt of invoice	Bank transfer
2 . .	Supplier H	A company principally engaged in insurance agency services	Registered capital of RMB144.0 billion	2022	Insurance sales services	55,243	6.4	12 working days after receipt of invoice	Bank transfer
3 . .	Supplier E	A company principally engaged in insurance brokerage services	Registered capital of RMB76.8 million	2020	Insurance sales services	48,253	5.6	15 working days after receipt of invoice	Bank transfer
4 . .	Supplier K	A company principally engaged in technology services, technology development, technology consultancy and technology promotion	Registered capital of RMB5 million	2023	Insurance product promotion service	39,621	4.6	20 working days after receipt of invoice	Bank transfer
5. . .	Supplier M	A company principally engaged in insurance agency services	Registered capital of RMB50 million	2021	Insurance sales services	26,428	3.1	20 working days after receipt of invoice	Bank transfer

Note:

1. The registered capital of our suppliers in Supplier Group C is RMB50.0 million and RMB6.3 million, respectively.

During the Track Record Period, all of our top five suppliers in each year were Independent Third Parties. None of our Directors, their close associates or any of our shareholders (who, to the knowledge of the Directors, own more than 5% of our issued share capital) had any interest in any of our top five suppliers for each year during the Track Record Period and as of the Latest Practicable Date.

During the Track Record Period and up to the Latest Practicable Date, we had not experienced any significant fluctuation in prices set by our suppliers, material breach of contract on the part of our suppliers, or delay in delivery from our suppliers.

OUR TECHNOLOGICAL CAPABILITIES AND RESEARCH AND DEVELOPMENT

We believe that the continued success of our business is dependent on our strong technological capabilities, which helps us enhance the experience of policyholders and the insured, streamline insurance transaction processes, and improve operational efficiency. During the Track Record Period, we had incurred research and development expenses. For the years ended December 31, 2022, 2023 and 2024, we incurred research and development expenses amounting to RMB53.5 million, RMB61.1 million and RMB51.0 million, respectively, accounting for 6.6%, 3.7% and 3.7% of our revenue during the same periods, respectively. We did not capitalize any research and development expenses during the Track Record Period.

Technological capabilities

Our strong technological capabilities are attributable to our focus on the ongoing investment in R&D since our inception. The insights and knowledge of insurance industry that we have accumulated over the years have enabled us to build capabilities including marketing and sales, online access and quality management that facilitate efficient insurance transactions in our daily operations.

Our proprietary technology platforms support our rapidly growing processing capacity requirements and provide us with detailed and accurate information collected through our operations. From our client interface to management support systems, our technology platforms facilitate smooth execution and seamless data flow. We strive to align technology development with our business operations. Throughout the insurance transaction process, our operational workflows rely on technology empowerment. In addition, leveraging our technological capabilities, our quality management system is continuously being iterated and strengthened.

We apply the following models and systems in our insurance business to enhance our ability to accurately identify potential policyholders and the insured, mitigate risks and optimize our operational efficiency:

- ***Marketing tools.*** We provide various marketing and sales tools for different platforms.

    - o In terms of client acquisition, we offer technology supports such as client acquisition assistants, intelligent outreach, client insights, client management and intelligent client allocation. Particularly, intelligent client allocation applies the data analysis technologies to intelligently assign and match policyholders and the insured with insurance consultants based on various factors and rules.

- For client conversion, we offer tools and systems including product comparison, proposal generation, Jingjing (靜靜), Xiaozhi (核保小智), among others. For example, our online underwriting assistance system, Xiaozhi, assesses the health conditions of policyholders and the insured, performs fuzzy searches for diseases, predicts underwriting results, and provides customized product recommendations accordingly.

- We also provide differentiated technological support based on the unique characteristics of our three platforms, namely Xiaoyusan, Kachabao, and Niubao 100. For example, we offer internet-based activities for policyholders and the insured on Xiaoyusan, provide agents with sales tools and expense settlement systems on Kachabao, and provide multi-level channel management and expense settlement systems tailored to the needs of business partners on Niubao 100.

• ***Online transaction platforms.*** Through seamless integration with insurance companies' core systems, we continuously iterate and enhance our solutions, providing policyholders and the insured with convenient online platforms for transactions and service solutions. All our three platforms utilize the systems described below.

  - We have connected the product interfaces with around 100 insurance companies through our Haina system (海納系統), enabling us to launch an insurance product within one day at the fastest. Our Haina system complies with the communication protocols of insurance companies, standardizes the process of insurance policy application and componentizes information required for application. Our Haina system centrally manages routing through insurance company gateways, facilitating efficient development and launch of insurance products through configuration after integrating interfaces based on dimensions provided by insurance companies. For example, we offer swift product integration for API connections with a docking time which could be as short as five days.

  - We have developed an online underwriting assistance system for the underwriting process. Our system checks the completeness of the information verifying that each required field of the form is completed with proper information and transfers the information to the insurance companies for verification. For some insurance products, we incorporate the underwriting criteria set by insurance companies into our system, which allows the system to automatically evaluate whether a policyholder or the insured person is eligible for the insurance product. The codified criteria enables the assessment of a variety of conditions, resulting in more accurate evaluation of the eligibility of the policyholders and the insured and reducing the rate of rejection by insurance companies.

- For claim applications of policyholders and the insured, we have developed a rapid claims settlement service based on an intelligent claims calculation system, which automatically calculates claim amounts and generates claim documents based on claims rules, and the cases can be concluded in two minutes.

- ***Quality management system.*** We have been continuously improving our quality management system and have launched a number of related systems.

  - Our Eagle Eye AI Verification provides online callbacks to policyholders and the insured in online transactions, confirming their genuine intention to purchase insurance products, assessing the risk of sales during the application process and providing quality control in online insurance transactions. It uses risk models to identify potential risky policyholders and the insured's application for insurance policies, which models include a fraud risk calculation model and an identification model. The system utilizes various technologies such as facial recognition, live body detection, voice broadcasting, and speech-to-text conversion, which improves our quality control. Leveraging Eagle Eye AI Verification system, we have successfully reduced complaint rate. Currently, our effective complaint rate has been successfully controlled to below 1%. Eagle Eye AI Verification system is mainly used on Kachabao and Niubao 100 platforms.

  - Our Chuangxin Shanlu system is an intelligent dual recording system designed to meet the regulatory requirements for traceability of offline sales of insurance products and solve the dual recording problem in the insurance purchase process. It utilizes technologies such as automatic speech recognition and text-to-speech to enable intelligent voice guidance, interpretation of insurance clauses and vocal interaction with clients throughout the dual recording process. The dual recording time for a single policy can be shortened to ten to 15 minutes, which is shorter than the industry standard of 24 minutes. The recording pass rate reaches 99.6%, effectively reducing the time required for client recording and manual inspection. Chuangxin Shanlu system is mainly used on Kachabao and Niubao 100 platforms.

  - Our AI quality inspection system is mainly applied in the quality control of insurance sales and client service processes. The system analyzes voice, text and other data of insurance consultants to automatically identify issues in the processes and provide corresponding evaluations. Our AI quality inspection system utilizes speech recognition models, text classification models, and semantic analysis models. Our AI quality inspection system effectively improves the accuracy and efficiency of quality inspection. Our AI quality inspection system covers almost all of the communication by our insurance consultants. The AI quality inspection system is mainly used on Xiaoyusan platform.

- Our Internet traceability system, designed to protect user interests and resolve disputes in subsequent transactions, records and replays user operations in insurance transaction processes on the platforms to protect their rights. The system's back end performs real-time data recording and stores videos on the server after a user completes the entire process. To ensure the integrity of traceable videos, the system utilizes data encryption and data sequence identification self-checking of the reported data. Since its launch, the system has recorded a total of over 5.7 million videos, achieving 100% data storage of our insurance purchase transactions. Our Internet traceability system is used on all our three platforms.

- We independently developed the Picus risk assessment system which is a an online risk assessment platform that generates recommendations based on the information submitted in insurance applications.

We also developed underlying systems that support our entire process of insurance business and daily operational analysis. These systems primarily include insurance company management and insurance company branch management system, agent management system, business partner management and branch management system, client management system for policyholders and the insured, insurance company financial settlement system, insurance agent and business partner settlement system and database.

As a testament to our technological capabilities, during the Track Record Period, 20 insurance companies purchased our technology services, including services provided by our systems such as Picus Risk Assessment and rapid claims settlement.

Research and development team

Our technological capabilities are built by our talented and dedicated R&D team. We focus on building and maintaining a large pool of research talents to drive our R&D efforts. We also provide comprehensive trainings to new recruits. As of December 31, 2024, we had a team of 111 R&D professionals, representing approximately 17.3% of our total employees. The key members of our R&D team have an average of more than five years of relevant experience.

Our R&D team is led by Mr. Han, our chief technology officer, who has over 14 years of experience in Internet technology services and e-commerce. For more details on biographical details of Mr. Han, please refer to the section headed "Directors and Senior Management — Board of Directors — Executive Directors" in this prospectus.

Intellectual property

We regard our trademarks, domain names, copyrights, know-how, proprietary technologies, and similar intellectual property as critical to our success, and we rely on a combination of patent, copyright, trademark, and trade secret laws in the PRC, as well as confidentiality and other contractual protections with our employees, customers and others, to protect our proprietary rights.

As of December 31, 2024, we had twelve patents, 38 software copyrights and 243 trademarks in various categories in the PRC. In addition, we held a total of 29 domain names as of December 31, 2024, including our main website. For more details, please refer to the paragraph headed "Statutory and General Information — B. Further Information about our Business — 2. Our Material Intellectual Property Rights" set out in Appendix IV to this prospectus.

During the Track Record Period and up to the Latest Practicable Date, we were not aware of any material infringement (i) by us of any intellectual property rights owned by third parties; or (ii) by any third parties of any intellectual property rights owned by us.

DATA PRIVACY AND DATA SECURITY

During the course of our business, we may collect, store, process and analyze data provided by policyholders and the insured. The types of data collected by Xiaoyusan platform mainly include user phone numbers, personal names, gender, date of birth, address, email addresses, ID numbers of policyholders and the insured individuals, policy data (policy number, coverage details, etc.), health declaration from the insured individuals (such as specific diseases in medical history), bank account information of policyholders, and claim materials submitted by the insured individuals (including policy information, medical records, medical bill receipts, bank account information, etc.).

The types of data collected by Kachabao platform mainly include insurance agents' phone numbers, names, ID numbers, education and work experience, academic certificates, email addresses, WeChat IDs, and business data generated by insurance agents through operation on Kachabao platform.

When insurance agents assist policyholders to input personal information through Kachabao platform to purchase insurance, the platform collects personal names, gender, date of birth, address, email addresses, identity information of policyholders and the insured individuals, policy data (policy number, coverage details, etc.), and health declaration from the insured individuals (such as specific diseases in medical history).

The types of data collected by the Niubao 100 platform include business data obtained by licensed insurance intermediaries through operation on the platform, including customers' WeChat account information (WeChat nicknames and WeChat avatars, etc), client consultation appointment data, insurance application data, personal and group insurance data (policy

number, coverage details, etc.), insurance product information and promotional materials, sales performance data of licensed insurance intermediaries selling insurance products (premium and commission income settlement data), and also collects account information and practitioner information of such licensed insurance intermediaries. We are dedicated to protecting users' personal information, and we have established and implemented policies and procedures to ensure the security, confidentiality and integrity of data. Set forth below are the summaries of our related policies and procedures:

Data collection and storage

To ensure that we obtain users' consent in collecting and using their data, we provide a user privacy policy and personal information authorization agreement on our platform, setting forth our data use rules and privacy protection protocols. When a user registers an account with us through our website or app and starts to use our services, he or she must read and agree to our privacy agreement before the registration can be completed.

All the users' personal information which we collected and generated from our operations in the PRC are stored in the PRC. We store user data in accordance with applicable laws and regulations, and we have adopted and implemented internal control system and protocols in relation to data security and personal information protection.

Data access and usage

To prevent any unauthorized access to or illegitimate use of data, we only grant access to employees holding specific positions at certain levels to data on a need-to-know basis and maintain records of such employees. We only use the personal information for the stated purpose as authorized by the clients or users or for the performance of the contract or as required or permitted by relevant laws and regulations, for example to provide insurance claims assistance service for policyholders and the insured and as otherwise required by applicable laws and regulations.

Data security protection measures

Our core insurance business system has obtained a Level III filing certificate for information system security protection. To reinforce data protection, we deploy different encryption methods at both software or APP and infrastructure levels. Data collected in the course of our business is stored on our database secured by firewall subject to additional personal information encryption and decryption procedures. We also employ a variety of technical solutions to minimize and detect risks and vulnerabilities in our network, infrastructure and database, we implement security measures such as setting up bastion hosts, firewalls, and regularly conducting malicious code scans and patch upgrades. We also store operation logs and conducts log auditing to ensure data security. We have established a mechanism for controlling access to personal information, whereby employee access to personal information is controlled according to the principle of Minimum Authorization. A specialized committee for personal information compliance auditing is also established to carry

out internal audits of personal information compliance within the company. We have formulated regulations such as the "Network Security Management System," "Data Security Incident Emergency Response Plan," and "Personal Information Protection Management System" to standardize the handling of information system security incidents, data security incidents, and personal information security incidents. Corresponding emergency response plans have also been developed.

Data security policies

To protect data security, our operations team works closely with our legal and compliance department to jointly establish and enforce procedures regarding the management of data security. We design specialized systems for data maintenance, information system control, and handling of data security incidents. Data security incidents are classified as emergency, non-emergency, or bugs, and are handled according to the degree of urgency. We have established management systems such as "General Guidelines and Security Policies for Information Security Work," "Information Security Organizational Structure and Responsibilities," "Information Security Authorization and Approval Management Measures," "Network Security Management System," "Data Security Management System," and "Personal Information Protection System" to standardize matters related to data security protection and personal information protection.

To mitigate the risks of misusing of data, we provide data security and protection training to our employees on a regular basis to ensure that our employees are well aware of the measures we adopt for data security and the significance of them. According to our internal policies, our employees would be penalized for breaching of our data security policies, and the level of penalty depends on the severity and frequency of the breach. We also maintain contingency plans and conduct regular data backup and recovery tests to enhance the resilience, reliability and stability of our systems.

Our employees are required to report any data security incident, for example leakage or loss of confidential data, to our data security team which will then investigate the causes of the incident and monitor the implementation of any rectification measures and any follow up measures to be taken by the responsible department or team to prevent recurrences of similar incidents.

During the Track Record Period, we did not experience any material data leakage or loss of data and we were not subject to any administrative investigation, or administrative penalties in relation to network security, data protection or other similar incidents. We believe that we had complied with the applicable laws and regulations on the collection, storage, usage and disclosure of data in all material aspects during the Track Record Period and up to the Latest Practicable Date.

Considering that (i) during the Track Record Period and up to the Latest Practicable Date, we did not experience any breach of users' personal information or any other data security incidents which could cause a material adverse effects on our business; and (ii) during the

Track Record Period, we had not been subject to any proceedings or penalties related to privacy protection and data security, our PRC Legal Advisor as to PRC cybersecurity and data privacy protection laws is of the view that we were in compliance with all applicable currently effective PRC laws and regulations in related to data security and personal information protection in all material aspects during the Track Record Period.

Data privacy and protection laws and regulations

Regulatory requirements regarding data security and data protection are constantly evolving and can be subject to differing interpretations or significant change, making the extent of our responsibilities in that regard uncertain. Complying with new laws and regulations could cause us to incur substantial costs or require us to change our business practices in a manner materially adverse to our business. For instance, various regulatory bodies in China, including the Cyberspace Administration of China ("**CAC**"), the Ministry of Public Security and the SAMR, have enforced data privacy and protection laws and regulations with varying and evolving standards and interpretations. On December 28, 2021, the CAC and other regulatory authorities jointly revised and promulgated the Cybersecurity Review Measures, which became effective on February 15, 2022. The Cybersecurity Review Measures stipulate that (i) critical information infrastructure operators ("**CIIO**") purchasing network products and services and internet platform operators carrying out data processing activities, which affects or may affect national security, are subject to the regulatory scope; (ii) the internet platform operators holding personal information of more than one million users seeking a listing in a foreign country must file for the cybersecurity review; and (iii) where members of the cybersecurity review working mechanism believe that network products and services and data processing activities affect or are likely to affect national security, the Cybersecurity Review Office shall report the same under the procedures to the Central Cyberspace Affairs Commission for approval, and then conduct the review in accordance with the Cybersecurity Review Measures. As of the Latest Practicable Date, we have not been identified as a CIIO under current effective PRC laws and regulations. Our PRC Legal Advisor as to PRC cybersecurity and data privacy protection laws conducted consultation via the hotline published by the CAC on a named basis on behalf of us on January 2, 2024, with an officer of the China Cybersecurity Review Technology and Certification Center (中國網絡安全審查技術與認證中心) (the "**CCRC**", now renamed as China Cybersecurity Review, Certification and Market Regulation Big Data Center (中國網絡安全審查認證和市場監管大數據中心)). The CCRC is a competent authority on this consultation, because it is entrusted by the Cybersecurity Review Office under the CAC with authority to accept and review of application materials and to set up a hotline for consultation regarding the cybersecurity review, according to the official announcement by the CAC. Based on such consultation, the Cybersecurity Review Measures stipulate "seeking a listing in a foreign country" while our proposed listing is in Hong Kong, and we do not need to proactively file for the cybersecurity review, given that Hong Kong is part of the PRC and does not belong to any "foreign country" as contemplated in the Cybersecurity Review Measures. As the Cybersecurity Review Measures are released recently, some provisions and implementation standards in such measures are still subject to the further guidance by relevant authorities. The relevant authorities have discretions in the interpretation and enforcement of such regulations, and it is unclear whether and how such regulations will further evolve into supervisory

measures in the future, and we will closely monitor and assess any development in the rule-making process. If we become subject to enhanced cybersecurity review or investigations launched by PRC regulators in the future, any failure or delay in the completion of the cybersecurity review procedures or any other non-compliance with the related laws and regulations may result in fines or other penalties, including suspension of business, website closure, removal of our app from the relevant app stores, and revocation of prerequisite licenses, as well as reputational damage or legal proceedings or actions against us, which may have a material adverse effect on our business, financial condition or results of operations.

On November 14, 2021, the CAC issued the Draft Cyber Data Security Regulations (網絡數據安全管理條例(徵求意見稿)) (the "**Draft Regulations**"). On September 24, 2024, the State Council promulgated the Regulations on the Administration of Cyber Data Security (《網絡數據安全管理條例》) (the "**Data Security Regulations**"), which is applicable to network data processing activities and the security supervision and administration thereof conducted within the territory of the PRC and took effect on January 1, 2025. The Data Security Regulations stipulate that data processors engaging in data processing activities that affect or may affect national security shall be subject to national security review in accordance with relevant laws and regulations. Furthermore, the Data Security Regulations do not include the article of "if a data processor's proposed listing in Hong Kong affect or may affect national security, the data processor shall apply for the cyber security review according to relevant laws and regulations" that as presented in the Draft Regulations which was promulgated by the CAC on November 14, 2021.

Based on (i) the above consultation response from the staff of CCRC; (ii) in accordance with Article 2, Article 8 and Article 10 of the Regulations on Protection of Critical Information Infrastructure, the competent authorities and supervision and administration departments of the important industries and sectors (hereinafter referred to as the "**protection departments**") are responsible for the security protection of critical information infrastructure; the protection departments are responsible for organizing the identification of critical information infrastructure within its industry or field according to the identification rules, notifying the operators of the identification results in a timely manner, and reporting to the Ministry of Public Security. As of the Latest Practicable Date, we have not received any notification from the relevant competent or supervisory authorities to require our PRC domestic companies to undergo a cybersecurity review, nor have we been informed that the PRC domestic companies have been identified as operators of critical information infrastructure; (iii) according to the oral response of the staff of the CCRC to the telephone consultation, the cybersecurity review stipulated in Article 16 of the Cybersecurity Review Measures (2021) does not require proactive application. If competent authorities initiate a cybersecurity review based on Article 16 of the Cybersecurity Review Measures (2021), the relevant departments will notify the entities involved in the cybersecurity review; (iv) as of the Latest Practicable Date, we had neither been involved in any investigations on cybersecurity review conducted by the CAC nor received any warning or penalties in this regard; and (v) we have adopted internal measures regarding data security and personal information protection to ensure compliance with relevant laws, our Directors and our PRC Legal Advisor as to PRC cybersecurity and data privacy protection laws are of the view that we would be able to comply with the Cybersecurity Review

Measures in all material aspects and the Cybersecurity Review Measures will not have any material adverse effect on our business operations or the Listing, as of the Latest Practicable Date we are not engaged in any cybersecurity review or subject to any warnings or fines or punishment regarding to cybersecurity by any competent authority.

On July 7, 2022, the CAC promulgated the Security Assessment Measures for Outbound Data Transfer (《數據出境安全評估辦法》) (the "**Security Assessment Measures**"), effective from September 1, 2022. The Security Assessment Measures require that any data processor which processes or exports personal information exceeding certain volume threshold under such measures shall apply for security assessment by the CAC before transferring any personal information outbound. The security assessment requirement also applies to any transfer of important data outside China.

The New Cross-Border Data Regulations implemented on March 22, 2024 adjust the implementation of the data cross-border security assessment, standard contract administration on cross-border transfer of personal information, and personal information protection certification systems, which were previously stipulated in the PRC Personal Information Protection Law and issued by the Cyberspace Administration of China in the Measures for the Security Assessment of Cross-Border Data Transfer and the Provision on the Standard Contract on Cross-border Transfer of Personal Information. For further details, please refer to the section headed "Regulation Overview – Regulations Related to Cybersecurity and Data Security" in this prospectus. According to Article 7 of the New Cross-Border Data Regulations, data processors who provide data overseas and meet one of the following conditions should apply for data cross-border security assessment to the national cyberspace authority through the provincial cyberspace administration where they are located: (1) operators of critical information infrastructure provide personal information or important data overseas; or (2) data processors other than operators of critical information infrastructure provide important data overseas, or have provided personal information of more than 1 million people (excluding sensitive personal information) or more than 10,000 people of sensitive personal information overseas since January 1 of the current year.

Small Umbrella Insurance Brokerage has partnered with a major listed insurance company and other insurance companies to engage in cross-border e-commerce insurance brokerage business, providing Mainland China cross-border e-commerce enterprise clients operating on the eBay platform with insurance brokerage services. These relevant insurance products comprise cargo transportation and returns insurance policy, seller and platform liability insurance policy, trade credit insurance policy, and extended warranty insurance policy for products across all categories, etc. Cross-border e-commerce insurance brokerage business conducted by Small Umbrella Insurance Brokerage involves transfer of data overseas which requires compliance with the relevant laws and regulations. From April 1, 2023, to June 30, 2023, Small Umbrella Insurance Brokerage conducted a self-assessment of risks in data cross-border transfer and produced a Data Cross-border Transfer Risk Self-Assessment Report. According to the Data Cross-border Transfer Risk Self-Assessment Report, the data transferred by Small Umbrella Insurance Brokerage overseas during its overseas insurance brokerage operation is corporate information such as enterprise clients' name and their eBay IDs, which

does not include personal information as defined in the Personal Information Protection Law of the PRC and the items of personal information listed in the Information Technology Security – Personal Information Security Specification (GB/T35273-2020); Small Umbrella Insurance Brokerage confirms that it has not been notified that it was recognized as a CIIO (Critical Information Infrastructure Operator) according to the Regulations on Protection of Critical Information Infrastructure; and, in accordance with the Information Security Technology — Guideline for Identification of Critical Data (draft for soliciting opinions), the data transferred overseas does not qualify as critical data. Furthermore, Appendix G to the Data Security Technology – Data Classification and Grading Rules (GB/T 43697-2024) (Draft for Approval) which did not come into effect when Small Umbrella Insurance conducted the self-assessment and has become effective on October 1, 2024 provides several factors for identifying important data. Upon checking such appendix, Small Umbrella Insurance Brokerage confirms that the data transferred overseas during its overseas insurance brokerage business does not contain the factors listed in such appendix. Based on the above, our PRC Legal Advisor as to PRC cybersecurity and data privacy protection laws believe that the transfer of data overseas by Small Umbrella Insurance Brokerage in the course of its overseas insurance brokerage business operations does not fall under the circumstances requiring the application for a data cross-border transfer security assessment as stipulated in the Security Assessment Measures and adjusted in the New Cross-border Data Regulations. Other subsidiaries of the Group do not engage in data cross-border transfer during their daily business operation. Our revenue and gross profit attributable to cross-border e-commerce insurance brokerage business amounted to RMB2.8 million and RMB1.8 million, respectively in 2023. Our revenue and gross profit attributable to cross-border e-commerce insurance brokerage business amounted to RMB108 thousand and RMB69 thousand, respectively in 2024. We did not derive revenue or gross profit from cross-border e-commerce insurance brokerage business in 2022.

Our Directors confirm that we had not been subject to any penalties or claims for violating applicable data security or cybersecurity laws during the Track Record Period and up to the Latest Practicable Date. We have adopted the relevant measures to satisfy applicable data security and cybersecurity requirements.

COMPETITION

According to Frost & Sullivan, the market size of China's life and health insurance market in terms of GWP amounted to RMB3.8 trillion in 2023. Online insurance services, which utilize platforms for conducting insurance transactions, amounted to RMB0.5 trillion in 2023 in terms of GWP, which accounted for 14.6% of the total GWP in China's life and health insurance market, an increase from 6.0% in 2019. We primarily compete with insurance intermediaries and in-house sales force of insurance companies. In addition, we also compete against other market players including bancassurance channels and concurrent-business insurance agencies. In 2023, the GWP of the life and health insurance intermediary market in China reached RMB237 billion, which accounted for 6.3% of the total GWP in China's life and health insurance market, an increase from 2.4% in 2019. We ranked eighth in terms of GWP in the life and health insurance intermediary market in China in 2023, with a market share of 2.9%. Online intermediaries dominated China's life and health insurance intermediary market

and accounted for 89.1% of the total GWP in China's life and health insurance intermediary market in 2023. The online long-term life and health insurance intermediary market in China is relatively concentrated and highly competitive. The top five players contributed to a total of 68.6% of the market share in terms of GWP in 2023. We are the second largest online insurance intermediary in China in terms of GWP of long-term life and health insurance in 2023, with a market share of 7.3%, following a prominent player in the market with a share of 45.5%. As competition in China's online long-term life and health insurance intermediary market intensifies, we believe that we are well positioned to take advantage of opportunities in this growing industry. For additional details regarding the competitive landscape of the industry in which we operate, please refer to the section headed "Industry Overview" in this prospectus.

LICENSES AND PERMITS

We are required to obtain various licenses and permits for our operations. As advised by our PRC Legal Advisor, as of the Latest Practicable Date, we had obtained all material licenses, approvals and permits as required by PRC laws in all material aspects which are necessary to our current operations, and such licenses, approvals and permits were valid and remain in effect.

We renew all our permits and licenses from time to time to comply with the relevant laws and regulations. If the application documents for renewal have been submitted to the relevant authorities in accordance with applicable laws and regulations, we expect that there will not be any material legal impediment to renewing such permits or licenses as they expire in the future. The following table sets forth our material licenses as of the Latest Practicable Date:

License	Permitted business scope	Holder	Issuing authority	Date of approval/filing	Expiry date
Insurance Intermediary License (保險中介許可證)	Devising insurance proposals, selecting insurers and handling insurance application procedures for policyholders; assisting insured or beneficiaries in making insurance claims; engaging in reinsurance brokerage activities; providing disaster prevention, loss prevention, risk assessment, risk management consulting services to clients; conducting other business activities approved by insurance regulatory authorities in China	Small Umbrella Insurance Brokerage	former Tianjin Supervision Bureau of China Banking and Insurance Regulatory Commission (中國銀行保險監督管理委員會天津監管局)	November 1, 2013	October 30, 2025[(1)]

License	Permitted business scope	Holder	Issuing authority	Date of approval/filing	Expiry date
Insurance Intermediary License (保險中介許可證)	Acting as agent for the sale of insurance products; collecting insurance premiums; conducting loss assessment and claims handling for relevant insurance business; engaging in other business activities approved by insurance regulatory authorities in China	Chuangxin Insurance Sales	former Shenzhen Supervision Bureau of China Banking and Insurance Regulatory Commission (中國銀行保險監督管理委員會深圳監管局)	September 16, 2006	Long-term validity[(2)]
Filing form for the insurance survey and claim adjustment business	Pre-insurance and post-insurance verification, valuation, and risk assessment of insurance subjects; survey, inspection, loss estimation, claims calculation, and handling of salvage for insurance subjects involved in claims after the occurrence of an insured event; risk management consulting; other business activities approved by insurance regulatory authorities in China	Baihong Insurance Appraisal	National Financial Regulatory Administration (國家金融監督管理總局監管局)	December 20, 2017	N/A
License for Value-added Telecommunications Business (增值電信業務經營許可證)	Information service business (limited to Internet information services) excluding information search and query services, and instant interactive information services	Chuangxin Insurance Sales	Ministry of Industry and Information Technology (中華人民共和國工業和信息化部)	February 15, 2023	February 15, 2028
License for Value-added Telecommunications Business (增值電信業務經營許可證)	Information service business (limited to Internet information services) excluding information search and query services, and instant interactive information services	Small Umbrella Insurance Brokerage	Ministry of Industry and Information Technology (中華人民共和國工業和信息化部)	December 6, 2023	December 6, 2028

Notes:

(1) Pursuant to the Regulatory Provisions on Insurance Brokerages (《保險經紀人監管規定》) (the "**Insurance Brokerages Provisions**"), the valid term of the license for an insurance broker to operate insurance brokerage business is three years. An insurance broker shall apply to the relevant local office of NFRA for renewal of its license as required 30 days prior to the expiration of the license. When we apply for renewal of the license, we shall submit to the relevant authorities the application documents for renewal as required, the relevant authorities shall conduct a comprehensive review and evaluation of our operation during the three years prior to the expiration of the license and evaluate whether we comply with Article 7 of the Insurance Brokerages Provisions and other applicable laws, regulations and rules, and then shall make a decision as to whether to grant the renewal thereof.

(2) On November 12, 2020, the CBIRC promulgated the Regulatory Provisions on Insurance Agents (《保險代理人監管規定》) (the "**Insurance Agents Provisions**"), which became effective on January 1, 2021 and replaced the former Provisions for the Supervision and Administration of Professional Insurance Agencies (《保險專業代理機構監管規定》). In the Insurance Agents Provision, "the valid term of the license for an insurance professional agent is three years" which was specified in the Provisions for the Supervision and Administration of Professional Insurance Agencies was removed. Therefore, the Insurance Intermediary License obtained by Chuangxin Insurance Sales has long-term validity.

AWARDS AND RECOGNITIONS

During the Track Record Period, we received awards and recognitions in respect of our services, technology and innovation. The following table sets out the details of some of the notable awards and recognitions which we have received:

Award/Recognition	Awarding/Issuing Institution/Authority	Award Year
2024 Insurance Industry Digital Transformation Outstanding Case	China Banking and Insurance News	2024
IMVA Annual Most Promising Company	Insurance Today	2024
2024 Fintech Enterprise Double 50 List	KPMG	2024
INSLAB Top 100 of China InsurTech in 2024	INSLAB	2024
Xiangmi Lake Financial Technology Innovation Award — Emerging Enterprise Award	Financial Services and Risk Control Center of Futian District	2024
Zeng Duoduo Incremental Whole Life Insurance Wins "2023-2024" Golden Reputation Annual Life Insurance Product Award	China Banking and Insurance News	2024
AI Quality Inspection System Wins the Gold Award for Excellent Projects at the Fourth China Insurance Technology Innovation Competition	INSLAB	2024

Award/Recognition	Awarding/Issuing Institution/Authority	Award Year
Eagle Eye AI Verification System Wins the Gold Award for Excellent Projects at the Fourth China Insurance Technology Innovation Competition	INSLAB	2024
2023 Fintech Enterprise Double 50 List	KPMG	2024
Golden Unicorn Insurance Industry "Annual Leading InsurTech Company"	Sina	2024
Top 20 Financial Technology Leaders in the Guangdong-Hong Kong-Macao Greater Bay Area	Invest Hong Kong, Hong Kong Trade Development Council, Shenzhen Financial Technology Association, Hong Kong Computer Society, KPMG China	2023
Leading Insurance Intermediary Development Company in the China Insurance White Elephant List 2023	insure123.cn	2023
Jinyibao Million Medical Insurance Wins Insurance Product Innovation Award at the 2023 Global Insurance Branding Conference	JRJ.com	2023
Jinyibao Million Medical Insurance Wins 2023 Recommended Product of Commercial Health Insurance	insure123.cn	2023
Dahuangfeng Children Critical Illness Insurance Wins 2023 Jinnuo — China Financial Product Communication Model Award	China Banking and Insurance News	2023
The book "How to Apply for Claim Settlement" Wins the Service Innovation Case in the China Banking and Insurance Industry	China Banking and Insurance News	2023
Top 20 Insurance Digital Application Agencies	01Caijing think tank	2022
InsurStar 2022 Outstanding Intermediary Organization	baoxianguancha.com	2022

Award/Recognition	Awarding/Issuing Institution/Authority	Award Year
Top 10 Most Watched Chinese Insurance Technology Companies in 2022	inslab	2022
Chaojimali Critical Illness Insurance Wins 2022 Insurance Product List	China Banking and Insurance News	2022
Dahuangfeng Children Critical Illness Insurance Wins China Insurance White Elephant List 2022 "Generous Insurance Product"	insure123.cn	2022
Umbrella Action Wins Jinnuo — China Finance 2022 Outstanding Social Responsibility Program	China Banking and Insurance News	2022
Annual Service Innovation Cases in China's Banking and Insurance Industry	China Banking and Insurance News	2022

EMPLOYEES

As of December 31, 2024, we had 640 full-time employees in the PRC. The table below sets out a breakdown of our employees by function as of December 31, 2024:

	Number of Employees	% of Total
Administration and operation	137	21.4
Sales	392	61.3
Research and development	111	17.3
Total	**640**	**100.0**

Our success depends on our ability to attract, motivate, train and retain qualified personnel. We believe we offer our employees competitive compensation packages and an environment that encourages self-development and, as a result, have generally been able to attract and retain qualified personnel and maintain a stable core management team. We value our employees and we are committed to growing with our employees.

We have a structured salary system consisting of salaries, bonuses and allowances. For our in-house insurance consultants who are individual insurance sales practitioners registered with the NFRA under us, their remuneration packages will include salary and incentives for successful distribution of insurance products. We determine employee base salary by taking into account various factors including positions, qualifications and years of experience. We

regularly review our employees' bonuses using a range of indicators tailored to different departments and positions, allowing us to recognize and reward the contributions made by our employees. As required by the PRC regulations, we participate in social insurance schemes operated by the relevant local government authorities and maintain mandatory pension contribution plans, medical insurance, work-related injury insurance, unemployment insurance and maternity insurance for our employees. We also provide other benefits to our employees such as annual leave and commercial insurance.

When we make hiring decisions, we take into account factors such as our business strategies, our development plans, industry trends and the competitive environment. We recruit our employees based on a number of factors such as their work experience, educational background and vacancies. We endeavor to attract and retain appropriate and suitable personnel. We have adopted the Pre-IPO Share Award Scheme on November 30, 2023. For more details, please refer to the section headed "Statutory and General Information — D. Share Incentive Scheme — 1. Pre-IPO Share Award Scheme" set out in Appendix IV to this prospectus.

We enter into standard contracts and agreements with our employees. These contracts typically include a non-competition provision effective during their employment with us, and a confidentiality provision effective during and after their employment with us. Our standard employment contract also includes specific intellectual property rights provisions such that all intellectual property created or developed during the course of employment is owned by and will belong solely to us.

We provide continuing education and training programs to our employees to improve their skills and develop their potential. We also adopt evaluation programs through which our employees can receive feedback. We foster strong employee relations by offering various staff benefits and personal development support. We believe that we maintain a good working relationship with our employees. During the Track Record Period and up to the Latest Practicable Date, we had not experienced any material labor disputes or claims. Currently, none of our employees are represented by labor unions.

According to the relevant PRC laws and regulations, we are required to make contributions to the social insurance fund and housing provident fund for the benefit of our employees in China. During the Track Record Period, we have failed to make full contribution to the social insurance for certain employees. For the years ended December 31, 2022, 2023 and 2024, the aggregate shortfall of social insurance contributions was RMB3.7 million, RMB5.6 million and RMB2.9 million, respectively. We have made adequate provisions for our historical contribution shortfall.

According to relevant PRC laws and regulations, we might be subject to late fees and fines for not making social security contributions in full amount in a timely manner. If any competent government authority is of the view that the social security payment we made for our employees does not satisfy the requirements under relevant PRC laws and regulations, we might be ordered to pay the unpaid amount within a certain period and a late fee that equals

to 0.05% of the total unpaid amount per day may be imposed on us. If we fail to pay the unpaid amount or the late fee, we may be subject to a fine ranging from one to three times of the total unpaid amount of the social security fund contribution. As advised by our PRC Legal Advisor, if any of the relevant social insurance authorities is of the view that our contributions to the social insurance contributions we made for our employees do not satisfy the requirements under the relevant PRC laws and regulations, it may order us to pay the outstanding balance within a prescribed period. As for the penalty amount, as advised by our PRC Legal Advisor, according to the Social Insurance Law, we would be subject to a fine only if the relevant social insurance authorities are of the view that the social insurance contributions we made for our employees do not comply with the requirements under the relevant PRC laws and regulations and order us to pay the outstanding balance within a prescribed time period plus a late fee, and we fail to do so within the prescribed period as requested by the relevant social insurance authorities. We undertake that, if we are ordered to make such payment, we will do so within the prescribed time period.

Having considered the foregoing, our Directors are of the view that such non-compliance will not have a material adverse impact on our operations and financial condition, considering that: (i) we had not been subject to any material administrative penalties with respect to our social insurance contributions during the Track Record Period and up to the Latest Practicable Date; (ii) as of the Latest Practicable Date, we had not received any notification from the relevant PRC authorities requiring us to pay material shortfalls or the penalties with respect to social insurance; (iii) we were not aware of any material employee complaints nor were involved in any material labor disputes with our employees with respect to social insurance during the Track Record Period and up to the Latest Practicable Date; and (iv) we have made provisions of RMB3.7 million, RMB5.6 million and RMB2.9 million for the social insurance shortfall for the years ended December 31, 2022, 2023 and 2024, respectively. We have adopted a set of internal policies in relation to social insurance and housing provident fund contributions. We will endeavor to pay future social insurance and housing provident fund for our employees in accordance with applicable laws and regulations upon Listing. Based on relevant practices of social insurance contributions, the adjustment of the social insurance contribution base is usually made during a designated time period each year and such time period varies in different regions pursuant to the local requirements. Therefore, upon the Listing, we will adjust the social insurance contribution base as soon as the administrative windows open and make full payment of social insurance for our employees, if we are ordered to make such adjustment. Based on the foregoing, our PRC Legal Advisor is of the view that the likelihood that we will be subject to any fines is low provided that we pay timely and adequately as requested by the relevant social insurance authorities when we receive any notification from the relevant PRC authorities requiring us to pay shortfalls and other fees.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE

We believe that the establishment and implementation of sound environmental, social and governance ("**ESG**") principles and practices will help enhance the value of investments in us and provide long-term returns for our stakeholders. We plan to adopt a comprehensive and effective set of measures to systematically identify, assess, manage and mitigate the

ESG-related risks. Upon the Listing, we will publish an ESG report annually to comprehensively analyze and disclose important ESG matters, including our ESG-related guidelines, strategies and targets, as well as their significance in relation to our business. We intend to be public and transparent in terms of our ESG performance before our stakeholders. In this respect, we plan to conduct an annual review of progress toward our goals for addressing ESG-related issues, and revise our ESG strategies accordingly, as appropriate.

We are aware of the impact that ESG and climate factors, among others, may have on our business and are fully cognizant of our responsibility to integrate environmental, social and governance practices into all major aspects of our business operations. We are committed to strengthening ESG governance functions at the strategic level and have established an ESG governance system jointly led by our Board, senior management and the ESG working group, forming a top-down ESG governance structure to ensure the efficient promotion of ESG work.

During the Track Record Period and as of the Latest Practicable Date, we had not been subject to any fines or other penalties due to non-compliance with health, safety or environmental regulations. ESG-related issues continue to receive greater public scrutiny and attention from regulators. In June 2022, the CBIRC issued the Green Finance Guidelines for the Banking and Insurance Industry (《銀行業保險業綠色金融指引》), which requires insurance institutions to incorporate ESG requirements into the comprehensive risk management system and classify and evaluate the customers' ESG-related risks, further implementing differentiated management measures in business operations according to customer risk conditions. The Green Finance Guidelines for the Banking and Insurance Industry and future changes in ESG-related laws and regulations may expose us to potential transition risks. We may be required to invest significantly in transforming our business and operations.

Corporate social responsibility

We have aimed for long-term sustainable growth since our inception. To achieve this aim, we strive to work with all stakeholders to ensure that we will work with partners in our business, investors, employees and society as a whole to play our part in building a healthy, robust and sustainable future.

Economic responsibility and employee care

We strive to consistently reach our business and development targets to create value which will enable us to reinvest in our talents, as we believe that our talents are an integral part of our success. We have invested significant resources in career development and training for our employees of all levels. Such training includes newcomers' training, on-the-job training and professional development seminars. We also have comprehensive review systems and promotion pathways in place to clarify the career advancement opportunities within our Group for our employees. By providing resources for professional development and a clear career pathway, we foster a corporate culture of professionalism and demonstrate to our employees that we value their contributions.

We also offer a comprehensive compensation and benefits package, with competitive salaries, bonuses, maternity leave, and other allowances, on top of social insurance and housing provident fund contributions. We also embrace diversity and inclusion, so all our employees enjoy equal opportunities in all respects, ranging from recruitment, training, welfare coverage, career and personal development during their time with us. Besides, we will also continue to encourage a culture of work-life balance, to create a positive and comfortable work environment for our employees. For more details, please refer to the paragraph headed "Employees" in this section. We treat all employees equally regardless of age, race or sex.

Environmental responsibility

Given the nature of our business operations, we are only involved in energy and resource consumption in our routine office work and generate a small amount of waste. In this regard, we strictly comply with the "Environmental Protection Law of the People's Republic of China" (《中華人民共和國環境保護法》), the "Energy Conservation Law of the People's Republic of China" (《中華人民共和國節約能源法》) and other relevant laws and regulations, uphold the concept of "green, energy-saving and low-carbon", and continue to strengthen the construction of the environmental management system. Meanwhile, we measure and follow up on the environmental performance indicators, and adopt targeted energy-saving and emission-reduction programs to comprehensively mitigate the negative indirect impacts on the environment. We continue to advocate the concept of low-carbon office, actively carry out environmental protection activities, and encourage employees to do their part for environmental protection.

The policies we have formulated and adopted in respect of environmental protection include:

- Following the green and low-carbon concept in the procurement process: priority is given to green products with advantages in environmental protection, resource conservation, low-carbon and recycling, and low-energy-efficiency products are phased out.

- Strengthening the standardized management of waste: clarifying the specific treatment standards of waste by category, collecting the office domestic garbage to the property garbage station uniformly after classification; and classifying and managing the storage of waste electronic products.

- Resource saving and recycling from the source: posting corresponding saving slogans in the area involving paper resources, encouraging black and white and double-sided printing; setting up direct drinking water equipment to reduce the use of bottled water; regularly checking our Group's water appliances to avoid leakage.

- Regular statistical analysis of environmental performance: scientific formulation of control objectives to enhance the level of resource and energy conservation. It is required that our Group's key indicators such as electricity consumption per capita and water consumption per capita shall be no higher than the level of the same period of the previous year.

- Creating a green and healthy office environment: strengthening environmental protection and energy-saving design in offices, and promoting the concept of a green environment and green offices; posting green energy-saving logos at the air-conditioning switches in workplaces, and requesting the control of air-conditioning cooling temperatures of no less than 26°C, the timely shutting down of computers, lights and other electricity-using equipment.

- Promoting the concept of green life: deeply rooting the excellent culture of energy saving, emission reduction and environmental friendliness in the daily life of employees; encouraging employees to participate in environmental protection actions and contributing to the care of the natural environment.

Climate-related risk and opportunity assessment and management

Climate change poses unprecedented challenges to global economic and social development. Recognizing the interconnectedness of our business and operations with climate change, we proactively identify and assess climate-related risks that climate change may have on our business, supply chain and stakeholders, including:

- Physical risk (short and medium term): Our main workplaces are located in coastal areas, where the increased frequency of floods, typhoons, storms and other extreme weather events may result in an increased incidence of damage to office facilities and disruption to networks and services. This not only poses a security risk to our employees, but also impacts our business continuity, which in turn affects our financial position by triggering higher operating costs and asset impairments. We pay close attention to the weather disaster risk alerts issued by the climate authorities, enhance our climate resilience by improving our extreme weather contingency plans, strengthening telecommuting collaboration, and upgrading our cyber disaster prevention capabilities, and strive to minimize the potential impact of natural disasters or accidents by purchasing accident insurance for our employees.

- Transition Risk (medium and long term): As policies and requirements for greenhouse gas emissions continue to tighten, we may further increase our investment in purchasing green power, promoting green procurement, green retrofitting of our office premises, and enhancing energy efficiency, resulting in an increase in our operating costs. We have implemented a low carbon operating concept to enhance the measurement of energy and carbon emission targets and to track regulatory requirements and stakeholder expectations for more sustainable

operations and services. We also plan to respond to the progress of government actions to address climate change by continuing to adopt energy efficiency and emission reduction measures to enhance our climate change resilience.

- Climate-related opportunities (medium and long term): Climate change can affect the safety and health of human beings in a variety of ways, and insurance products can be an important hedging mechanism against climate risks by transferring and spreading risks. Frequent extreme weather events such as typhoons and rainstorms may cause changes in people's demand for life insurance, casualty insurance and other insurance products, which may have an impact on our business strategy, including potentially increasing the business opportunities for some of our insurance products. We will pay close attention to the research and development and innovation of climate-related insurance products in an effort to respond to the public's demand for climate risk protection, promote public risk awareness, and help reduce losses arising from climate-related disasters.

Environmental, Social and Governance Related Indicators and Objectives

We have considered quantitative data reflecting our environmental, social and governance-related performance. A breakdown of the relevant indicators for the Track Record Period is set out below:

	For the year end December 31,		
	2022	**2023**	**2024**
Electricity consumption (kWh)	282,527	323,439	276,824
Electricity consumption density (kWh/per employee)	472	469	433
Paper consumption (thousand sheets)	140	375[(1)]	168
Paper consumption density (thousand sheets/per employee)	0.23	0.54	0.26
Total water consumption (m^3)	161	175	166
Water consumption density (m^3/per employee)	0.27	0.25	0.26
GHG emissions[(2)] (Scope 1 & Scope 2) (tCO_2e)	164.15	187.92	160.83
GHG emissions density (Scope 1 & Scope 2) (tCO_2e/per employee)	0.27	0.27	0.25
Total hazardous waste (kg)	0.15	0.18	5.50
Total non-hazardous waste[(3)] (tonne)	5.61	15.02	21.10

Notes:

(1) Our paper consumption in 2023 has increased as compared to 2022, which is mainly due to the fact that in 2022, we adopted a remote work model during the COVID-19 period and hence consumed less paper during that period; while in 2023, paper consumption has increased due to processing of contracts and conference materials. We have promoted paper conservation by advocating paperless office and double-sided printing.

(2) Our operations do not involve the use of gasoline, diesel and other fuels, and the greenhouse gas emissions generated are indirect (Scope 2) greenhouse gas emissions caused by purchased electricity.

(3) Our non-hazardous waste mainly consists of office paper consumables, electronic consumables, office equipment consumables and household waste, which are mainly recyclables; and our non-hazardous waste increased in 2023 due to the increase in paper consumption.

We regard paper consumption, water consumption density and greenhouse gas emission density as our key performance indicators for assessing our environmental, social and governance performance, and accordingly set the following environmental, social and governance-related targets in our commitment to continuously explore ways to reduce the environmental impacts of our business operations.

- Paper consumption target: Reduce paper consumption density (thousand sheets/per employee) by 10% by 2025, with 2023 as the base year. We will actively pursue a paperless office, implement an online approval system, and reduce the printing of non-essential paper documents to reduce paper consumption, so as to achieve this target.

- Water resources target: Reduce water consumption density (m^3/per employee) by 5% by 2025, with 2023 as the base year. We will analyze water consumption statistics and inspect our Company's water appliances on a regular basis to avoid leakage, and improve water use consumption efficiency, so as to achieve this target.

- Greenhouse gas emissions target: Reduce the density of greenhouse gas emissions (tCO_2e/per employee) by 5% by 2025, with 2023 as the base year. We will actively practice the concept of energy conservation and emission reduction by adopting more energy-efficient equipment and facilities to implement a green and low-carbon office model, so as to achieve this target.

Social responsibility

We have made contributions to the welfare of society and sharing our corporate social responsibility through charitable programs and cooperation with universities in research.

As part of our commitment to social welfare, we have undertaken initiatives such as the "Umbrella Action (撐傘行動)" to support worthy causes. The "Umbrella Action" is a public welfare program initiated by us together with Xiaoyusan Youth Love Service Center to benefit

children with rare diseases, single mothers, epidemic prevention and control, and natural disaster relief, among other aspects. "Umbrella Action" has been running since May 2019, and has successfully assisted millions of people.

From 2019 to 2023, we have collaborated with rare disease organizations, carrying out activities such as mask donations and charity sales. During these collaborations, we have promoted the improvement of the rare disease coverage in children critical illness insurance. In addition, a portion of the profit from each policy of Dahuangfeng Children Critical Illness Insurance has been allocated as donations to support medical assistance projects for patients under the age of 18 with rare diseases.

In early 2020 when the COVID-19 pandemic broke out, we responded swiftly by partnering with a renowned university in China and Sina to launch a dedicated COVID-19 webpage. The webpage was made available on major platforms such as Sina Weibo and Bilibili. We achieved real-time updates and query functions for epidemic data subscriptions, as well as the launch of an epidemic map at an early stage of the COVID-19 outbreak. These efforts helped over 30 million users stay informed about the changing situation of the COVID-19 pandemic.

In May 2021, we collaborated with a charity organization dedicated to supporting single mothers. We organized a smile collection campaign, which garnered support from renowned key opinion leaders. Over 10 million people read articles in relation to the campaign and thousands actively participated, sharing their blessings.

In 2019, we established the Internet Health and Pension Insurance Coverage Index Measurement Study (互聯網健康與養老保險保障指數測算研究) in collaboration with the Insurance Faculty of a renowned university in China. This collaboration marked a significant milestone as we were the first online insurance intermediary platform in China to engage in scientific research with a university. We have published the Internet Health Insurance Protection Index Report (《互聯網健康險保障指數報告》) for five consecutive issues from 2019 to 2024.

In March 2022, there were scattered outbreaks of COVID-19 in Shenzhen's Futian District. We actively responded to the call of the government of Futian District to "fight the epidemic together and become volunteers," and initiated an internal volunteer recruitment campaign to organize a team of young volunteers to join the front line of epidemic control. By early April 2022, the spread of the outbreak in Shenzhen was effectively controlled. However, considering the severe and complex situation of epidemic control, our volunteers continued to actively participate in volunteer work in response to government calls. Since the start of the national epidemic, more than 10 volunteers voluntarily participated in epidemic prevention work. In 2022, we established a volunteer club and actively organized employees to participate in various public welfare activities.

IMPACT OF THE COVID-19 OUTBREAK IN 2022

In 2022, there was a resurgence of the COVID-19 pandemic including the highly transmissible Delta and Omicron variants in China and across the world, which had adversely affected the economy. Certain of our business operations and financial performance were negatively affected, primarily because some of our marketing activities were impacted. Our revenue from different distribution channels was affected to varying degrees. Partly attributable to the COVID-19 resurgence, revenue from various distribution channels was low in 2022. COVID-19 travel restrictions and resurgence impeded on our sales and marketing effort. Our sales and marketing expenses was low in 2022 as we held few promotional campaigns partly attributable to the COVID-19 restrictions. In particular, we transitioned our offline events online in response to the COVID-19 outbreak, resulting in cost savings in terms of marketing expenses. We organized only one offline new product release event in 2022.

As the impact of COVID-19 on our business and financial performance has diminished since 2022, our Directors believe that the COVID-19 pandemic will have a relatively limited impact on our businesses in the long term. Nevertheless, we plan to stay alert and closely monitor and evaluate the market situation based on any development of the COVID-19 pandemic in the future. For further information on the impact and risk of the COVID-19 pandemic, see the section headed "Risk Factors — Risks Relating to Our Business and Our Industry — Any future occurrence of force majeure events, natural disasters or outbreaks of contagious diseases, may materially and adversely affect our business, financial condition and results of operations" in this prospectus.

INSURANCE

We provide social security insurance including pension insurance, unemployment insurance, work-related injury insurance, maternity insurance and medical insurance for our employees in compliance with the applicable PRC laws. In addition, we provide supplementary medical insurance for our employees.

In line with general market practice, we do not maintain business interruption insurance or general third-party liability insurance, nor do we maintain product liability insurance or key-man insurance. During the Track Record Period and up to the Latest Practicable Date, we had not made nor had been the subject of any material insurance claims in relation to our business.

We believe our insurance policies comply with the relevant rules and regulations in the PRC. However, our insurance policies may not be able to cover all of our losses and we cannot provide any assurance that we will not incur losses or suffer claims beyond the limits of, or outside the relevant coverage of, our insurance policies. For details, please refer to the paragraph headed "Risk Factors — Risks Relating to Our Business and Our Industry — Our insurance coverage may not be adequate, which could expose us to significant costs and business disruptions" in this prospectus.

LEGAL PROCEEDINGS AND COMPLIANCE

During the Track Record Period and up to the Latest Practicable Date, we had not been involved in any actual or pending legal, arbitration or administrative proceedings (including any bankruptcy or receivership proceedings) that we believe would have a material adverse effect on our business, results of operations, financial condition or reputation.

During the Track Record Period and up to the Latest Practicable Date, we had not been involved in any material non-compliance incidents that have led to fines, enforcement actions, or other penalties that we believe would have a material adverse effect on our business, results of operations, financial condition or reputation.

We are not subject to any periodic on-site regulatory inspections by any PRC regulatory authorities. We are required to regularly submit information to the relevant PRC regulatory authorities, such as submitting business and personnel data monthly, as well as submitting annual online insurance operation report and external auditor's report annually. For details, please refer to the paragraph headed "Regulatory Overview — Regulations Related to Insurance Intermediary Business — Market Behaviours — Regulatory Inspection" in this prospectus. As of the Latest Practicable Date, we were not aware of any regulatory inspections conducted by any PRC regulatory authorities which would have a material adverse effect on our business, financial position, results of operations or prospects, and we had not received any negative feedback from the relevant PRC regulatory authorities regarding the information we submitted.

Since the entry into force of the the Administrative Measures for Insurance Sales Practices (《保險銷售行為管理辦法》) (the "**Measures**"), promulgated by the NFRA on September 20, 2023 and took effect on March 1, 2024, pursuant to which sales practices conducted by insurance intermediaries (for the purpose of the Measures, insurance intermediaries include insurance agents and insurance brokers) and insurance sales personnel as entrusted by insurance companies or in cooperation with insurance companies for the purpose of concluding insurance contracts shall comply with the Measures, and up to the Latest Practicable Date, we believe we had complied with the Measures on insurance sales practices conducted by Small Umbrella Insurance Brokerage and Chuangxin Insurance Sales, being an insurance broker and insurance agent, respectively, in all material respects and we do not foresee that the Measures would have a material adverse impact on our business operations and financial performance, having considered the following factors: (i) Small Umbrella Insurance Brokerage and Chuangxin Insurance Sales have submitted to the NFRA the reports on their Internet insurance business operation of the previous year in April 2024, which indicated that both Small Umbrella Insurance Brokerage and Chuangxin Insurance Sales have appointed the legal and compliance department to be responsible for the overall coordination of compliance management, and the corresponding internal audit and risk prevention and control mechanism have been established in the aspects of system operation, financial management, marketing and publicity, personnel management, business management and other aspects, to ensure the compliance of the companies; (ii) as of the Latest Practicable Date, Small Umbrella Insurance Brokerage and Chuangxin Insurance Sales had not received any notification from the relevant

PRC authorities requiring them to take rectification measures about their insurance sales practices pursuant to the Measures; (iii) as confirmed by our PRC Legal Advisor, it is not aware of any material non-compliance with the Measures of Small Umbrella Insurance Brokerage and Chuangxin Insurance Sales which have resulted administrative penalties to us; and (iv) Small Umbrella Insurance Brokerage and Chuangxin Insurance Sales had not been penalized or investigated by any relevant government authorities for their insurance sales practices since the entry into force of the Measures and up to the Latest Practicable Date. For details, please refer to the paragraph headed "Regulatory Overview — Regulations Related to Insurance Intermediary Business — Market Behaviours — Management of Insurance Sales" in this prospectus.

PROPERTIES

Our headquarter is located in Shenzhen, Guangdong, China. As of the Latest Practicable Date, we did not own any properties. As of the Latest Practicable Date, we leased 30 properties in China with a total gross floor area of approximately 9,139.54 square meters. Our leased properties are in China and mainly serve as our management headquarters, which accommodate our sales and marketing, research and development, and general and administrative activities. We believe that our existing facilities are generally adequate to meet our current needs, but we expect to seek additional space as needed to accommodate future growth.

As of December 31, 2024, none of the properties leased by us had a carrying amount of 15% or more of our consolidated total assets. According to Chapter 5 of the Hong Kong Listing Rules and section 6(2) of the Companies (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice, this prospectus is exempt from the requirements of section 342(1)(b) of the Companies (Winding up and Miscellaneous Provisions) Ordinance to include all interests in land or buildings in a valuation report as described under paragraph 34(2) of the Third Schedule to the Companies (Winding up and Miscellaneous Provisions) Ordinance.

Lease Registration

As of the Latest Practicable Date, we had not registered 28 lease agreements for our leased properties. As advised by our PRC Legal Advisor, according to the relevant provisions of the Civil Code of the PRC (《中華人民共和國民法典》), the Administrative Measures for Commodity House Leasing (《商品房屋租賃管理辦法》) and the relevant judicial interpretation of the Supreme People's Court, failure to complete the lease filing and registration does not affect the validity of the lease agreements. However, the relevant housing administrative authorities may require us to complete registrations within a specified timeframe. If we fail to do so within such timeframe, we may be subject to a fine ranging from RMB1,000 to RMB10,000 for any delay in making registration for each of such leased properties. We undertake to cooperate fully to facilitate the registration of lease agreements once we receive any requirements from relevant government authorities.

Title Defects

As of the Latest Practicable Date, the lessors of 7 of our leased properties with an aggregate gross floor area of 602.83 square meters were unable to provide valid title certificates and/or the relevant authorization documents evidencing the owners' consent to the lessors' leasing or subleasing such properties (the "**Title Certificates**"). Moreover, one of our leased properties had been pledged as collateral for the landlord's bank loan before we entered into the lease agreement. If a third party objects to such leases or the ownership of these leased properties, it may affect our continuous leasing of such properties. In view of this, (i) we will not have difficulties in relocating to alternative properties in a timely manner under the same conditions if such properties are no longer available; (ii) during the Track Record Period and up to the Latest Practicable Date, to the best knowledge of our Directors, our leases with respect to these defective leased properties had never been challenged by any third parties; (iii) in accordance with the provisions of the Civil Code of the PRC (《中華人民共和國民法典》), if the lessee is unable to use and benefit from the leased property due to the claims of a third party, the lessee may request to reduce the rent or not pay the rent; and (iv) our Directors believe that we can relocate our business to a new property without excessive costs or business interruption.

Inconsistency with permitted usage

The current usage of 8 of our leased properties is inconsistent with the permitted usage. We currently use these leased properties as office premises while their permitted usage under the relevant title certificates is industrial and mixed commercial and residential/industrial R&D. As of the Latest Practicable Date, we had not received any challenge to our right to occupy and use the properties upon it. Our Directors are of the view that, if the inconsistency with permitted land use prevents us from continuing the lease so that we are required to move to another location, we can relocate to other comparable alternative premises in the relevant regions without any material adverse effect on our business and financial condition.

For details, please refer to the paragraph headed "Risk Factors — Risks Relating to Our Business and Our Industry — We face certain risks relating to our leased properties and our rights to use our leased properties could be challenged by third parties or relevant Governmental Authorities" in this prospectus.

RISK MANAGEMENT AND INTERNAL CONTROL

We are subject to various risks during our operations; see the paragraph headed "Risk Factors — Risks Relating to Our Business and Our Industry" in this prospectus. To monitor the continuous implementation of risk management policies and corporate governance measures after the Listing, we have adopted or will continue to adopt, among other things, the following risk management measures:

- establish the Audit Committee to review and supervise our financial reporting process and internal control system. Our Audit Committee consists of three members: Mr. Yuanxin Zhang, Mr. Haiquan Wu and Mr. Gang Shen. For the qualifications and experiences of these members, see the section headed "Directors and Senior Management" in this prospectus;

- adopt various policies to ensure the compliance with the Listing Rules, including but not limited to policies in respect of risk management, connected transactions and information disclosure;

- provide regular anti-corruption and anti-bribery compliance training for senior management and employees in order to enhance their knowledge of and compliance with applicable laws and regulations; and

- arrange our Directors and senior management to attend training seminars on Listing Rules requirements and the responsibilities as directors of a Hong Kong-listed company.

We have adopted and implemented comprehensive risk management policies in various aspects of our business operations such as financial reporting, information system, internal control, and human resources, and we are dedicated to continuously improving these systems. We continually review the implementation of our risk management and internal control policies and procedures to enhance their effectiveness and sufficiency.

Financial reporting risk management

We have in place a set of accounting policies in connection with our financial reporting risk management. We have various procedures in place to implement accounting policies, such as financial reporting management policies. We have various procedures and IT systems in place to implement our accounting policies. Our financial department reviews our management accounts based on such procedures. We also provide regular training to our finance department employees to ensure that they understand our financial management and accounting policies and implement them in our daily operations.

Internal control risk management

We have designed and adopted risk management policies to address potential risks identified in relation to our operations, including operational risks, financial risks, and legal risks. Each of our business departments and functions is responsible for identifying and evaluating the risks relating to its area of operations and establishing department-level internal control systems.

To ensure the effectiveness of our internal control, our legal and compliance department works closely with our operations departments to: (i) perform risk assessments and give advice on risk management strategies; (ii) improve business process efficiency and monitor internal

control effectiveness; and (iii) promote risk awareness among our employees. Our legal and compliance department takes charge of conducting a comprehensive annual review of our operations. The review encompasses daily procedural evaluations, content assessments, and rectification based on our business models or projects, as well as issues identified by insurance companies, clients, or agents. In cases where any non-compliant incident is identified, the legal and compliance department collaborates with the respective departments to determine appropriate solutions. We also proactively implement necessary rectifications to prevent the recurrence of non-compliant incidents and ensure ongoing compliance with regulations and industry standards.

We, as an insurance institution, have also implemented the following internal control measures in order to comply with the relevant PRC laws and regulations.

An insurance agency is required to open independent bank accounts for premiums settlement and commission collection according under PRC laws and regulations. We have adopted an internal policy on bank account management and designated the finance department to oversee the entire process, including the opening, operation, changing and closing of our bank accounts. Only independent bank accounts are allowed to be used for designated purposes of settling premiums and receiving commission. Regular examinations between the designated use and the actual use of our bank accounts shall also be conducted by the finance department to ensure compliance. In case the designated bank accounts are changed or closed, the finance department shall notify the business department in a timely manner to update the relevant information in the agreements with insurance companies.

Starting from January 1, 2022, if an insurance applicant completes the insurance application himself/herself through an insurance product application link provided by an insurance institution and its practitioners, such application is considered as an integrated online and offline insurance transaction. Online life and health insurance products should not be offered for integrated online and offline insurance transactions. We have designated the business department to regularly conduct comprehensive checks and risk assessment on our online life and health insurance business, with the assistance from the legal and compliance department, R&D department and insurance product department, including distribution process, product design and compliance. The legal and compliance department is responsible in ascertaining the relevant regulatory requirements and conducting regular trainings to our employees. We will also report annually to the regulatory authorities on our online life and health insurance business according to the relevant PRC laws and regulations and enhance our communications with the regulatory authorities.

An insurance agency is required to establish or manage business files according to the relevant PRC laws and regulations. We have designated the legal and compliance department in ascertaining the relevant regulatory requirements regarding business files and conducting checks on the business files from time to time, and the R&D department in integrating and upgrading our unified system in retention and searching of business files.

Small Umbrella Insurance Brokerage was unable to appoint a person-in-charge of Small Umbrella Insurance Brokerage Shanxi branch in a timely manner after the former person-in-charge resigned in June 2017 in accordance with the PRC laws and regulations, and the temporary person-in-charge of Small Umbrella Insurance Brokerage Shanxi branch was still serving such position as of July 2018 due to lack of qualified and experienced personnel at the material time. Small Umbrella Insurance Brokerage had appointed a person-in-charge of Small Umbrella Insurance Brokerage Shanxi branch to replace the temporary person-in-charge in July 2018. We have designated the legal and compliance department to oversee the appointment and approval of senior executives of our branches, and the legal and compliance department shall report the matters to the management and the human resources department. We have also designated dedicated personnel to be responsible for the appointment and resignation of temporary person-in-charge or senior executives of our branches. Subsequent to the incident and up to the Latest Practicable Date, no similar incidents occurred. For more details on the incident, please refer to the paragraph headed "Directors and Senior Management — Board of Directors — Executive Directors — Further information about Mr. Yao Guang".

Small Umbrella Insurance Brokerage provided to policyholders with benefits not agreed upon in the insurance contracts due to unintentional and inadvertent oversight of the relevant operation staff who had overlooked the relevant PRC laws and regulation in carrying out promotional activities involving coupons and lotteries during June to August 2019. We have formulated a detailed review process which every promotional activity is subject to strict review by the legal and compliance department before launch. We have also strengthened our training system by conducting special trainings on marketing compliance to our employees to enhance their legal and compliance awareness. Specifically, our trainings provide information on relevant PRC laws and regulations, and case studies on correct and incorrect behavior in promotional activities. Our employees are required to attend in-person compliance trainings every one to two quarters and fulfill online training requirements. Subsequent to the incident and up to the Latest Practicable Date, no similar incidents occurred. For more details on the incident, please refer to the paragraph headed "Directors and Senior Management — Board of Directors — Executive Directors — Further information about Mr. Yao Guang".

Insurance institutions shall, in a timely manner, disclose various information on its official website and the official website of the Insurance Association of China (中國保險行業協會). We have designated the legal and compliance department to be responsible in ascertaining the regulatory documents regarding information disclosure on various online platforms and organizing regular trainings for the relevant departments. We have also implemented an internal policy to ensure accuracy, completeness and timeliness of information disclosure. The legal and compliance department is responsible in coordinating the disclosure on various online platforms after collecting information from the relevant departments and conducting regular checks on the disclosure on various online platforms to ensure consistency and accuracy of information disclosed.

Our legal and compliance department also reviews and updates forms of contracts that we enter into, examines contract terms and reviews all relevant documents for our business operations, and is responsible for obtaining any requisite governmental pre-approvals or consents. We continually review the implementation of our risk management policies and measures to ensure that our policies and implementation are effective and sufficient.

We engage promotional service companies, which are our self-media traffic channel providers, to promote insurance products online. As our self-media traffic channels typically do not hold qualifications for insurance agents, our agreements with self-media traffic channels provide that the self-media traffic channels shall not engage in certain insurance activities including the distribution of insurance products, provision of insurance proposals, collection of insurance premium on behalf of insurance companies, among others. For insurance transactions completed on our online platforms by policyholders and the insured, our system only allows policyholders and the insured's access to the insurance purchase process and prevents intervention of other personnel including self-media traffic channels. For insurance transactions completed offline, we only allow licensed brokerages and agencies to initiate a transaction. We may refuse to pay a self-media traffic channel fees and demand damages if the self-media traffic channel distributes insurance products in violation of applicable laws or regulations. In addition, we proactively take preventive measures including regularly monitoring the activities of self-media traffic channels and reviewing articles prepared by self-media traffic channels before the articles are posted. For more details of the relevant applicable laws and regulations, please refer to the paragraph headed "Regulatory Overview — Market Behaviours — Financial Marketing Campaigns" and "Regulatory Overview — Internet Insurance Business" in this prospectus.

Data and technology system risk management

Sufficient maintenance, storage and protection of user data and other related information is critical to our business. We dedicate significant resources to developing and implementing programs designed to protect user privacy, promote a safe environment and ensure the security of user data. We use a variety of technologies to protect the security of the data that we collect and store in compliance with relevant regulations. Please refer to "Data Privacy and Data Security" in this section for further details.

To ensure compliance with the relevant requirements of data security and personal information protection, we have also adopted policies that strictly regulate the access to our data by third parties who are in collaboration with us, which include but are not limited to insurance companies and third-party service providers, with the aim of preventing inappropriate use and disclosure of data.

Human resource risk management

We provide regular and specialized training tailored to the needs of our employees in different departments. Through these trainings, we ensure that our staff's skill sets remain up-to-date and enable them to discover and meet our users' needs. We have in place an employee handbook approved by our management and distributed to all our employees, which contains internal rules and guidelines regarding best commercial practice, work ethics, fraud prevention mechanism, negligence, and corruption. We provide employees with resources for explanations on guidelines contained in the employee handbook.

We also have in place a code of business conduct and ethics and an anti-bribery and corruption policy approved by our Board, providing to our employees the best commercial practice and work ethics as well as our anti-bribery guidance and measures. We make our internal reporting channel open and available to our staff for any wrongdoing or misconduct. Reported incidents and persons will be investigated and appropriate measures will be taken in response to the findings.

Upon Listing, transactions between us and our connected persons will constitute our connected transactions or continuing connected transactions under Chapter 14A of the Listing Rules.

OUR CONNECTED PERSONS

The table below sets forth certain parties who will become our connected persons upon Listing with whom our Group currently has transactions with and expects to continue to have transactions with after the Listing and the nature of their relationship with our Group:

Name of connected person	Relationship with our Group
Mr. Guang	Our executive Director, chairman of our Board and chief executive officer
Mr. Han	Our executive Director and chief technology officer
Ms. Liu	Our executive Director and chief product officer
Small Umbrella (ESOP)	A limited partnership which is held as to 35.95% by Mr. Guang and therefore an associate of Mr. Guang

NON-EXEMPT CONTINUING CONNECTED TRANSACTIONS

Contractual Arrangements

Background

As disclosed in the section headed "Contractual Arrangements" in this prospectus, certain business of our Group carried out in the PRC by our Consolidated Affiliated Entities are subject to foreign investment prohibitions and other legal restrictions in the PRC. The Consolidated Affiliated Entities are owned as to 24.14% by Shouhui Tianjin, our indirect wholly-owned subsidiary, 0.76% by StarSpark Tech H.K. Limited, our indirect wholly-owned subsidiary, and 75.1% by the Registered Shareholders, namely Mr. Guang, Mr. Han and Ms. Liu and Small Umbrella (ESOP). The Contractual Arrangements enable us to (i) acquire effective control over all our Consolidated Affiliated Entities; and (ii) receive substantially all of the economic benefits derived from our Consolidated Affiliated Entities in consideration for the services provided by Shouhui Chuangxiang; and (iii) hold an exclusive option to purchase all or part of the equity interests and assets of our Consolidated Affiliated Entities when and to the extent permitted by PRC laws.

The Contractual Arrangements comprise the following agreements: (i) the Exclusive Business Cooperation Agreement; (ii) the Exclusive Option Agreement; (iii) the Equity Pledge Agreement; (iv) the Shareholder Voting Rights Proxy Agreement; and (v) the Spouse Undertakings. For more details on the terms of the Contractual Arrangements, please refer to the section headed "Contractual Arrangements" in this prospectus.

Listing Rules implications

Given that each of Mr. Guang, Mr. Han, Ms. Liu and Small Umbrella (ESOP) (a limited partnership which is held as to 35.95% by Mr. Guang) is a connected person of the Company, therefore, the transactions contemplated under the Contractual Arrangements constitute continuing connected transactions of our Company under Chapter 14A of the Listing Rules upon Listing.

As the highest applicable percentage ratio under the Listing Rules in respect of the transactions contemplated under the Contractual Arrangements is expected to be more than 5%, the Contractual Arrangements will be subject to the reporting, annual review, announcement, circular and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

In the event of any future amendments to the Listing Rules imposing more stringent requirements than those applicable as of the Latest Practicable Date on the continuing connected transactions referred to in this section, we will take immediate steps to ensure compliance with such new requirements within a reasonable time.

Reasons for the transactions and waiver application

The transactions underlying the Contractual Arrangements enable the Consolidated Affiliated Entities to be consolidated into our Group and allow our Group to receive economic benefits (including profits earned) generated by the Consolidated Affiliated Entities, which are then consolidated into our Company's accounts and may be distributed up to our Shareholders. For more details on how we consolidate and derive the economic benefits from the Consolidated Affiliated Entities, please refer to the section headed "Contractual Arrangements" in this prospectus.

As a result of the Contractual Arrangements, our Company effectively has 100% control over the Consolidated Affiliated Entities and shall be entitled to 100% of the distributions made by the Consolidated Affiliated Entities (that do not otherwise remain with the Consolidated Affiliated Entities, or in the case of Shouhui Chengdu which holds 99.80% equity interest in Baihong Insurance Appraisal which is the maximum equity interest it can hold under the applicable PRC laws and regulations). Accordingly, the Consolidated Affiliated Entities are treated as our subsidiaries (within the meanings ascribed under the Companies Ordinance and the Listing Rules) and form part of our Group and are no different in substance and effect from those subsidiaries in which we hold equity interest.

Transaction fees (if any) and benefits (including but not limited to economic benefits) generated under the Contractual Arrangements will remain within our Group, which means that benefits received by the Consolidated Affiliated Entities will at the same time equally benefit our Company and be in the interests of our Shareholders as a whole. As a result of the Contractual Arrangements, no transaction fee (if any) or benefit (including but not limited to economic benefits) received by the Consolidated Affiliated Entities would flow to the Registered Shareholders.

Our Directors, including the independent non-executive Directors are of the view that the Contractual Arrangements and the transactions contemplated thereunder are fundamental to our Group's legal structure and business operation and it is justifiable and in the ordinary and usual business practice for agreements under the Contractual Arrangements to have a term of longer than three years to ensure that: (i) the financial and operational policies of the Consolidated Affiliated Entities can be effectively controlled by Shouhui Tianjin through Shouhui Chuangxiang; (ii) Shouhui Tianjin through Shouhui Chuangxiang can receive the economic benefits derived from the Consolidated Affiliated Entities; and (iii) any possible leakage of assets and values of the Consolidated Affiliated Entities can be prevented on an uninterrupted basis.

Waiver application

In relation to the Contractual Arrangements, we have applied to the Stock Exchange for, and the Stock Exchange has granted, a waiver pursuant to Rule 14A.102 of the Listing Rules from strict compliance with (i) the announcement, circular and independent Shareholders' approval requirements under Rule 14A.105 of the Listing Rules; (ii) the requirement of setting an annual cap for the transactions under the Contractual Arrangements under Rule 14A.53 of the Listing Rules; and (iii) the requirement of limiting the term of the Contractual Arrangements to three years or less under Rule 14A.52 of the Listing Rules, for so long as the Shares are listed on the Stock Exchange subject however to the following conditions:

(a) No change without independent non-executive Directors' approval

No change will be made to the Contractual Arrangements without the approval of the independent non-executive Directors.

(b) No change without independent Shareholders' approval

Save as described in sub-paragraph (d) below, no material change to the agreements governing the Contractual Arrangements will be made without the approval of our independent Shareholders. Once the independent Shareholders' approval of any change has been obtained, no further announcement to or approval from our independent Shareholders, except for those described above, will be required under Chapter 14A of the Listing Rules unless and until further changes are proposed. The periodic reporting requirement regarding the Contractual Arrangement in the annual reports of our Company (as set out in sub-paragraph (e) below) will however continue to be applicable.

(c) Economic benefits and flexibility

The Contractual Arrangements shall continue to enable our Group to receive the economic benefits generated by the Consolidated Affiliated Entities through (i) our Group's option, to the extent permitted under the applicable PRC laws and regulations, to acquire, all or part of the equity interests in the Consolidated Affiliated Entities for nil consideration or at the minimum purchase price permitted under the applicable PRC laws and regulations; (ii) the business structure under which the profit generated by the Consolidated Affiliated Entities is substantially retained by our Group, such that no annual cap shall be set on the amount of service fees payable to Shouhui Chuangxiang by the Consolidated Affiliated Entities under the Exclusive Business Cooperation Agreement (as defined and described in the section headed "Contractual Arrangements" in this prospectus); and (iii) our Group's right to control the management and operation of, as well as, in substance, all of the voting rights of the Consolidated Affiliated Entities except for Baihong Insurance Appraisal which was held as to 99.80% by Shouhui Chengdu as it is the maximum equity interest Shouhui Chengdu can hold under the applicable PRC laws and regulations.

(d) Renewal and reproduction

On the basis that the Contractual Arrangements provide an acceptable framework for the relationship between our Company and its subsidiaries in which our Company has direct shareholding, on the one hand, and the Consolidated Affiliated Entities, on the other hand, that framework may be renewed and/or reproduced (i) upon the expiry of the existing arrangements; (ii) in relation to any changes to the Registered Shareholder in respect of its shareholding in or directors of the Consolidated Affiliated Entities; or (iii) in relation to any existing, newly established or acquired wholly foreign-owned enterprise (or foreign-controlled joint enterprise) or operating company (including branch company) engaging in the same business as that of our Group which our Group might wish to establish when justified by business expediency, without obtaining the prior approval of our Shareholders, on substantially the same terms and conditions as the existing Contractual Arrangements. The directors, chief executives or substantial shareholders of any existing or new wholly foreign-owned enterprise (or foreign-controlled joint enterprise) or operating company (including branch company) engaging in the same business as that of our Group which our Group may establish will, upon renewal and, or reproduction of the Contractual Arrangements, however be treated as connected persons of our Company and transactions between these connected persons and our Company other than those under similar contractual arrangements shall comply with Chapter 14A of the Listing Rules. This condition is subject to relevant PRC laws, regulations and approval.

(e) Ongoing reporting and approvals

Our Group will disclose the details of the Contractual Arrangements on an ongoing basis as follows:

(i) the Contractual Arrangements in place during each financial period will be disclosed in our Company's annual report and accounts in accordance with relevant provisions of the Listing Rules;

(ii) our independent non-executive Directors will review the Contractual Arrangements annually and confirm in our Company's annual report and accounts for the relevant year that (1) the transactions carried out during such year have been entered into in accordance with the relevant provisions of the Contractual Arrangements, and that the profit generated by the Consolidated Affiliated Entities has been substantially retained by Shouhui Chuangxiang; (2) no dividends or other distributions have been made by the Consolidated Affiliated Entities to the holders of its equity interests which are not otherwise subsequently assigned or transferred to our Group; and (3) any new contracts entered into, renewed or reproduced between our Group and the Consolidated Affiliated Entities during the relevant financial period under sub-paragraph (d) above are fair and reasonable, or advantageous, so far as our Group is concerned and in the interests of our Shareholders as a whole;

(iii) Our Company's auditor will carry out review procedures annually on the transactions carried out pursuant to the Contractual Arrangements and will provide a letter to our Directors with a copy to the Stock Exchange confirming that the transactions have received the approval of our Directors, have been entered into in accordance with the relevant Contractual Arrangements and that no dividends or other distributions have been made by the Consolidated Affiliated Entities to the holders of its equity interests which are not otherwise subsequently assigned or transferred to our Group;

(iv) For the purpose of Chapter 14A of the Listing Rules, and in particular the definition of "connected person", our Consolidated Affiliated Entities will be treated as our wholly-owned subsidiaries (except for Baihong Insurance Appraisal which is held as to 98.00% by Shouhui Chengdu being the maximum equity interest it can hold under the applicable PRC laws and regulations), but at the same time, the directors, chief executives or substantial shareholders of our Consolidated Affiliated Entities and their respective associates will be treated as connected persons of our Company (excluding, for this purpose, our Consolidated Affiliated Entities), and transactions between these connected persons and our Group (including, for this purpose, our Consolidated Affiliated Entities), other than those under the Contractual Arrangements, will be subject to requirements under Chapter 14A of the Listing Rules; and

(v) The Consolidated Affiliated Entities will undertake that, for so long as the Shares are listed on the Stock Exchange, the Consolidated Affiliated Entities will provide our Group's management and our Company's auditor with full access to their relevant records, and (where applicable) relevant records of their subsidiaries, for the purpose of our Company's auditor's review of the connected transactions.

We will comply with the applicable requirements under the Listing Rules, and will immediately inform the Stock Exchange if there are any changes to these continuing connected transactions mentioned above.

DIRECTORS' CONFIRMATION

Our Directors (including independent non-executive Directors) are of the view that:

(a) the Contractual Arrangements have been entered into in our ordinary and usual course of business on normal commercial terms or better (for our Company), which are fair and reasonable and in the interests of our Company and our Shareholders as a whole;

(b) the proposed alternative caps and the term of the agreements underlying the Contractual Arrangement, which exceeds three years, are fair and reasonable and in the interests of us and our Shareholders as a whole; and

(c) the term of the agreements is justifiable and in line with normal business practice agreements of this type, and necessary to ensure that the Consolidated Affiliated Entities remain controlled, and their economic interest may be enjoyed, by the Company on an uninterrupted basis.

JOINT SPONSORS' CONFIRMATION

Based on the documentation provided by the Company and the Joint Sponsors' due diligence, the representations and confirmations provided by the Company and the Directors to the Joint Sponsors and discussions with the Company, the Joint Sponsors are of the view that:

(a) the Contractual Arrangements have been entered into in our ordinary and usual course of business on normal commercial terms or better (for our Company), which are fair and reasonable and in the interests of our Company and our Shareholders as a whole; and

(b) the proposed alternative caps and the term of the agreements underlying the Contractual Arrangement, which exceeds three years, are fair and reasonable and in the interests of us and our Shareholders as a whole;

In addition, taking into account the reasons for entering into the Contractual Arrangements and the factors mentioned above, the Joint Sponsors are of the view that it is normal business practice for the Contractual Arrangements to be for a term that is longer than three years.

BOARD OF DIRECTORS

Our Board consists of nine Directors, of whom four are executive Directors, two are non-executive Directors and three are independent non-executive Directors. Our Board is responsible and has general powers for the management and conduct of our business. The functions and duties of our Board include but are not limited to convening Shareholders' meetings and reporting our Board's work at Shareholders' meetings; implementing the resolutions passed at Shareholders' meetings; determining business plans and investment plans; preparing annual budget proposals and final accounts proposals; and exercising other powers, functions and duties as conferred by the Articles of Association.

The table below sets out certain information in respect of the members of the Board.

Name	Position	Age	Date of appointment as Director	Date of joining our Group	Roles and responsibilities in our Group	Relationship with other Directors or senior management
Executive Directors						
Mr. Yao Guang (光耀)	Executive Director, chairman of the Board and chief executive officer	40	August 3, 2023	January 26, 2015	Responsible for overall strategic planning and operational decision making of our Group.	Nil
Mr. Liwei Han (韓立煒)	Executive Director and chief technology officer	40	January 9, 2024	January 26, 2015	Responsible for overall technology strategy and R&D of the technology system of our Group.	Nil
Ms. Li Liu (劉麗)	Executive Director and chief product officer	40	January 9, 2024	April 2, 2015	Responsible for overall product design and development of our Group.	Nil
Mr. Jianting Li (李鑒庭)	Executive Director and chief information officer	39	January 9, 2024	April 2, 2015	Responsible for the technology development and digitalization of the business of our Group.	Nil

Name	Position	Age	Date of appointment as Director	Date of joining our Group	Roles and responsibilities in our Group	Relationship with other Directors or senior management
Non-executive Directors						
Mr. Byron Ye (former name Gang Ye (葉鋼))	Non-executive Directors	51	January 9, 2024	January 11, 2021	Responsible for providing professional opinion and judgment to our Board.	Nil
Mr. Sirui Li (李思睿).	Non-executive Directors	42	January 9, 2024	January 9, 2024	Responsible for providing professional opinion and judgment to our Board.	Nil
Independent non-executive Directors						
Mr. Gang Shen (沈剛)	Independent non-executive Director	47	May 13, 2025	May 13, 2025	Responsible for providing independent opinion and judgment to our Board.	Nil
Mr. Haiquan Wu (吳海泉).	Independent non-executive Director	46	May 13, 2025	May 13, 2025	Responsible for providing independent opinion and judgment to our Board.	Nil
Mr. Yuanxin Zhang (張遠新).	Independent non-executive Director	37	May 13, 2025	May 13, 2025	Responsible for providing independent opinion and judgment to our Board.	Nil

Executive Directors

Mr. Yao Guang (光耀), aged 40, was appointed as a Director on August 3, 2023 and was subsequently re-designated as an executive Director on January 9, 2024. He is the chairman of our Board and our chief executive officer, primarily responsible for overall strategic planning and operational decision making of our Group.

Mr. Guang is one of our founders and has been closely involved in the operation and management of our Group. Other than serving as an executive Director, Mr. Guang has been assuming or assumed the following positions of our Group:

- executive director of Shenzhen Shouhui from January 2015 to December 2015, general manager, director and chairman of the board of Shenzhen Shouhui, since January 2015, December 2015 and November 2020, respectively;

- chairman of the board of Shenzhen Picus Technology Co., Ltd.* (深圳派氪司科技有限公司) ("**Picus Technology**") since November 2020;

- executive director and general manager of Shouhui Chuangxiang from December 2017 to April 2022;

- general manager and executive director of Small Umbrella Insurance Brokerage from April 2017 to April 2021 and since November 2020, respectively;

- executive director and general manager of Shenzhen Muchenglin Investment Development Co., Ltd.* (深圳木成林投資發展有限公司) ("**Shenzhen Muchenglin Investment**") since December 2015; and

- executive director and general manager of Shenzhen Small Umbrella Insurance Brokers Ltd.* (深圳小雨傘保險經紀有限公司) ("**Shenzhen Small Umbrella**") from April 2016 to January 2018.

Mr. Guang has over 17 years of experience in the Internet technology industry and ten years of experience in the field of insurance intermediary. He co-founded our Group with Mr. Liwei Han in January 2015. Prior to the establishment of our Group, Mr. Guang had the following working experience:

Name of organisation	Principal business activities	Last position and responsibilities	Period of service
Kingdee Software (China) Co., Ltd. (金蝶軟件(中國)有限公司), a wholly-owned subsidiary of Kingdee International Software Group Company Limited (金蝶國際軟件集團有限公司), a company listed on the Stock Exchange (stock code: 268)	Development, manufacturing and selling of software and hardware products and provision of software-related services	Operation manager	September 2007-March 2010
Tencent Technology (Shenzhen) Company Limited (騰訊科技(深圳)有限公司), a wholly-owned subsidiary of Tencent Holdings Limited, a company listed on the Stock Exchange (stock code: 700) ("**Tencent**")	Development of software and provision of information technology services	Product manager	June 2010-March 2014

Mr. Guang was recognised as one of "Fortune's 40 Most Promising Business Elites Under 40 in China" (《財富》中國40位40歲以下最具潛力商業精英) in August 2024. Mr. Guang was named the "2022 China Insurance Manager of the Year" (2022中國保險年度經理人) by China Banking and Insurance News (中國銀行保險報) in December 2022. He was accredited as a "Type-III Futian Elite" (III類福田英才) by the Leading Group Office for Talent Affairs of CPC Futian District Committee in Shenzhen* (深圳市福田區人才工作領導小組辦公室) in April 2022. In October 2019, Mr. Guang was awarded "Outstanding Young Entrepreneur in the New Era" (新時代優秀創業青年) by the Institute of Studies for the Greater Bay Area (Guangdong, Hong Kong, Macau) (Guangdong University of Foreign Studies).

Mr. Guang obtained a bachelor's degree in management in e-commerce from Wuhan University of Technology (武漢理工大學) in the PRC in June 2007 and a bachelor's degree in engineering minoring in computer science and technology from Wuhan University of Technology in PRC in June 2007.

Mr. Guang was (i) a director of MUC (Hong Kong) Technology Co., Limited (香港木成林科技有限公司) ("**MUC Hong Kong**"), a company incorporated in Hong Kong, which had no substantive active operation and was deregistered on November 3, 2017; (ii) a director and general manager of Shenzhen Small Umbrella, a company established in the PRC, which had no substantive active operation and was deregistered on January 25, 2018; and (iii) a managing

partner and limited partner of Shenzhen Muchenglin Investment Management Partnership (Limited Partnership)* (深圳木成林投資管理合夥企業(有限合伙)) ("**Shenzhen Muchenglin LP**"), a partnership established in the PRC, which was principally engaged in private equity investment and was deregistered on March 6, 2018 due to change of plans to establish Small Umbrella (ESOP) as Shenzhen Shouhui's employee shareholding platform instead. Mr. Guang confirmed that (i) each of Shenzhen Small Umbrella, Shenzhen Muchenglin LP and MUC Hong Kong was solvent with no outstanding liabilities arising from any material non-compliance incidents, claims, litigations or proceedings arising from its operation immediately prior to its deregistration; (ii) there was no wrongful act on his part leading to such deregistration and he was not aware of any actual or potential claim that had been or would be made against him as a result of such deregistration; and (iii) no misconduct on his part had been involved in such deregistration.

Further information about Mr. Yao Guang

Mr. Guang was involved in the following incidents (the "**Incidents**") during his tenure as the general manager of Small Umbrella Insurance Brokerage.

Temporary person-in-charge of Small Umbrella Insurance Brokerage Shanxi branch had served for more than the maximum three-month limit

According to the Provisions on the Supervision and Administration of Insurance Brokerage Institutions (2015 Amendment) (《保險經紀機構監管規定(2015修訂) 》, which was repealed on May 1, 2018), where an insurance brokerage institution appoints a temporary person-in-charge under special circumstances, it shall submit a written report to the CIRC within five days after the appointment decision is made, and the term of office of such temporary person-in-charge shall not exceed three months. According to the Regulatory Provisions on Insurance Brokerages (《保險經紀人監管規定》), an insurance broker may appoint temporary person-in-charge under certain circumstances, provided that the term of office of such temporary person-in-charge shall not exceed three months and no temporary person-in-charge may be appointed for the same post continuously. Where an insurance broker appoints a temporary person-in-charge, it shall register the relevant information in the regulatory information system as prescribed by the CIRC within five days as of the date when the decision is made.

Small Umbrella Insurance Brokerage was unable to appoint a person-in-charge of Small Umbrella Insurance Brokerage Shanxi branch in a timely manner after the former person-in-charge resigned in June 2017 and the temporary person-in-charge of Small Umbrella Insurance Brokerage Shanxi branch was still serving such position as of July 2018 due to lack of qualified and experienced personnel at the material time.

Mr. Guang (as the then general manager of Small Umbrella Insurance Brokerage) and Small Umbrella Insurance Brokerage received a warning from Shanxi Supervision Bureau of China Banking and Insurance Regulatory Commission (中國銀行保險監督管理委員會山西監管局) on January 22, 2019 and each was fined RMB5,000.

Small Umbrella Insurance Brokerage had appointed a person-in-charge of Small Umbrella Insurance Brokerage Shanxi branch to replace the temporary person-in-charge in July 2018. We have designated the legal and compliance department to oversee the appointment and approval of senior executives of our branches, and the legal and compliance department shall report the matters to the management and the human resources department. We have also designated dedicated personnel to be responsible for the appointment and resignation of temporary person-in-charge or senior executives of our branches. Subsequent to the incident and up to the Latest Practicable Date, no similar incidents occurred.

Small Umbrella Insurance Brokerage provided to policyholders with benefits not agreed upon in the insurance contracts

According to Article 131 of the PRC Insurance Law (《中華人民共和國保險法》), in their insurance business operation, insurance agents, insurance brokers and their practitioners shall be prohibited from giving or promising to give any benefit other than those agreed upon in the insurance contract to a policyholder, insurant or beneficiary.

The non-compliance incident was due to unintentional and inadvertent oversight of the relevant operation staff who had overlooked the relevant PRC laws and regulation in carrying out promotional activities involving coupons and lotteries during June to August 2019, thereby providing to policyholders with benefits not agreed upon in the insurance contracts.

Mr. Guang (as the then general manager of Small Umbrella Insurance Brokerage) received a warning from Tianjing Supervision Bureau of China Banking and Insurance Regulatory Commission (中國銀行保險監督管理委員會天津監管局) on June 28, 2020 and was fined RMB40,000 while Small Umbrella Insurance Brokerage was fined RMB120,000.

We have formulated a detailed review process which every promotional activity is subject to strict review by the legal and compliance department before launch. We have also strengthened our training system by conducting special trainings on marketing compliance to our employees to enhance their legal and compliance awareness. Subsequent to the incident and up to the Latest Practicable Date, no similar incidents occurred.

Notwithstanding the Incidents, our Directors consider that Mr. Guang is competent and able to fulfil his duties of care and diligence, and hence is suitable to act as a Director as he possesses the experience, knowledge and skill, as well as the character to be a Director for the following reasons:

(i) only a warning or a fine below the threshold of "material administrative penalty" as defined under the relevant applicable laws and regulations in the PRC was imposed by the relevant authorities. As advised by our PRC Legal Advisor, such warnings and fines did not disqualify Mr. Guang from acting as a director or senior management member of the Insurance Brokerage;

(ii) the issuance of warning letter and the imposing of fines were solely due to the position he held in Small Umbrella Insurance Brokerage. There was no judgment or findings of fraud, dishonesty or any misconduct or wrongful act on the part of Mr. Guang in the Incidents and therefore no concern over any integrity issue has been raised; and

(iii) as advised by our PRC Legal Advisor, the warnings and fines were administrative penalties and not civil action or criminal punishments or conviction sentenced by the court against Mr. Guang in respect of the Incidents.

Mr. Liwei Han (韓立煒), aged 40, was appointed as an executive Director on January 9, 2024. He is also our chief technology officer, primarily responsible for overall technology strategy and R&D of the technology system of our Group.

Mr. Han is one of our founders and has been closely involved in the operation and management of our Group. Other than serving as an executive Director, Mr. Han has been assuming or assumed the following positions of our Group:

- supervisor, chief technology officer and director of Shenzhen Shouhui from January 2015 to December 2015, since January 2015 and December 2015, respectively;
- director of Picus Technology since November 2020;
- supervisor of Small Umbrella Insurance Brokerage from April 2017 to November 2020;
- general manager and executive director of Chuangxin Insurance Sales from October 2020 to November 2021 and since October 2020, respectively;
- supervisor of Shenzhen Muchenglin Investment since December 2015;
- supervisor of Shouhui Chuangxiang since December 2017; and
- supervisor of Shenzhen Small Umbrella from April 2016 to January 2018.

Mr. Han has over 14 years of experience in the Internet technology service and e-commerce industry, and ten years of experience in the field of insurance intermediary. He co-founded our Group with Mr. Guang in January 2015. Prior to the establishment of our Group, Mr. Han worked at Tencent Technology (Shenzhen) Company Limited (騰訊科技(深圳)有限公司), a wholly-owned subsidiary of Tencent, from March 2010 to November 2013 and worked at Tencent E-Commerce Digital (Shenzhen) Co., Ltd.* (騰訊電商數碼(深圳)有限公司) (formerly a wholly-owned subsidiary of Tencent; currently Yuanzhi e-commerce Digital (Shenzhen) Co., Ltd.* (元指針電商數碼(深圳)有限公司), a wholly-owned subsidiary of JD.com, Inc., a company listed on the Nasdaq Stock Exchange (stock code: JD) and the Stock

Exchange (stock code: 9618) ("**JD**")) from December 2013 to March 2014. Mr. Han also worked as a head of organization at Beijing Jingdong Shangke Information Technology Co., Ltd.* (北京京東尚科信息技術有限公司), a wholly-owned subsidiary of JD, from April 2014 to January 2015.

Mr. Han obtained a bachelor's degree in engineering in computer science and technology from Harbin Institute of Technology (哈爾濱工業大學) in the PRC in July 2007, and a master's degree in engineering in computer science and technology from Harbin Institute of Technology in the PRC in January 2010. In December 2023, Mr. Han was selected as one of the "China InsurTech Decade 100 — Innovators" by Insur View.

Mr. Han was a supervisor of Shenzhen Small Umbrella, a company established in the PRC, which had no substantive active operation and was deregistered on January 25, 2018. Mr. Han confirmed that Shenzhen Small Umbrella was solvent with no outstanding liabilities arising from any material non-compliance incidents, claims, litigations or proceedings arising from its operation immediately prior to its deregistration; (ii) there was no wrongful act on his part leading to its deregistration and he was not aware of any actual or potential claim that had been or would be made against him as a result of such deregistration; and (iii) no misconduct on his part had been involved in such deregistration.

Ms. Li Liu (劉麗), aged 40, was appointed as an executive Director on January 9, 2024. She is also our chief product officer, primarily responsible for overall product design and development of our Group.

Ms. Liu joined our Group as the chief product officer of Shenzhen Shouhui in April 2015. She has been the chief product officer and director of Shenzhen Shouhui since April 2015 and March 2017, respectively. Ms. Liu has been a director of Shouhui Chengdu since May 2021, and has been the executive director and general manager of Shouhui Chuangxiang since April 2022.

Ms. Liu has over 17 years of experience in the Internet technology service industry and over nine years of experience in the field of insurance intermediary. Prior to joining our Group, Ms. Liu worked at Tencent Digital (Shenzhen) Co., Ltd.* (騰訊數碼(深圳)有限公司), a wholly-owned subsidiary of Tencent, from September 2007 to November 2013 and worked as a technical R&D product manager at Beijing Jingdong Shangke Information Technology Co., Ltd.* (北京京東尚科信息技術有限公司), a wholly-owned subsidiary of JD, from April 2014 to April 2015.

Ms. Liu obtained a bachelor's degree in education in preschool education from Hunan Normal University (湖南師範大學) in the PRC in June 2005, and a master's degree in business management from Sichuan University (四川大學) in the PRC in June 2015. Ms. Liu was accredited as a psychological counselor (心理諮詢員) by the Ministry of Human Resources and Social Security (人力資源和社會保障部) in September 2010. In December 2023, Ms. Liu was selected as one of the "China InsurTech Decade 100 — Strategy and Management Leaders" by Insur View.

Mr. Jianting Li (李鑒庭), aged 39, was appointed as an executive Director on January 9, 2024. He is also our chief information officer, primarily responsible for the technology development and digitalization of the business of our Group.

Mr. Li joined our Group in April 2015 and has been the chief information officer of Shenzhen Shouhui. In addition, he has been assuming or assumed the following positions of our Group:

- supervisor and director of Shenzhen Shouhui from August 2018 to June 2019 and since June 2019, respectively;
- executive director and general manager of Shouhui Consulting since June 2017;
- executive director and general manager of Xiehuangbao since December 2019; and
- supervisor of Chuangxin Insurance Sales since October 2020.

Mr. Li has over 13 years of experience in the Internet technology and software industry, and over nine years of experience in the field of insurance intermediary. Prior to joining our Group, Mr. Li worked at Tencent Technology (Shenzhen) Co., Ltd.* (騰訊科技(深圳)有限公司), a wholly-owned subsidiary of Tencent, from April 2011 to March 2014 and worked as a software development engineer at Beijing Jingdong Shangke Information Technology Co., Ltd.* (北京京東尚科信息技術有限公司), a wholly-owned subsidiary of JD, from April 2014 to April 2015.

Mr. Li obtained a bachelor's degree in engineering in electronic information engineering from Xidian University (西安電子科技大學) in the PRC in July 2008, and a master's degree in engineering in electronic science and technology from Zhejiang University (浙江大學) in the PRC in March 2011.

Non-executive Directors

Mr. Byron Ye (former name Gang Ye (葉鋼)), aged 51, was appointed as our non-executive Director on January 9, 2024, primarily responsible for providing professional opinion and judgment to our Board. Mr. Ye joined our Group as a director of Shenzhen Shouhui in January 2021.

Mr. Ye has extensive experience in investment and asset management. Prior to joining our Group, Mr. Ye worked at Morgan Stanley & Co. LLC from May 2005 to September 2007 and as an investment director of the private equity investment department at Fosun Capital Group from August 2012 to November 2013. Mr. Ye has been a senior managing director at Noah Gopher Capital Advisors, LLC (歌斐資產管理有限公司) since June 2016. Prior to that, Mr. Ye worked as a managing director at Whitney Exchange Capital* (上海惠勵投資管理有限公司) from September 2014 to June 2016.

Mr. Ye obtained a bachelor's degree in engineering in computer and application, from Shanghai Jiao Tong University (上海交通大學) in the PRC in July 1996, and a master's degree in business administration from Yale University in the United States in May 2012.

Mr. Sirui Li (李思睿), aged 42, was appointed as our non-executive Director on January 9, 2024, primarily responsible for providing professional opinion and judgment to our Board.

Mr. Li has over 17 years of experience in investment and asset management. Prior to joining our Group, Mr. Li had the following working experience:

Name of organization	Principal business activities	Last position and responsibilities	Period of service
PricewaterhouseCoopers ZhongTian LLP (普華永道中天會計師事務所)	Accounting and consulting service	Senior associate	October 2007-August 2008
Shenzhen Chongshi Private Equity Investment Fund Management Co., Ltd.* (深圳崇石私募股權投資基金管理有限公司)	Fund management	Investment analyst	September 2007-May 2012
Golden China (TianJin) Investment Management Co., Ltd.* (華金(天津)投資管理有限公司)	Fund management	Vice president, general manager of strategic planning	May 2012-January 2016
Tianjin Tasly Health Industry Investment Partnership (L.P.)* (天津天士力健康產業投資管理合夥企業(有限合夥))	Fund management	General manager of strategic development department	February 2016-March 2022
Tasly Capital Holding (Beijing) Co., Ltd.* (天士力資本控股(北京)有限公司)	Fund management	Deputy general manager	January 2017-Present
Juzhida Health Technology Service Group Co., Ltd.* (聚智大健康科技服務集團有限公司)	Corporate management	Executive deputy general manager	March 2020-Present
Tasly Bio-pharmaceutical Industry Group Co., Ltd. (天士力生物醫藥產業集團有限公司)	Strategic planning	General manager of strategic development center	July 2020-Present

Mr. Li obtained a bachelor's degree in engineering in pharmaceutical engineering from Tianjin University (天津大學) in the PRC in June 2005, and a master's degree in business management from Nankai University (南開大學) in the PRC in December 2014. Mr. Li was accredited as a Certified International Investment Analyst (CIIA) by the Association of Certified International Investment Analysts (ACIIA) in March 2011.

Mr. Li was (i) a supervisor of Tianjin Huaxin Investment Management Co., Ltd.* (天津華新投資管理有限公司) ("**Tianjin Huaxin**"), a company established in the PRC, which was principally engaged in private equity investment and was deregistered on May 23, 2019 as the company ceased operations; (ii) an executive director and manager of Baoding Juzhihui Pharmaceutical Sales Co., Ltd.* (保定聚智薈藥品銷售有限公司) ("**Baoding Juzhihui**"), a company established in the PRC, which was principally engaged in pharmaceutical retail and was deregistered on April 24, 2023 voluntarily due to commercial reasons; (iii) a managing partner and limited partner in Tianjin Huili Technology Development Partnership (Limited Partnership)* (天津匯力科技發展合夥企業(有限合伙)) ("**Tianjin Huili**"), a partnership established in the PRC, which was established as an employee shareholding platform of Juzhida Health Technology Service Group Co., Ltd. and was deregistered on December 27, 2021 upon termination of the employee share incentive scheme; (iv) a supervisor of Big Health Intelligent Medical Technology (Shenzhen) Co., Ltd.* (大健康智能醫療科技(深圳)有限公司) ("**Big Health Intelligent**"), a company established in the PRC, which was principally engaged in big health advertising and commercial trade business and was deregistered on May 14, 2024 due to change of business strategy; and (v) a director and manager of Tianjin Dechuan Big Health Information Consulting Co., Ltd.* (天津德傳大健康信息諮詢有限公司) ("**Tianjin Dechuan**") within 12 months prior to its deregistration, a company established in the PRC, which was principally engaged in consumer goods traceability code business and was deregistered on January 6, 2025 due to change of business strategy. Mr. Li confirmed that (i) each of Tianjin Huaxin, Baoding Juzhihui, Tianjin Huili, Big Health Intelligent and Tianjin Dechuan was solvent with no outstanding liabilities arising from any material non-compliance incidents, claims, litigations or proceedings arising from its operation immediately prior to its deregistration; (ii) there was no wrongful act on his part leading to such deregistration and he was not aware of any actual or potential claim that had been or would made against him as a result of such deregistration; and (iii) no misconduct on his part had been involved in such deregistration.

Independent Non-executive Directors

Mr. Gang Shen (沈剛), aged 47, was appointed as our independent non-executive Director on May 13, 2025, primarily responsible for providing independent opinion and judgment to our Board.

Mr. Shen currently also serves as a director of Shenzhen Mokylin Technology Co., Ltd.* (深圳墨麟科技股份有限公司), a company in the online game industry listed on the New OTC Market (stock code: 835067), since January 1, 2021.

Mr. Shen has over 12 years of experience in the Internet technology service industry. Prior to joining our Group, Mr. Shen had the following working experience:

Name of organization	Principal business activities	Last position and responsibilities	Period of service
Tencent E-Commerce Digital (Shenzhen) Co., Ltd.* (騰訊電商數碼(深圳)有限公司) (formerly a wholly-owned subsidiary of Tencent; currently Yuanzhi e-commerce Digital (Shenzhen) Co., Ltd.* (元指針電商數碼(深圳)有限公司), a wholly-owned subsidiary of JD)	E-commerce	Senior director of product development	September 2012-October 2014
Shenzhen Mokylin Technology Co., Ltd.* (深圳墨麟科技股份有限公司), a company listed on the New OTC Market (stock code: 835067)	Internet game R&D and operation	Vice president	November 2014-August 2020
Shenzhen Flash Stone Interactive Technology Co., Ltd. (深圳閃石互動科技有限公司)	Internet game R&D and operation	Chairman of the board of directors	November 2020-Present

Mr. Shen obtained a bachelor's degree in science in computer software from Nanjing University (南京大學) in the PRC in July 1999, and a master's degree in business administration from China Europe International Business School (中歐國際工商學院) in the PRC in September 2012.

Mr. Shen was a supervisor of Shenzhen Lvzhou Real Estate Agency Co., Ltd.* (深圳市綠洲房地產經紀有限公司), a company established in the PRC and principally engaged in real estate agency and was deregistered on September 9, 2022 when the company ceased operation. Mr. Shen confirmed that (i) the above company was solvent with no outstanding liabilities arising from any material non-compliance incidents, claims, litigations or proceedings arising from its operation immediately prior to its deregistration; (ii) there was no wrongful act on his part leading to its deregistration and he was not aware of any actual or potential claim that had been or would be made against him as a result of such deregistration; and (iii) no misconduct on his part had been involved in such deregistration.

Mr. Haiquan Wu (吳海泉), aged 46, was appointed as our independent non-executive Director on May 13, 2025, primarily responsible for providing independent opinion and judgment to our Board.

Mr. Wu has over 22 years of experience in the e-commerce industry. Prior to joining our Group, Mr. Wu worked at Tencent Technology (Shenzhen) Company Limited (騰訊科技(深圳)有限公司), a wholly-owned subsidiary of Tencent from March 2003 to January 2013. Mr. Wu has been a general manager of Shenzhen Gaoding Information Service Co., Ltd.* (深圳高鼎信息服務有限公司) since April 2021. Prior to that, he worked as a China regional president at Midea Group E-Commerce Co., Ltd. (美的集團電子商務有限公司), a wholly-owned subsidiary of a company listed on the Shenzhen Stock Exchange (stock code: 333) from July 2014 to January 2021.

Mr. Wu obtained a bachelor's degree in engineering in computer software from Jinan University (暨南大學) in the PRC in June 2001, and a master's degree in business administration from China Europe International Business School (中歐國際工商學院) in the PRC in November 2018.

Mr. Wu was a supervisor of Shenzhen Gaoding Clinic* (深圳高鼎診所), a company established in the PRC, which was principally engaged in providing clinic services and was deregistered on July 19, 2023 as a result of adjustment of business scope of operation. Mr. Wu confirmed that (i) the above company was solvent with no outstanding liabilities arising from any material non-compliance incidents, claims, litigations or proceedings arising from its operation immediately prior to its deregistration; (ii) there was no wrongful act on his part leading to its deregistration and he was not aware of any actual or potential claim that had been or would be made against him as a result of such deregistration; and (iii) no misconduct on his part had been involved in such deregistration.

Mr. Yuanxin Zhang (張遠新), aged 37, was appointed as our independent non-executive Director on May 13, 2025, primarily responsible for providing independent opinion and judgment to our Board.

Mr. Zhang has over 12 years of experience in the finance industry. Prior to joining our Group, Mr. Zhang worked as an auditor at BDO China Shu Lun Pan Certified Public Accountants LLP Guangdong Branch (立信會計師事務所(特殊普通合夥)廣東分所) from March 2013 to November 2015 and at Deloitte Touche Tohmatsu Certified Public Accountants LLP Guangzhou Branch (德勤華永會計師事務所(特殊普通合夥)廣州分所) from December 2015 to October 2018. Mr. Zhang has been a financial director at Guangzhou Lvji Digital Technology Co., Ltd.* (廣州驢跡數字化科技有限公司) since November 2021. Prior to that, Mr. Zhang worked at Lvji Technology Group Co., Ltd. (驢跡科技集團有限公司) from November 2018 to October 2021.

Mr. Zhang graduated from Huizhou University* (惠州學院) in the PRC, majoring in auditing, in June 2011. Mr. Zhang was accredited as a certified non-practicing accountant by the Chinese Institute of Certified Public Accountants in March 2021.

Other Disclosure Pursuant to Rule 13.51(2) of the Listing Rules

Save as disclosed in this section and in the paragraph headed "Statutory and General Information — C. Further Information about our Directors and Substantial Shareholders — 1. Disclosure of Interest" set out in Appendix IV to this prospectus, each of our Directors confirms with respect to himself or herself that he or she (1) did not hold other long positions or short positions in the Shares, underlying Shares, debentures of our Company or any associated corporation (within the meaning of Part XV of the SFO) as of the Latest Practicable Date; (2) had no other relationship with any Directors, senior management or substantial shareholders of our Company as of the Latest Practicable Date; (3) did not hold any other directorships in the three years prior to the Latest Practicable Date in any public companies of which the securities are listed on any securities market in Hong Kong and/or overseas; and (4) there are no other matters concerning our Directors' appointment that need to be brought to the attention of our Shareholders and the Stock Exchange or shall be disclosed pursuant to Rule 13.51(2) of the Listing Rules.

SENIOR MANAGEMENT

Our senior management is responsible for the day-to-day management of our business. The table below sets out certain information in respect of the senior management of our Group.

Name	Position	Age	Date of appointment as senior management	Date of joining our Group	Roles and responsibilities in our Group	Relationship with other Directors and senior management
Mr. Yao Guang (光耀).	Executive Director, chairman of the Board, and chief executive officer	40	January 26, 2015	January 26, 2015	Responsible for overall strategic planning and operational decision making of our Group.	Nil
Mr. Liwei Han (韓立煒)	Executive Director and chief technology officer	40	January 26, 2015	January 26, 2015	Responsible for overall technology strategy and R&D of the technology system of our Group.	Nil
Ms. Li Liu (劉麗).	Executive Director and chief product officer	40	April 2, 2015	April 2, 2015	Responsible for overall product design and development of our Group.	Nil

Name	Position	Age	Date of appointment as senior management	Date of joining our Group	Roles and responsibilities in our Group	Relationship with other Directors and senior management
Mr. Jianting Li (李鑒庭)	Executive Director and chief information officer	39	April 2, 2015	April 2, 2015	Responsible for the technology development and digitalization of the business of our Group.	Nil
Ms. Xin Wang (王馨)	Chief financial officer	42	July 19, 2023	July 19, 2023	Responsible for overseeing the overall financial management, strategic and business development, investing and financing activities of our Group.	Nil

For biographical details of Mr. Guang, Mr. Han, Ms. Liu and Mr. Li, please refer to the paragraph headed "Executive Directors" in this section.

Ms. Xin Wang (王馨), aged 42, is our chief financial officer, primarily responsible for overseeing the overall financial management, strategic and business development, investing and financing activities of our Group. Ms. Wang joined our Group as the chief financial officer of Shenzhen Shouhui in July 2023.

Ms. Wang has over 18 years of experience in the finance industry. Prior to joining our Group, Ms. Wang had the following working experience:

Name of organisation	Principal business activities	Last position and responsibilities	Period of service
Bayer Healthcare Company Ltd. (拜耳醫藥保健有限公司)	Medical and healthcare	Internal controller	August 2006-November 2010
Zhengda Pharmaceutical Investment (Beijing) Co., Ltd.* (正大製藥投資(北京)有限公司), a wholly-owned subsidiary of Sino Pharmaceutical Limited (中國生物製藥有限公司), a company listed on the Stock Exchange (1177)	Medical and healthcare	Deputy general manager of finance	December 2010-October 2014
China New Higher Education Group Limited (中國新高教集團有限公司), a company listed on the Stock Exchange (stock code: 2001)	Private higher education	Chief financial officer and company secretary	October 2014-September 2018
Guangzhou Lvji Technology Co., Ltd.* (廣州市驢跡科技有限責任公司), a wholly-owned subsidiary of Lvji	Online tour guide	Chief financial officer	September 2018-December 2022

Ms. Wang obtained a bachelor's degree in management in accounting from Taiyuan University of Technology (太原理工大學) in the PRC in July 2004, a master's degree in management in accounting from Nanjing University of Science and Technology (南京理工大學) in the PRC in July 2006, a master's degree in business administration from Peking University (北京大學) in the PRC in September 2014, and a master's degree in business administration from Vlerick Business School in Belgium in November 2014. Ms. Wang was accredited as a certified public accountant by the Chinese Institute of Certified Public Accountants in August 2009. Ms. Wang has been studying at the Global CEO Program at the University of Hong Kong since September 2023.

Other Disclosure Pursuant to Rule 13.51(2) of the Listing Rules

Save as disclosed in this section and in the paragraph headed "Statutory and General Information — C. Further Information about our Directors and Substantial Shareholders — 1. Disclosure of Interest" set out in Appendix IV to this prospectus, each of our Directors confirms with respect to himself or herself that he or she (1) did not hold other long positions or short positions in the Shares, underlying Shares, debentures of our Company or any associated corporation (within the meaning of Part XV of the SFO) as of the Latest Practicable Date; (2) had no other relationship with any Directors, senior management or substantial

shareholders of our Company as of the Latest Practicable Date; (3) did not hold any other directorships in the three years prior to the Latest Practicable Date in any public companies of which the securities are listed on any securities market in Hong Kong and/or overseas; and (4) there are no other matters concerning our Directors' appointment that need to be brought to the attention of our Shareholders and the Stock Exchange or shall be disclosed pursuant to Rule 13.51(2) of the Listing Rules.

JOINT COMPANY SECRETARIES

Ms. Qing Li (李情), aged 35, was appointed as one of our joint company secretaries on January 9, 2024. Ms. Li has been assuming or assumed the following positions of our Group:

- head of finance department of Shenzhen Shouhui since June 2015;
- head of finance department of Shouhui Chuangxiang since December 2017;
- supervisor of Picus Technology from March 2020 to January 2025;
- supervisor of Xiehuangbao since December 2019;
- supervisor of Shouhui Consulting since June 2019;
- supervisor of Small Umbrella Insurance Brokerage since November 2020; and
- director of Shenzhen Shouhui from January 2021 to January 2025.

Prior to joining our Group, Ms. Li served as an accountant in Dalian Befut Wire & CABLE Manufacturing Co., Ltd (大連百孚特綫纜製造有限公司) from July 2013 to June 2014. From July 2014 to March 2015, she worked as an accountant at Kingdee Software (China) Co., Ltd (金蝶軟件(中國)有限公司), a wholly-owned subsidiary of Kingdee International Software Group Company Limited, a company listed on the Stock Exchange (stock code: 0268).

Ms. Li obtained her bachelor of management degree in accounting from Bohai University (渤海大學) in the PRC in June 2012.

Ms. Zhao Zeng (曾昭), was appointed as one of our joint company secretaries on January 9, 2024.

Ms. Zeng is a Manager of Corporate Services of Tricor Services Limited, a global professional services provider specializing in integrated business, corporate and investor services. Ms. Zeng has over eight years of experience in the corporate secretarial field and has been providing professional corporate services to Hong Kong listed companies as well as multinational, private and offshore companies.

Ms. Zeng is a Chartered Secretary, a Chartered Governance Professional and an Associate of both The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom. Ms. Zeng obtained her Master of Corporate Governance from The Hong Kong Metropolitan University in Hong Kong in 2016.

BOARD COMMITTEES

We have established three committees in our Board: the Audit Committee, the Remuneration Committee and the Nomination Committee. The committees operate in accordance with terms of reference established by our Board.

Audit Committee

Our Company has established an Audit Committee (with effect from the Listing Date) with written terms of reference in compliance with Rule 3.21 of the Listing Rules and paragraph D.3 of the Corporate Governance Code. The Audit Committee comprises Mr. Yuanxin Zhang, Mr. Haiquan Wu and Mr. Gang Shen. The chairman of the Audit Committee is Mr. Zhang. Mr. Zhang holds the appropriate professional qualifications as required under Rules 3.10(2) and 3.21 of the Listing Rules. The primary duties of the Audit Committee include, without limitation, (i) reviewing and supervising the financial reporting process and internal control system of our Group; (ii) overseeing the audit process; (iii) reviewing and approving connected transactions; and (iv) providing advice and comments to our Board.

Remuneration Committee

Our Company has established a Remuneration Committee (with effect from the Listing Date) with written terms of reference in compliance with Rule 3.25 of the Listing Rules and paragraph E.1 of the Corporate Governance Code. The Remuneration Committee comprises Mr. Gang Shen, Mr. Yao Guang and Mr. Haiquan Wu. The Remuneration Committee is chaired by Mr. Gang Shen. The primary duties of the Remuneration Committee include, without limitation the following: (i) reviewing and making recommendations to our Board on our policy and structure for all remuneration of Directors and senior management and on the establishment of a formal and transparent procedure for developing policy on such remuneration; (ii) determining, with delegated power, the remuneration packages of executive Directors and senior management; (iii) making recommendations to the board on the remuneration of non-executive Directors; and (iv) reviewing and approving remuneration proposals with reference to corporate goals and objectives resolved by our Board from time to time.

Nomination Committee

Our Company has established a Nomination Committee (with effect from the Listing Date) with written terms of reference in compliance with Rule 3.27A of the Listing Rules and paragraph B.3 of the Corporate Governance Code. The Nomination Committee comprises Mr. Yao Guang, Mr. Gang Shen and Mr. Haiquan Wu. The chairman of the Nomination Committee is Mr. Yao Guang. The primary functions of the Nomination Committee include, without limitation, (i) reviewing the structure, size and composition of our Board; (ii) assessing the independence of independent non-executive Directors; and (iii) making recommendations to our Board on matters relating to the appointment of Directors.

Board Diversity Policy

We are committed to promoting the culture of diversity in our Company. We have strived to promote diversity to the extent practicable by taking into consideration a number of factors in our corporate governance structure.

We have adopted board diversity policy which sets out the objective and approach to achieve and maintain diversity of our Board in order to enhance its effectiveness. Pursuant to the board diversity policy, we seek to achieve Board diversity through the consideration of a number of factors, including but not limited to gender, age, language, cultural background, educational background, industry experience and professional experience, skills, knowledge and/or length of service.

Our Directors have a balanced mix of gender, knowledge, skills, perspectives and experience, including business management, technology, finance and accounting. They obtained degrees in various majors including business administration, computer science and accounting. Furthermore, our Board has a wide range of age, ranging from 37 years old to 51 years old. We have also taken, and will continue to take, steps to promote gender diversity at all levels of our Company, including but without limitation, on our Board. Upon the Listing, one of our nine Board members is female. Taking into account the different backgrounds of our Directors, the composition of our Board is able to bring a balance of diversity perspectives to our Board.

We are also committed to adopting a similar approach to promote diversity within management (including but not limited to the senior management) of our Company to enhance the effectiveness of corporate governance of our Company as a whole.

The Nomination Committee is delegated by our Board to be responsible for compliance with relevant codes governing board diversity under the Corporate Governance Code. After the Listing, the Nomination Committee will from time to time (i) discuss and agree on expected goals to ensure board diversity; and (ii) review the board diversity policy to ensure its continued effectiveness. We will (i) disclose the biographical details of each Director; and (ii) disclose in our corporate governance report about the implementation of the board diversity policy on an annual basis.

Our Board and management are also responsible for promoting diversity, equality and inclusion throughout our Company to maintain an equal, safe and happy workplace environment. We treat all employees equally in hiring, salary and compensation, employment opportunities, rewards and punishments, and work processes without discrimination on the basis of any personal circumstances (e.g., race, nationality, religion, gender, age, marital status, physical characteristics, etc.), and we strictly prohibit any form of sexual harassment and intimidation. Specifically, we do not express or imply discriminatory conditions of employment in the terms and conditions of employment; we implement a performance-oriented compensation system, and employees of different genders have equal rights to compensation and benefits; we prohibit unjustified salary reductions or dismissal of female employees during pregnancy, etc.; and we provide open channels for complaints and reports, and we do not retaliate against employees for filing complaints of discrimination in employment, filing lawsuits, or filing whistleblowing complaints. In our corporate culture, we also actively advocate the integration of employees in different cultures, pursue compatibility and inclusiveness, and seek common ground while reserving differences.

CORPORATE GOVERNANCE

Pursuant to paragraph C.2.1 of the Corporate Governance Code, companies listed on the Stock Exchange are expected to comply with, but may choose to deviate from, the requirement that the responsibilities between the chairman and the chief executive officer should be segregated and should not be performed by the same individual. Mr. Guang is our chairman and chief executive officer. With extensive experience in the Internet technology service and insurance intermediary industry, Mr. Guang is primarily responsible for overall strategic planning and operational decision making of our Group and is instrumental to our growth and business expansion. Our Board considers that vesting the roles of chairman and chief executive officer in the same person is beneficial to the management of our Group. The balance of power and authority is ensured by the operation of the senior management and our Board, which comprises experienced and visionary individuals. Our Board currently comprises four executive Directors (including Mr. Guang), two non-executive Directors and three independent non-executive Directors and therefore has a fairly strong independence element in its composition. Decisions to be made by our Board requires approval by at least a majority of our Directors. Mr. Guang and the other Directors are aware of and undertake to fulfil their fiduciary duties as Directors, which require, among other things, that he/she acts for the benefit and in the best interests of our Company and will make decisions of our Group accordingly. Our Board will continue to review the effectiveness of the corporate governance structure of our Group in order to assess whether separation of the roles of chairman and chief executive officer is necessary.

Save as disclosed above, we are in compliance with all code provisions of the Corporate Governance Code.

CONFIRMATION FROM OUR DIRECTORS

Rule 8.10 of the Listing Rules

Each of our Directors confirms that as of the Latest Practicable Date, he or she did not have any interest in a business, apart from the business of our Group, which competes or is likely to compete, either directly or indirectly, with our business, which would require disclosure under Rule 8.10 of the Listing Rules.

Rule 3.09D of the Listing Rules

Each of our Directors confirms that he or she (i) has obtained the legal advice referred to under Rule 3.09D of the Listing Rules in January 2024; and (ii) understands his or her obligations as a director of a listed issuer under the Listing Rules.

Rule 3.13 of the Listing Rules

Each of the independent non-executive Directors has confirmed (i) his or her independence as regards each of the factors referred to in Rules 3.13(1) to (8) of the Listing Rules; (ii) he or she has no past or present financial or other interest in the business of the Company or its subsidiaries or any connection with any core connected person of the Company under the Listing Rules as of the Latest Practicable Date, and (iii) that there are no other factors that may affect his or her independence at the time of his or her appointment.

EMOLUMENTS OF DIRECTORS AND MANAGEMENT

Our Directors receive emoluments in the form of directors' fees, salaries, allowances, benefit in kind, discretionary bonuses, retirement scheme contributions and share-based compensation, including our Company's contribution to the pension scheme on their behalf. We determine the salaries of our Directors based on each Director's responsibilities, qualification, position and seniority.

The aggregate amount of emoluments which was paid or payable to our Directors for the years ended December 31, 2022, 2023 and 2024 were approximately RMB3.9 million, RMB4.3 million and RMB4.8 million, respectively.

Under the arrangement currently in force, we expect that the aggregate remuneration (without taking into account the Pre-IPO Share Award Scheme) to be paid to our Directors for the year ending December 31, 2025 will amount to approximately RMB5.3 million.

The aggregate amount of emoluments which were paid or payable by our Group to our remaining highest paid individuals for the years ended December 31, 2022, 2023 and 2024 were approximately RMB3.1 million, RMB6.6 million and RMB15.2 million, respectively.

No remuneration was paid to our Directors or the five highest paid individuals as an inducement to join, or upon joining, our Group. No compensation was paid to, or received by, our Directors, past Directors or the five highest paid individuals for the Track Record Period for the loss of office as director of any member of our Group or of any other office in connection with the management of the affairs of any member of our Group. None of our Directors waived any emoluments during the same period.

For additional information on Directors' remuneration during the Track Record Period as well as information on the highest paid individuals, please refer to Notes 8 and 9 of the Accountants' Report set out in Appendix I to this prospectus.

PRE-IPO SHARE AWARD SCHEME

We have adopted the Pre-IPO Share Award Scheme on November 30, 2023. For more details, please refer to the section headed "Statutory and General Information — D. Share Incentive Scheme — 1. Pre-IPO Share Award Scheme" set out in Appendix IV to this prospectus.

COMPLIANCE ADVISOR

We have appointed CMBC International Capital Limited as our compliance advisor pursuant to Rule 3A.19 of the Listing Rules. Pursuant to Rule 3A.23 of the Listing Rules, the compliance advisor will advise us on the following circumstances:

- before the publication of any regulatory announcement, circular or financial report;
- where a transaction, which might be a notifiable or connected transaction under Chapters 14 and 14A of the Listing Rules, is contemplated including share issues and share repurchases;
- where we propose to use the proceeds of the Global Offering in a manner different from that detailed in this prospectus or where our business activities, developments or results deviate from any forecast, estimate, or other information in this prospectus; and
- where the Stock Exchange makes an inquiry of us regarding unusual movements in price or trading volume, or other any matters under Rule 13.10 of the Listing Rules.

Pursuant to Rule 3A.24 of the Listing Rules, the Compliance Advisor will inform us on a timely basis of any amendment or supplement to the Listing Rules and any new or amended laws and regulations in Hong Kong applicable to us.

The terms of the appointment shall commence on the Listing Date and end on the date which we distribute our annual report of our financial results for the first full financial year commencing after the Listing Date.

SUBSTANTIAL SHAREHOLDERS

So far as our Directors are aware, immediately following the completion of the Capitalization Issue and the Global Offering and assuming the Over-allotment option is not exercised, the following persons will have an interest or a short position in Shares or underlying Shares of our Company which will be required to be disclosed to our Company and the Stock Exchange pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO or will be, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of our Company:

		Immediately prior to the Capitalization Issue and the Global Offering[1]		**Immediately after the completion of the Capitalization Issue and the Global Offering (assuming Over-allotment Option is not exercised)[1]**	
Name of Shareholder	**Capacity/Nature of interest**	**Number of Shares**	**Approximate percentage in shares of our Company**	**Number of Shares**	**Approximate percentage in interest in our Company**
Mr. Guang[2][9]	Interest in a controlled corporation	2,997,760 Shares (L)	29.68%	107,863,792	47.64%
Little Green Light Ltd[2][9]	Interest in a controlled corporation	2,997,760 Shares (L)	29.68%	107,863,792	47.64%
Little Blue Light Ltd[2][9]	Beneficial interest	2,997,760 Shares (L)	29.68%	59,955,200	26.48%
	Interest of a party to an agreement	N/A	N/A	47,908,592	21.16%
Gopher SPV Shareholders[3]	Interest in a controlled corporation	1,420,570 Shares (L)	14.06%	28,411,400	12.55%
Gopher SPV[3]	Beneficial Interest	1,420,570 Shares (L)	14.06%	28,411,400	12.55%
Tibet Juzhi Shareholders[4]	Interest in a controlled corporation	1,335,160 Shares (L)	13.22%	26,703,200	11.80%
Tibet Juzhi[4]	Beneficial Interest	1,009,230 Shares (L)	9.99%	20,184,600	8.92%
Hongshan Shareholders[5]	Interest in a controlled corporation	1,317,720 Shares (L)	13.05%	26,354,400	11.64%

Name of Shareholder	Capacity/Nature of interest	Immediately prior to the Capitalization Issue and the Global Offering[1] Number of Shares	Immediately prior to the Capitalization Issue and the Global Offering[1] Approximate percentage in shares of our Company	Immediately after the completion of the Capitalization Issue and the Global Offering (assuming Over-allotment Option is not exercised)[1] Number of Shares	Immediately after the completion of the Capitalization Issue and the Global Offering (assuming Over-allotment Option is not exercised)[1] Approximate percentage in interest in our Company
HongShan Yucheng[5]	Beneficial Interest	1,317,720 Shares (L)	13.05%	26,354,400	11.64%
	Interest in a controlled corporation	826,140 Shares (L)	8.18%	16,522,800	7.30%
MallocLuke Ltd[6]	Interest in a controlled corporation	826,140 Shares (L)	8.18%	16,522,800	7.30%
Convolution Ltd[6]	Beneficial interest	826,140 Shares (L)	8.18%	16,522,800	7.30%
Jidixintian Shareholders[7]	Interest in a controlled corporation	683,530 Shares (L)	6.77%	13,670,600	6.04%
Jidixintian[7]	Beneficial Interests	683,530 Shares (L)	6.77%	13,670,600	6.04%
Matrix Shareholders[8]	Interest in a controlled corporation	563,200 Shares (L)	5.58%	11,264,000	4.98%
Matrix SPV[8]	Beneficial interest	563,200 Shares (L)	5.58%	11,264,000	4.98%

Notes:

(1) Letter "L" denotes the person's long position interests in our Shares.

(2) Little Blue Light Ltd is wholly-owned by Little Green Light Ltd, which is wholly owned by Mr. Guang. By virtue of the SFO, each of Little Green Light Ltd and Mr. Guang is deemed to be interested in the Shares held by Little Blue Light Ltd.

(3) As of the Latest Practicable Date, (i) Gopher Asset Management Co., Ltd* (歌斐資產管理有限公司) was the general partner of Gopher SPV, Wuhu Lanpai Investment Centre (Limited Partnership)* (蕪湖覽派投資中心(有限合夥)) ("**Wuhu Lanpai**"), Zhuhai Qifei and Zhuhai Junchen; (ii) Gopher SPV was held by Zhuhai Qifei and Zhuhai Junchen as to approximately 66.66% and 33.33%, respectively; (iii) Gopher Asset Management Co., Ltd was wholly-owned by Shanghai Noah, which was owned by Ms. Jingbo Wang (汪靜波) as to 45%; (iv) Shanghai Noah Investment Management Co., Ltd (上海諾亞投資管理有限公司) ("**Shanghai Noah**") was controlled by Noah Holdings Limited, a company listed on the Stock Exchange (stock code: 6686) and the New York Stock Exchange (symbol: NOAH); and (v) Zhuhai Qifei was held by Wuhu Lanpai as to approximately 34.10%. By virtue of the SFO, each of Zhuhai Qifei, Zhuhai Junchen, Gopher Asset Management Co., Ltd, Shanghai Noah, Noah Holdings Limited, Wuhu Lanpai and Ms. Jingbo Wang (collectively, the "**Gopher SPV Shareholders**") is deemed to be interested in the Shares held by Gopher SPV.

(4) As of the Latest Practicable Date, (i) Shenzhen Chongshi Private Equity Investment Fund Management Co., Ltd.* (深圳崇石私募股權投資基金管理有限公司) ("**Shenzhen Chongshi**"), which was held as to 51% by Mr. Kaijing Yan (閆凱境) and 49% by Tasly Investment, was the general partner of Tianjin Juxin; (ii) Tibet Juzhi was wholly owned by Tasly Bio-pharmaceutical Industry Group Co., Ltd. which was held as to approximately 67.08% by Tasly Investment; and (iii) Tasly Investment was ultimately controlled by Mr. Kaijing Yan. By virtue of the SFO, each of Tasly Investment and Mr. Kaijing Yan (collectively, the "**Tibet Juzhi Shareholders**") is deemed to be interested in the Shares held by Tianjin Juxin (325,930 Shares representing 3.23% interests held in the Company immediately prior to the completion of the Capitalization Issue and the Global Offering or 6,518,600 Shares representing 2.88% interests held in the Company immediately after the completion of the Capitalization Issue and the Global Offering (assuming the Over-allotment Option is not exercised)) and Tibet Juzhi.

(5) As of the Latest Practicable Date, (i) Shanghai Huanyuan Investment Management Co., Ltd (上海桓遠投資管理有限公司) ("**Shanghai Huanyuan**") (ultimately controlled by Mr. Kui Zhou (周逵)) was the general partner of HongShan Yucheng, Beijing HongShan Kunde Investment Management Center (Limited Partnership) (北京紅杉坤德投資管理中心(有限合夥) ("**HongShan Kunde**") and Ningbo Meishan Bonded Port Area HongShan Huide Investment Management Partnership (Limited Partnership) (寧波梅山保税港區紅杉薈德投資管理合夥企業(有限合夥)) ("**Meishan HongShan**"); (ii) HongShan Yucheng was held as to approximately 99.94% by Beijing HongShan Mingde Equity Investment Center (Limited Partnership) (北京紅杉銘德股權投資中心(有限合夥) ("**HongShan Mingde**"); (iii) HongShan Kunde was the general partner of HongShan Mingde; (iv) HongShan Mingde was held as to approximately 66.67% and 33.33% by HongShan Shengde and Beijing HongShan Kangde Equity Investment Center (Limited Partnership) (北京紅杉濂德股權投資中心(有限合夥)) ("**HongShan Kangde**"); (v) Meishan HongShan was the general partner of HongShan Kangde, Beijing HongShan Shengde Equity Investment Center (Limited Partnership) (北京紅杉盛德股權投資中心(有限合夥)) ("**HongShan Shengde**"), Beijing HongShan Yade Equity Investment Center (Limited Partnership) (北京紅杉亞德股權投資中心(有限合夥)) ("**HongShan Yade**"), Hangzhou HongShan Peide Zhihui Equity Investment Center (Limited Partnership) (杭州紅杉珮德智薈股權投資合夥企業(有限合夥)) ("**Hangzhou HongShan**") and Beijing HongShan Haoxin Management Consulting Center (Limited Partnership)* (北京紅杉皓信管理諮詢中心(有限合夥)) ("**HongShan Haoxin**"); (vi) HongShan Yade held 40.89% interests and Hangzhou HongShan held 38.30% interests in HongShan Shengde; (vii) HongShan Haoxin held approximately 92.37% interests in Hangzhou HongShan; (viii) Wuhu Juncheng Investment Center (Limited Partnership)* (蕪湖俊成投資中心(有限合夥)) ("**Wuhu Juncheng**") held approximately 99.96% interests in HongShan Haoxin; and (ix) the general partner of Wuhu Juncheng was Shanghai Jingmu Enterprise Management Co., Ltd. (上海景穆企業管理有限公司) ("**Shanghai Jingmu**") (ultimately controlled and owned by Ms. Wenhong Tan (譚文虹)). By virtue of the SFO, each of Shanghai Huanyuan, Mr. Kui Zhou, HongShan Kunde, Meishan HongShan, HongShan Mingde, HongShan Kangde, HongShan Shengde, HongShan Yade, Hangzhou HongShan, HongShan Haoxin, Wuhu Juncheng, Shanghai Jingmu and Ms. Wenhong Tan (collectively, "**Hongshan Shareholders**") is deemed to be interested in the Shares held by HongShan Yucheng.

(6) Convolution Ltd is wholly-owned by MallocLuke Ltd, which is wholly-owned by Mr. Han. By virtue of the SFO, each of MallocLuke Ltd and Mr. Han is deemed to be interested in the Shares held by Convolution Ltd.

(7) As of the Latest Practicable Date, the general partner of Jidixintian was Jiaxing Jidixintian Investment Management Co., Ltd* (嘉興極地信天投資管理有限公司), which was wholly owned by Shenzhen Albatross Venture Capital Co., Ltd. (深圳極地信天創業投資有限公司), which was ultimately controlled and held as to 83% by Ms. Junxi Zhang (張俊熹). By virtue of the SFO, each of Jiaxing Jidixintian Investment Management Co., Ltd, Shenzhen Albatross Venture Capital Co., Ltd. and Ms. Junxi Zhang (collectively, the "**Jidixintian Shareholders**") is deemed to be interested in the Shares held by Jidixintian.

(8) As of the Latest Practicable Date, (i) the general partner of Matrix SPV was Ningbo Matrix Investment Management Co., Ltd* (寧波矩陣投資管理有限公司), which was held as to 90% by Mr. Lingye Zuo (左凌燁); (ii) the limited partner of Matrix SPV was Matrix Jingtianweidi, which held 99.998% interests in Matrix SPV, and the general partner of Matrix Jingtianweidi was Shanghai Chuangyun Investment Management Partnership (Limited Partnership)*(上海創鋆投資管理合夥企業(有限合夥)), which was ultimately controlled by Mr. Lingye Zuo. By virtue of the SFO, each of Ningbo Matrix Investment Management Co., Ltd, Shanghai Chuangyun Investment Management Partnership (Limited Partnership) and Mr. Lingye Zuo (collectively, the "**Matrix Shareholders**" is deemed to be interested in the Shares held by Matrix SPV.

(9) Mr. Guang, through Little Blue Light Ltd, will be entitled to exercise the voting rights representing approximately 21.16% of shareholding interest in our Company immediately after the completion of the Capitalization Issue and the Global Offering (assuming the Over-allotment Option is not exercised). For more details, please refer to the section headed "History, Reorganization and Corporate Structure — Voting Proxy Arrangements" in this prospectus.

Save as disclosed in this section and the section headed "History, Reorganization and Corporate Structure", there are no other relationships among the substantial shareholders.

Save as disclosed above and in the section headed "Statutory and General Information – C. Further Information about Our Directors and Substantial Shareholders – 1. Disclosure of Interests" in Appendix IV to this prospectus, our Directors are not aware of any person who will, immediately following the completion of the Capitalization Issue and the Global Offering, assuming the Over-allotment option is not exercised, have an interest or a short position (where applicable) in the Shares or underlying Shares which will be required to be disclosed to our Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or will be, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group. Our Directors are not aware of any arrangement which may at a subsequent date result in a change of control of our Company or any other member of our Group.

RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS

As of the Latest Practicable Date, Mr. Guang controlled approximately 29.68% of our issued share capital (through his controlled corporations).

Pursuant to the voting proxy agreements executed on August 23, 2024, November 12, 2024 and December 16, 2024, the Proxy Shareholders agreed to appoint Little Blue Light Ltd, a company wholly owned by Mr. Guang, as their attorney and proxy to exercise the voting rights attached to certain Shares held by them, at the general meetings of our Company. The relevant voting rights under the voting proxy agreements will be vested on Little Blue Light Ltd with effect from the Listing Date, and such voting rights shall be exercised by Little Blue Light Ltd solely at all general meetings of the Company (with or without the attendance of the Proxy Shareholders or their respective representatives). For more details, please refer to the section headed "History, Reorganization and Corporate Structure — Voting Proxy Arrangements" in this prospectus.

As a result, immediately after the completion of the Capitalization Issue and the Global Offering (assuming the Over-allotment Option is not exercised), Mr. Guang, through Little Green Light Ltd and Little Blue Light Ltd, will control approximately 47.64% of all the voting power at the general meetings of our Company, comprising approximately 26.48% beneficially owned by himself through Little Green Light Ltd and Little Blue Light Ltd and approximately 21.16% vested to Little Blue Light Ltd by the Proxy Shareholders. Therefore, Mr. Guang, Little Green Light Ltd and Little Blue Light Ltd will be our Controlling Shareholders upon Listing.

Please see the section headed "Substantial Shareholders" for details of the shareholding interest of our Controlling Shareholders.

INDEPENDENCE FROM OUR CONTROLLING SHAREHOLDERS

As of the Latest Practicable Date, none of the Controlling Shareholders and their respective close associates had any interest in any business that competes or is likely to compete, either directly or indirectly with our Group's business, which would require disclosure under Rule 8.10 of the Listing Rules.

Having considered the following factors, our Directors are satisfied that we are capable of carrying on our business independently from our Controlling Shareholders and their close associates after Listing.

Management Independence

Our business is managed and conducted by our Board and senior management. Upon Listing, our Board will consist of nine Directors comprising four executive Directors, two non-executive Directors and three independent non-executive Directors, and our senior management team will consist of five members comprising four executive Directors and our chief financial officer, of whom Mr. Guang is our Controlling Shareholder as detailed above. For details, please see the section headed "Directors and Senior Management."

Our Directors consider that our Board as a whole and members of the senior management are able to perform their roles in our Group independently and that our Group is capable of managing our business independently from the Controlling Shareholders and their close associates. We consider that the role of Mr. Guang as our Controlling Shareholder will not materially impact his ability to discharge his duties of skill, care and diligence to our Group for the following reasons:

(a) each Director is aware of his/her fiduciary duties as a director which require, among other things, that he/she acts for the benefit and in the interest of our Company and does not allow any conflict between his/her duties as a Director and his/her personal interests;

(b) our daily management and operations are carried out by a senior management team. Except Mr. Guang himself, our senior management team members are independent from our Controlling Shareholders, all of whom have relevant management and/or industry-related experience, and will therefore be able to make business decisions that are in the best interests of our Group;

(c) we have three independent non-executive Directors and certain matters of our Company must always be referred to the independent non-executive Directors for review;

(d) in the event that there is a potential conflict of interest arising out of any transaction to be entered into between our Group and our Directors or their respective associates, the interested Director(s) is required to declare the nature of such interest before voting at the relevant Board meetings in respect of such transactions; and

(e) we have adopted a series of corporate governance measures to manage conflicts of interest, if any, between our Group and our Controlling Shareholders which would support our independent management. Please see "— Corporate Governance" in this section for further information.

Based on the above, our Directors believe that our Board as a whole and together with our senior management team are able to perform the managerial role independently from our Controlling Shareholders.

Operational Independence

Our Group is operationally independent from the Controlling Shareholders. Our Group (through our subsidiaries and Consolidated Affiliated Entities) holds all material licenses and owns relevant material intellectual properties necessary to carry on our business. We have sufficient capital, facilities, equipment and employees to operate our business independently from our Controlling Shareholders. We also have independent access to our customers and an independent management team to operate our business.

Based on the above, our Directors believe that we are able to operate independently of our Controlling Shareholders.

Financial Independence

We have independent internal control and accounting systems. We also have an independent finance department responsible for discharging the treasury function. We are capable of obtaining financing from third parties, if necessary, without reliance on our Controlling Shareholders. As of the Latest Practicable Date, there were no outstanding loans or guarantees provided by, or granted to, our Controlling Shareholders or their respective close associates.

Based on the above, our Directors are of the view that we are financially independent from our Controlling Shareholders and their respective close associates.

CORPORATE GOVERNANCE

Our Company will comply with the provisions of the Corporate Governance Code, which sets out principles of good corporate governance in relation to, among other matters, directors, the chairman and chief executive officer, board composition, the appointment, re-election and removal of directors, their responsibilities and remuneration and communications with shareholders.

Our Directors recognize the importance of good corporate governance to protect the interests of our Shareholders. We would adopt the following corporate governance measures to manage potential conflict of interests between our Group and our Controlling Shareholders:

1. our Company has established internal control mechanisms to identify connected transactions. Upon Listing, if our Company enters into connected transactions with our Controlling Shareholders or their associates, our Company will comply with the applicable Listing Rules;

2. where a Shareholders' meeting is to be held for considering proposed transactions in which a Controlling Shareholder or its associates have any material interest, the relevant Controlling Shareholder shall not vote on the resolutions and shall not be counted in the quorum for the voting;

3. our Board will consist of a balanced composition of executive and non-executive Directors, including not less than one-third of independent non-executive Directors to ensure that our Board is able to effectively exercise independent judgment in its decision making process and provide independent advice to our Shareholders. Our independent non-executive Directors, details of whom are set out in the section headed "Directors and Senior Management" individually and together possess the requisite knowledge and experience to perform their roles. They will review whether there is any conflict of interests between our Group and our Controlling Shareholders and provide impartial and professional advice to protect the interest of our minority Shareholders;

4. where the advice from an independent professional, such as that from a financial advisor, is reasonably requested by our Directors (including the independent non-executive Directors), the appointment of such an independent professional will be made at our Company's expenses; and

5. we have appointed CMBC International Capital Limited as our compliance advisor, which will provide advice and guidance to us in respect of compliance with the applicable laws and the Listing Rules including various requirements relating to corporate governance.

Based on the above, our Directors are satisfied that sufficient corporate governance measures have been put in place to manage conflicts of interest between our Group and our Controlling Shareholders, and to protect minority shareholders' rights after the Listing.

Immediately before (i) the conversion of preferred shares of our Company, (ii) the Capitalization Issue, and (iii) the Global Offering, the authorized and issued share capital of our Company is as follows:

Authorized Share Capital

Number	Description	Nominal Value (US$)	Percentage
4,994,679,820	Ordinary Shares of par value of US$0.00001 each	49,946.79820	99.89%
894,847	Series Angel Preferred Shares of par value of US$0.00001 each	8.94847	0.02%
1,432,333	Series A Preferred Shares of par value of US$0.00001 each	14.32333	0.03%
1,572,430	Series B Preferred Shares of par value of US$0.00001 each	15.72430	0.03%
1,420,570	Series C Preferred Shares of par value of US$0.00001 each	14.20570	0.03%
5,000,000,000	**Total**	50,000	100%

Issued Share Capital

Number	Description	Nominal Value (US$)	Percentage
4,780,830	Ordinary Shares of par value of US$0.00001 each	47.80830	47.33%
894,847	Series Angel Preferred Shares of par value of US$0.00001 each	8.94847	8.86%
1,432,333	Series A Preferred Shares of par value of US$0.00001 each	14.32333	14.18%
1,572,430	Series B Preferred Shares of par value of US$0.00001 each	15.72430	15.57%
1,420,570	Series C Preferred Shares of par value of US$0.00001 each	14.20570	14.06%
10,101,010	**Total**	101.01010	100%

Assuming the Over-allotment Option is not exercised, the issued share capital of our Company immediately following the completion of the Capitalization Issue and the Global Offering will be as follows:

Number	Description	Nominal Value (US$)	Percentage
4,780,830	Ordinary Shares in issue as of the date of this prospectus	47.80830	2.23%
5,320,180	Ordinary Shares in issue pursuant to the full conversion of the preferred shares	53.20180	2.49%
191,919,190	Ordinary Shares to be issued pursuant to the Capitalization Issue	1,919.19190	84.78%
24,358,400	Ordinary Shares to be issued pursuant to the Global Offering	243.58400	10.76%
226,378,600	**Total**	2,263.78600	100%

Assuming the Over-allotment Option is fully exercised, the issued share capital of our Company immediately following the completion of the Capitalization Issue and the Global Offering will be as follows:

Number	Description	Nominal Value (US$)	Percentage
4,780,830	Ordinary Shares in issue as of the date of this prospectus	47.80830	2.22%
5,320,180	Ordinary Shares in issue pursuant to the full conversion of the preferred shares	53.20180	2.47%
191,919,190	Ordinary Shares to be issued pursuant to the Capitalization Issue	1,919.19190	83.43%
24,358,400	Ordinary Shares to be issued pursuant to the Global Offering	243.58400	10.59%
3,653,600	Ordinary Shares to be issued pursuant to the Over-allotment Option	36.53600	1.59%
230,032,200	**Total**	2,300.32200	100%

ASSUMPTION

The above tables assume that the Global Offering becomes unconditional, the preferred shares of our Company are fully converted into Shares, and the issue of Shares pursuant to the Capitalization Issue and the Global Offering. The above tables do not take into account any Shares which may be issued or repurchased by our Company pursuant to the general mandates granted to our Directors to issue or repurchase Shares as described below.

RANKINGS

The Offer Shares will be ordinary shares in the share capital of our Company and will carry the same rights in all respects with all Shares in issue or to be issued as set forth in the above table, and will qualify and rank in full for all dividends or other distributions declared, made or paid on the Shares in respect of a record date which falls after the date of this prospectus.

GENERAL MANDATE TO ALLOT AND ISSUE SHARES

Subject to the Global Offering becoming unconditional, our Directors have been granted a general unconditional mandate to allot, issue and deal with Shares in the share capital of our Company with a total number of issued Shares of not more than the sum of:

(a) 20% of the total number of Shares in issue (excluding treasury shares) immediately following the completion of the Global Offering (excluding any Shares which may be allotted and issued pursuant to the exercise of the Over-allotment Option); and

(b) the total number of Shares repurchased by our Company (if any) pursuant to the general mandate to repurchase Shares granted to our Directors referred to below.

This general mandate will remain in effect until the earliest of:

(i) the conclusion of the next annual general meeting of our Company; or

(ii) the expiration of the period within which our Company's next annual general meeting is required to be held under the Articles of Association or any applicable laws; or

(iii) the date on which it is varied or revoked by an ordinary resolution of our Shareholders at a general meeting.

For more details of this general mandate, please refer to the paragraph headed "Statutory and General Information — A. Further Information about Our Group — 4. Resolutions of the Shareholders Passed on May 13, 2025" set out in Appendix IV to this prospectus.

GENERAL MANDATE TO REPURCHASE SHARES

Subject to the Global Offering becoming unconditional, our Directors have been granted a general unconditional mandate to exercise all the powers of our Company to repurchase Shares with a total number of Shares of not more than 10% of the total number of Shares in issue (excluding treasury shares) immediately following the Global Offering (excluding any Shares which may be allotted and issued pursuant to the exercise of the Over-allotment Option).

This mandate only relates to repurchases made on the Stock Exchange or on any other stock exchange which the Shares are listed (and which is recognized by the SFC and the Stock Exchange for this purpose), and which are in accordance with the requirements of the Listing Rules. For the summary of the relevant Listing Rules, please refer to the paragraph headed "Statutory and General Information — A. Further Information about Our Group — 5. Repurchase of Our Shares" set out in Appendix IV to this prospectus.

This general mandate to repurchase Shares will remain in effect until the earliest of:

(a) the conclusion of the next annual general meeting of our Company; or

(b) the expiration of the period within which our Company's next annual general meeting is required to be held under the Articles of Association or any applicable laws; or

(c) the date on which it is varied or revoked by an ordinary resolution of the Shareholders in a general meeting.

For more details of this general mandate, please refer to the paragraph headed "Statutory and General Information — A. Further Information about Our Group — 4. Resolutions of the Shareholders Passed on May 13, 2025" set out in Appendix IV to this prospectus.

PRE-IPO SHARE AWARD SCHEME

We have adopted the Pre-IPO Share Award Scheme. The principal terms of the Pre-IPO Share Award Scheme are summarized in the paragraph headed "Statutory and General Information — D. Share Incentive Scheme — 1. Pre-IPO Share Award Scheme" set out in Appendix IV to this prospectus.

CIRCUMSTANCES UNDER WHICH GENERAL MEETINGS ARE REQUIRED

Upon Listing, our Company shall have only one class of Shares, namely ordinary shares, and each ranks *pari passu* with (carries the same rights as) the other Shares.

Pursuant to the Cayman Companies Act and terms of the Memorandum of Association and Articles of Association, an exempted company is not required by law to hold any general meetings or class meetings. The holding of general meeting or class meeting is prescribed under the articles of association of a company. Accordingly, our Company will hold general meetings as prescribed for under the Articles of Association. For more details, please refer to the paragraph headed "Summary of the Constitution of our Company and Cayman Companies Act — 2. Articles of Association — (e) Meetings of members" set out in Appendix III to this prospectus.

OUR CORNERSTONE INVESTORS

We have entered into cornerstone investment agreements (the "**Cornerstone Investment Agreements**") with each of our cornerstone investors, namely HiTai (Hong Kong) Limited (海泰(香港)有限公司) ("**HiTai HK**") and Taller industrial Co., Limited (韜越實業有限公司) ("**Taller industrial**") (each a "**Cornerstone Investor**" and collectively, the "**Cornerstone Investors**").

THE CORNERSTONE PLACING

The Cornerstone Investors have agreed to, subject to certain conditions, subscribe or cause its designated entities to subscribe for such number of Offer Shares (rounded down to the nearest whole board lot of 400 Shares) which may be purchased at the Offer Price with an aggregate amount of approximately HK$49.56 million (inclusive of the brokerage fee, the SFC transaction levy, the Stock Exchange trading fee, the AFRC transaction levy, taxes and other costs (where applicable)) (the "**Cornerstone Placing**").

Assuming an Offer Price of HK$6.48 (being the low-end of the indicative Offer Price range set out in this prospectus), the total number of Offer Shares to be subscribed for by the Cornerstone Investors would be 7,570,800 Offer Shares, representing (i) approximately 31.08% of the Offer Shares (assuming the Over-allotment Option is not exercised); (ii) approximately 3.34% of our total issued share capital immediately upon the completion of the Global Offering (assuming the Over-allotment Option is not exercised); and (iii) approximately 3.29% of our total issued share capital immediately upon the completion of the Global Offering (assuming the Over-allotment Option is fully exercised).

Assuming an Offer Price of HK$7.28 (being the mid-point of the indicative Offer Price range set out in this prospectus), the total number of Offer Shares to be subscribed for by the Cornerstone Investors would be 6,738,400 Offer Shares, representing (i) approximately 27.66% of the Offer Shares (assuming the Over-allotment Option is not exercised); (ii) approximately 2.98% of our total issued share capital immediately upon the completion of the Global Offering (assuming the Over-allotment Option is not exercised); and (iii) approximately 2.93% of our total issued share capital immediately upon the completion of the Global Offering (assuming the Over-allotment Option is fully exercised).

Assuming an Offer Price of HK$8.08 (being the high-end of the indicative Offer Price range set out in this prospectus), the total number of Offer Shares to be subscribed for by the Cornerstone Investors would be 6,071,200 Offer Shares, representing (i) approximately 24.92% of the Offer Shares (assuming the Over-allotment Option is not exercised); (ii) approximately 2.68% of our total issued share capital immediately upon the completion of the Global Offering (assuming the Over-allotment Option is not exercised); and (iii) approximately 2.64% of our total issued share capital immediately upon the completion of the Global Offering (assuming the Over-allotment Option is fully exercised).

Assuming an Offer Price of HK$5.84 ((being at 10% below the bottom end of the indicative Offer Price rage after making a Downward Offer Price Adjustment), the total number of Offer Shares to be subscribed for by the Cornerstone Investors would be 8,400,000 Offer Shares, representing (i) approximately 34.49% of the Offer Shares (assuming the Over-allotment Option is not exercised); (ii) approximately 3.71% of our total issued share capital immediately upon the completion of the Global Offering (assuming the Over-allotment Option is not exercised); and (iii) approximately 3.65% of our total issued share capital immediately upon the completion of the Global Offering (assuming the Over-allotment Option is fully exercised).

The Cornerstone Investors will acquire the Offer Shares pursuant to, and as part of, the International Offering. Our Company is of the view that, the Cornerstone Placing will help raise the profile of our Company and signify that the Cornerstone Investors have confidence in our business and prospects.

If there is over-allocation in the International Offering, there may be deferred delivery of the Offer Shares to be subscribed by the Cornerstone Investors under the Cornerstone Placing. The Cornerstone Investors have agreed that the Overall Coordinators may, in their sole discretion, defer the delivery of all or part of the Offer Shares that the Cornerstone Investors have subscribed for to a date later than the Listing Date. The Cornerstone Investors have agreed to pay for the relevant Offer Shares that it has subscribed before the Listing. The Offer Shares to be subscribed by the Cornerstone Investors will rank *pari passu* in all respects with the other fully paid Offer Shares in issue and will be counted towards the public float of our Company under Rule 8.24 of the Listing Rules.

There are no side agreements and no side arrangements between our Company, or the Underwriters on the one hand, and any of the Cornerstone Investors and their respective beneficial owners on the other hand, or any benefit, direct or indirect, conferred on any the Cornerstone Investors and their respective beneficial owners by virtue of or in relation to the Cornerstone Placing, and the Cornerstone Investors do not have any preferential rights in the Cornerstone Investment Agreements compared with other public Shareholders, other than a guaranteed allocation of the relevant Offer Shares at the Offer Price. The Cornerstone Investors will not have any representation on the Board nor will any of them become a substantial shareholder of our Company immediately upon completion of the Global Offering, and the Cornerstone Investors will not subscribe for any Offer Shares under the Global Offering other than pursuant to the Cornerstone Investment Agreements.

To the best knowledge of our Company, (i) each of the Cornerstone Investors is an Independent Third Party and do not have other business relationship with the Company; (ii) each of the Cornerstone Investors is not accustomed to take instructions from our Company, the Directors, the chief executive of our Company, our Controlling Shareholders, substantial Shareholders or existing Shareholders or any of their respective subsidiaries or close associates in relation to the acquisition, disposal, voting or other disposition of securities of our Company registered in its name or otherwise held by it; (iii) the subscription of the relevant Offer Shares by each of the Cornerstone Investor is not financed by our Company, the Directors, the chief

executive of our Company, our Controlling Shareholders, substantial Shareholders or existing Shareholders or any of their respective subsidiaries or close associates; (iv) each Cornerstone Investor will be utilizing their internal resources or financial resources of its parent company as their source of funding for the subscription of the Offer Shares; and (v) no approval from other stock exchange is required for each Cornerstone Investor's investment in our Company as described in this section. Each of the Cornerstone Investor has confirmed that all necessary approvals have been obtained with respect to the Cornerstone Placing.

The total number of Offer Shares to be subscribed by the Cornerstone Investors pursuant to the Cornerstone Placing may be affected by reallocation of the Offer Shares between the International Offering and the Hong Kong Public Offering. If the total demand for Shares in the Hong Kong Public Offering falls within the circumstance as set out in the section headed "Structure of the Global Offering — The Hong Kong Public Offering — Reallocation and clawback" in this prospectus, the Overall Coordinators have the absolute discretion, but is not obliged, to deduct the number of Offer Shares to be subscribed by the Cornerstone Investors on a pro rata basis to reallocate to the Hong Kong Public Offering pursuant to Practice Note 18 of the Listing Rules. The Cornerstone Investors have agreed that, in the event that the requirement pursuant to Rule 8.08(3) of the Listing Rules, which provides that no more than 50% of our Shares in public hands on the Listing Date can be beneficially owned by the three largest public Shareholders, cannot be satisfied, our Company and the Overall Coordinators have the right to adjust the allocation of the number of Offer Shares to be subscribed by the Cornerstone Investors in their respective absolute discretion, to satisfy the requirement pursuant to Rule 8.08(3) of the Listing Rules. Details of the actual number of Offer Shares to be allocated to each of the Cornerstone Investors will be disclosed in the allotment results announcement to be issued by our Company.

The following tables set out certain details of the Cornerstone Placing:

Cornerstone Investor	Investment amount[1]	Investment amount in Hong Kong dollar	Indicative Offer Price	Number of Offer Shares[4]	Approximate % of the International Offer Shares		Approximate % of total number of Offer Shares		Approximate shareholding percentage in our Company immediately upon the completion of the Global Offering	
					Assuming the Over-allotment Option is not exercised	Assuming the Over-allotment Option is exercised in full	Assuming the Over-allotment Option is not exercised	Assuming the Over-allotment Option is exercise in full	Assuming the Over-allotment Option is not exercised	Assuming the Over-allotment Option is exercise in full
			(HK$)							
HiTai HK.	US$5,000,000	38,743,532[2]	5.84	6,567,600	29.96%	25.68%	26.96%	23.45%	2.90%	2.86%
			6.48	5,919,200	27.00%	23.14%	24.30%	21.13%	2.61%	2.57%
			7.28	5,268,400	24.03%	20.60%	21.63%	18.81%	2.33%	2.29%
			8.08	4,746,800	21.65%	18.56%	19.49%	16.95%	2.10%	2.06%
Taller industrial . . .	RMB10,000,000	10,810,355[3]	5.84	1,832,400	8.36%	7.16%	7.52%	6.54%	0.81%	0.80%
			6.48	1,651,600	7.53%	6.46%	6.78%	5.90%	0.73%	0.72%
			7.28	1,470,000	6.71%	5.75%	6.03%	5.25%	0.65%	0.64%
			8.08	1,324,400	6.04%	5.18%	5.44%	4.73%	0.59%	0.58%
Total:		49,553,887	5.84	8,400,000	38.32%	32.84%	34.49%	29.99%	3.71%	3.65%
			6.48	7,570,800	34.53%	29.60%	31.08%	27.03%	3.34%	3.29%
			7.28	6,738,400	30.74%	26.35%	27.66%	24.06%	2.98%	2.93%
			8.08	6,071,200	27.69%	23.74%	24.92%	21.67%	2.68%	2.64%

Notes:

(1) Inclusive of brokerage of 1.0%, SFC transaction levy of 0.0027%, Stock Exchange trading fee of 0.00565% and AFRC transaction levy of 0.00015%.

(2) Based on the exchange rates set out in the section headed "Information about this Prospectus and the Global Offering" when converting the investment amount of HiTai HK from US dollar to Hong Kong dollar.

(3) Based on the actual exchange rate used at the time of the conversion from Renminbi to Hong Kong dollar by Taller industrial.

(4) Subject to rounding down to the nearest whole board lot of 400 Shares.

INFORMATION OF THE CORNERSTONE INVESTORS

The following information about the Cornerstone Investors was provided to our Company by the Cornerstone Investors in relation to the Cornerstone Placing.

HiTai HK

HiTai HK is a company incorporated in Hong Kong. Its principal activity is equity investment management, with a focus on the high-tech industry, financial industry, health industry, and new energy projects. HiTai HK participated in the global offering of MOKINGRAN JEWELLERY GROUP CO., LTD. (stock code: 2585) as a cornerstone investor in 2024. As of December 31, 2024, it had total asset under management of approximately RMB59 million. HiTai HK is a wholly-owned subsidiary of Tianjin Haitai Capital Investment Management Co., Ltd. (天津海泰資本投資管理有限公司) ("**Tianjin Haitai Capital**"), which is a wholly-owned subsidiary of Tianjin Haitai Group Co., Ltd.* (天津海泰控股集團有限公司) ("**Tianjin Haitai Group**"), which in turn is owned as to 91.1522% by the management committee of Tianjin Binhai High-Tech Industrial Development Zone* (天津濱海高新技術產業開發區管理委員會) and 8.8478% indirectly owned by the Tianjin Finance Bureau (天津市財政局). Tianjin Haitai Group is a large-scale state-owned enterprise in Tianjin City and is principally engaged in activities including technology development, consulting and infrastructure construction. To the best of the Company's knowledge and belief, HiTai HK and its ultimate beneficial owners are Independent Third Parties.

Taller industrial

Taller industrial is a company incorporated in Hong Kong. It is a wholly-owned subsidiary of Tianjin Jintaitong Information Technology Co., Ltd. (天津市金泰通信息科技有限責任公司), which is in turn a wholly-owned subsidiary of Gongqingcheng Luchi Nanjiang Vitality Entrepreneurship Investment Fund Partnership Enterprise (Limited Partnership) (共青城鹿馳南疆生機創業投資基金合夥企業(有限合夥)) ("**Luchi Nanjiang Vitality**"). Luchi Nanjiang Vitality has completed the private fund filing with the Asset Management Association of China (中國證券投資基金業協會) and its fund manager/executive partner is Shenzhen Luchi Nanjiang Private Equity Investment Fund Management Co., Ltd. (深圳鹿馳南疆私募股權投資基金管理有限公司) ("**Shenzhen Luchi Nanjiang**") (which has completed the private fund manager filing with the Asset Management Association of China). Shenzhen Luchi Nanjiang is an innovative private equity investment institution jointly initiated by the founding shareholders of a number of listed companies, M&A fund teams and entrepreneur clubs, with an investment directions focus on hard technology, new energy, healthcare, cultural tourism consumption, etc. Shenzhen Luchi Nanjiang obtained the qualification of private equity manager of the Asset Management Association of China in early 2024. As of December 31, 2024, Taller industrial had assets under management of RMB33.9 million, and had invested in Shantou China-Chic Cultural Tourism Port Opening Hotel Management Co., Ltd. (汕頭國潮文旅開埠酒店管理有限公司). Shenzhen Luchi Nanjiang is owned as to 51% by Pang Xiaoli (龐曉莉) and 49% by Luchi (Shenzhen) Business Management Co., Ltd. (鹿馳(深圳)商業管理有限公司) ("**Luchi Shenzhen**"), which is in turn owned by Lu Weimin (陸偉民) as to 50%, Xiong

Wei (熊偉) as to 16.6667%, Wu Xiaochun (吳曉純) as to 13.333%, Pang Xiaoli as to 10% and Zhao Weibin (趙偉彬) as to 10%. The limited partners of Luchi Nanjiang Vitality are Guangdong Bangling Investment Co., Ltd. (廣東邦領投資有限公司) ("**Guangdong Bangling**") (47.3934%), Wen Liping (文利平) (47.3934%) and Luchi Shenzhen (4.7393%). The ultimate actual controller of Guangdong Bangling is Wu Dinghui (吳錠輝). To the best of the Company's knowledge and belief, Pang Xiaoli, Wu Dinghui, Lu Weimin, Xiong Wei, Wu Xiaochun, Zhao Weibin, Guangdong Bangling and Wen Liping are Independent Third Parties.

We became acquainted with HiTai HK through the introduction by a local government department, and Taller industrial through the introduction by one of the Joint Sponsors. We are of the view that the receiving investments from both HiTai HK and Taller industrial, as established financial investor and fund, will help to raise the profile of our Company.

CONDITIONS PRECEDENT

The obligation of the Cornerstone Investors to acquire the relevant Offer Shares under the Cornerstone Investment Agreements are subject to, among other things, the following closing conditions:

(a) the Hong Kong Underwriting Agreement and the International Underwriting Agreement being entered into and having become effective and unconditional (in accordance with their respective original terms or as subsequently waived or varied by agreement of the parties thereto) by no later than the time and date as specified in these underwriting agreements, and neither of the aforesaid underwriting agreements having been terminated;

(b) the Offer Price having been agreed;

(c) the Stock Exchange having granted the approval for the listing of, and permission to deal in, the Shares (including the Shares subscribed for by the Cornerstone Investors as well as other applicable waivers and approvals) and such approval, permission or waiver having not been revoked prior to the commencement of dealings in the Shares on the Stock Exchange;

(d) no relevant laws or regulations shall have been enacted or promulgated by any governmental authority which prohibits the consummation of the transactions contemplated in the Global Offering or herein and there shall be no orders or injunctions from a court of competent jurisdiction in effect precluding or prohibiting consummation of such transactions; and

(e) the representations, warranties, acknowledgements, undertakings and confirmations of the Cornerstone Investors under the Cornerstone Investment Agreements are (as of the date of the respective Cornerstone Investment Agreement) and will be (as of the closing of the subscription of the Offer Shares in accordance with the terms and conditions of the Cornerstone Investment Agreements) accurate and true in all respects and not misleading and that there is no material breach of the respective Cornerstone Investment Agreement on the part of the relevant Cornerstone Investor.

RESTRICTIONS ON DISPOSAL OF OFFER SHARES BY THE CORNERSTONE INVESTORS

Each of the Cornerstone Investors has agreed that it will not, whether directly or indirectly, at any time during the period of six months from (and inclusive of) the Listing Date (the "**Lock-up Period**"), dispose of, in any way, any of the Offer Shares or any interest in any company or entity holding such Offer Shares that they have purchased pursuant to the relevant Cornerstone Investment Agreement, save for certain limited circumstances, such as transfers to any of its wholly-owned subsidiaries who will be bound by the same obligations of such Cornerstone Investor, including the Lock-up Period restriction.

The following discussion and our analysis should be read in conjunction with our consolidated financial statements included in the Accountants' Report in Appendix I, together with the accompanying notes. Our consolidated financial statements have been prepared in accordance with the Hong Kong Financial Reporting Standards ("HKFRSs").

The following discussion and analysis contain forward-looking statements that reflect our current views with respect to future events and financial performance. These statements are based on our assumptions and analysis in light of our experience and perception of historical trends, current conditions and expected future developments, as well as other factors we believe are appropriate under the circumstances. However, whether actual outcomes and developments will meet our expectations and predictions depends on a number of risks and uncertainties. In evaluating our business, you should carefully consider the information provided in this prospectus, including but not limited to the sections headed "Risk Factors" and "Business".

For the purposes of this section, unless the context otherwise requires, references to the years of 2022, 2023 and 2024 refer to the years ended December 31 of such years.

In addition, the following discussion and analysis contains certain amounts and percentage figures that have been subject to rounding adjustments, Accordingly, figures shown as totals in certain tables may not be arithmetic aggregation of the figures preceding them, and all monetary amounts and percentages shown are approximate amounts only.

OVERVIEW

We are a life and health insurance intermediary service provider in China, dedicated to providing insurance service solutions to policyholders and the insured online through life and health insurance transaction and service platforms with a policyholders and the insured-centric focus. According to Frost & Sullivan, we are the second largest online insurance intermediary in China in terms of GWP of long-term life and health insurance in 2023, with a market share of 7.3%, following a prominent player in the market with a share of 45.5%. We are the second largest online insurance intermediary in China in terms of FYP of long-term life and health insurance in 2023. China's online long-term life and health insurance intermediary market has undergone robust growth in recent years, increasing from RMB12 billion in 2019 to RMB88 billion in 2023 in terms of GWP at a CAGR of 64.6%, and is expected to grow at a CAGR of 24.5% from 2024 to 2028 and reach RMB627 billion by 2028.

We provide insurance transaction services to insurance companies we collaborate with, most of which are major insurance companies in the PRC. We derive revenue primarily from commissions paid by insurance companies for successful distribution of insurance products underwritten by them to policyholders and the insured through us. Leveraging life and health insurance transaction and service platforms, we offer both products customized by us and existing products from insurance companies to policyholders and the insured, and provide channels for additional premiums to insurance companies. Our primary revenue model is charging insurance companies commissions based on a percentage of the premiums facilitated by us. We distribute life and health insurance products through three distribution channels facilitated by our three platforms, namely (1) online direct distribution on Xiaoyusan, (2) distribution via insurance agents on Kachabao, and (3) distribution with the assistance of business partners on Niubao 100. In addition, we provide insurance technology services that cover the main processes of insurance business, including risk assessment assistance, claims adjustment and rapid claims settlement to insurance companies, helping insurance companies improve operational efficiency. Leveraging latest technologies and our extensive experience from the internet industry, we have built a comprehensive service system capable of serving policyholders and the insured. Through our system, we enhance the overall experience of policyholders and the insured through targeted content delivery, registered user benefits, and robust insurance and after-sales services, gradually enhancing our brand recognition among the policyholders and the insured.

During the Track Record Period, our revenue amounted to RMB806.3 million, RMB1,634.4 million and RMB1,387.1 million in 2022, 2023 and 2024, respectively. In 2022, 2023 and 2024, our gross profit amounted to RMB280.4 million, RMB551.8 million and RMB528.9 million, respectively, while our gross profit margin amounted to 34.8%, 33.8% and 38.1%, respectively.

BASIS OF PRESENTATION

The historical financial information of our Group has been prepared in accordance with HKFRSs issued by the Hong Kong Institute of Certified Public Accountants. The preparation of the historical financial information in conformity with HKFRSs requires the use of certain critical accounting estimates. It also requires management to make judgements, estimates and assumptions in the process of applying our Group's accounting policies. Judgements made by management in the application of HKFRSs that have significant effect on the Historical Financial Information and major sources of estimation uncertainty are discussed in Note 3 to the Accountants' Report included in Appendix I to this prospectus.

The consolidated statements of profit or loss and other comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows of our Group for the Track Record Period as set out in the Accountants' Report included in Appendix I to this prospectus include the financial performance and cash flows of the companies now comprising our Group as if the current group structure had been in existence throughout the Track Record Period, or where the companies were incorporated or established at a date later than January 1, 2022, for the period from the date of incorporation or establishment to December 31, 2024. The consolidated statements of financial position of our Group as at December 31, 2022, 2023 and 2024 as set out in the Accountants' Report included in Appendix I to this prospectus have been prepared to present the financial position of the companies now comprising our Group as of those dates as if the current group structure had been in existence as of the respective dates taking into account the respective dates of incorporation or establishment, where applicable.

MAJOR FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our results of operations have been, and are expected to continue to be, materially affected by a number of factors, many of which are outside of our control. These factors include but are not limited to the following:

Trends in China's Economic Conditions and Development of the Industry in Which We Operate

During the Track Record Period, all of our business operations were in and all of our revenue was derived from China. Our revenue depends on the demand for our products and services in China, which may in turn depend on China's overall economic growth. The Chinese economy and the conditions of the markets are influenced by many factors beyond our control, such as real disposable income, level of unemployment, inflation or deflation, interest rate, currency exchange rate, taxation, COVID-19 pandemic and other factors.

According to Frost & Sullivan, insurance intermediaries that distribute long-term insurance products focus on the stable long-term relationship with policyholders and the insured, which ensures the renewal rate. Moreover, long-term insurance products can contribute more stable and continuous commission income for insurance intermediaries. China's online long-term life and health insurance intermediary market has undergone robust growth in recent years, increasing from RMB12 billion in 2019 to RMB88 billion in 2023 in terms of GWP at a CAGR of 64.6%, and is expected to grow at a CAGR of 24.5% from 2024 to 2028 and reach RMB627 billion in terms of GWP in 2028. As a licensed provider of insurance transactions and services, we are able to capture the opportunities in the fast-growing online insurance intermediary market in China.

Offering of a Distinguishable and Popular Insurance Product Mix

We primarily generate revenue from earning revenue by distributing insurance products underwritten by insurance companies. We distribute various types of life and health insurance products, including long-term life insurance, long-term critical illness insurance, long-term medical and other insurance, and short-term insurance products. According to Frost & Sullivan, FYP refers to the first year's premium of a newly signed insurance contract and reflects the scale and growth of an insurance company's new business, and is also one of the important indicators for measuring the performance of an insurance intermediary. For long-term insurance policies, the commission rate for premiums received after the first policy year is significantly lower than that for premiums received for the first policy year. We believe FYP is a strong indicator of revenue because it effectively demonstrates the revenue potential we may generate from an insurance policy. Long-term life insurance products accounted for 61.5%, 75.6% and 61.7% of the FYP we facilitated in 2022, 2023 and 2024, respectively. Long-term critical illness insurance products accounted for 18.1%, 11.8% and 13.8% of the FYP we facilitated in 2022, 2023 and 2024, respectively.

Different types of insurance products typically have different commission fees. The commission fees we charge are typically based on a percentage of the premiums paid by policyholders. Commission rates for our insurance transaction services business fluctuate based on a number of factors and are subject to adjustments as agreed between insurance companies and us. Insurance companies we cooperate with adjust commission rates from time to time based on their expectation on profits, actuarial assumptions, policyholders and the insured's demand for insurance products in the market, the availability and pricing of comparable products from other insurance companies, requirements set by the industry association, regulatory requirements and governmental policies and other factors that affect insurance companies. We face intense competition in China's online life and health insurance intermediary market from other insurance intermediaries, and in-house sales force of insurance companies. A decrease in commission rates for our insurance transaction services business, whether by internal or external factors, could have a negative impact on our financial performance if we are unable to effectively manage or reduce the commission paid to our insurance agents.

Most long-term life insurance and long-term critical illness insurance policies we distribute require periodic payment of premiums, typically annually, during a pre-determined payment period, generally ranging from one to 30 years. For such insurance policies we distribute, insurance companies pay us a first-year commission based on a percentage of the FYP, and subsequent commissions based on a certain percentage of the renewal premiums paid by the policyholders in the subsequent years. Therefore, long-term life insurance and long-term critical illness insurance products bring us a continuous flow of commission cash inflow during the payment period as long as the policyholders meet their payment commitments. Moreover, the commissions insurance companies pay us for the long-term insurance products are generally higher than those of short-term insurance products. As a result, we plan to maintain our focus on long-term insurance products.

We believe that with the rising residents' insurance awareness in China, policyholders and the insured favor customized insurance products that cater to their evolving needs. We stay abreast of market trends and have deep insights in unmet needs of policyholders and the insured. To address such needs, we cooperate with insurance companies to design and develop customized insurance products, which contribute significantly to the FYP we facilitate, and further, to our revenue from commission fees. In 2024, approximately 40.5% of the FYP we facilitated were contributed by customized insurance products that we developed together with insurance companies. For example, our insurance products, including Zengduoduo and Yangduoduo, are popular among policyholders and the insured. We plan to further enhance our product design and development capabilities and launch more customized life and health insurance products, to contribute to our total revenue and strengthen our popularity.

Our Ability to Maintain and Expand the Base of Policyholders and the Insured

Although we generate our revenue primarily from commissions that we charge insurance companies, their demand for our services largely depends on our ability to help them reach and distribute insurance products to policyholders and the insured. Therefore, the size and composition of policyholders and the insured on our platforms significantly affect our revenue and results of operations. As of December 31, 2024, over 1.6 million policyholders and over 2.4 million insured had insurance policies distributed by us that remained effective.

We maintain various means of policyholders and the insured acquisition. To acquire policyholders and the insured traffic, we conduct product marketing, user education and brand advertising. We also engage insurance agents to promote and distribute the insurance products from insurance companies. As of December 31, 2024, we had built a distribution network consisting of over 27,000 insurance agents, out of which over 16,000 distributed insurance products in 2024, covering around 15 provincial-level administrative regions in China.

In addition, we collaborate with various business partners including (i) self-media traffic channels such as social media influencers particularly media and advertising companies and key opinion leaders, and (ii) licensed insurance brokerages and agencies. We need to continuously raise our brand awareness through both our own marketing team and our self-media traffic channels. During the Track Record Period, we cooperated with over 1,100 business partners. We have incurred significant expenses and devoted considerable resources to marketing activities and client acquisition as we have grown our business, and we expect to continue to incur such expenses as we grow. To improve profitability, we plan to further enhance our client acquisition efficiency, particularly in precision marketing and selecting and engaging effective channels, to expand our client base.

Operating Efficiency of Our Platforms and Cost of Insurance Transaction Services Business

We have incurred significant costs and expenses in building and improving our platforms, developing capabilities in data analytics and technology, attracting and acquiring traffic to our platforms and converting such traffic into policyholders and the insured. Our business model is highly scalable and our platforms are built to support our continued growth. Cost of revenue for our insurance transaction services business primarily include commissions paid to insurance agents and licensed insurance brokerages and agencies, channel promotion fees to our self-media traffic channels for referring potential policyholders and the insured, and personnel costs of our staff members. We pay commissions to insurance agents and licensed insurance brokerages and agencies for their successful distribution of insurance products to policyholders and the insured, which is a large component of our cost of revenue. The commission rates paid to our insurance agents and licensed insurance brokerages and agencies fluctuate depending on the competitive landscape, the market conditions and our target gross profit margin. During the Track Record Period, commission expenses amounted to RMB334.8 million, RMB518.9 million and RMB478.6 million in 2022, 2023 and 2024, respectively, accounting for 63.7%, 47.9% and 55.8% of our cost of revenue for the same period, respectively. We pay channel promotion fees to our self-media traffic channels, amounting to RMB150.4 million, RMB503.2 million and RMB322.0 million, in 2022, 2023 and 2024, respectively, accounting for 28.6%, 46.5% and 37.5% of our cost of revenue for the same period, respectively. We plan to carefully select influential self-media traffic channels and further optimize our means of client acquisition.

For our own client acquisition efforts, we incur personnel costs, including base salaries and performance bonuses. In order to maintain and improve the operating efficiency of our platform, we should expand our client base efficiently without disproportionately adding our personnel costs. Furthermore, we plan to conduct in-depth analysis of client needs that will contribute to our client acquisition and conversion, product design and risk assessment capabilities.

Our Ability to Maintain Trusted Relationship with Insurance Companies

During the Track Record Period, we collaborated with over 110 insurance companies, including over 70% of life and health insurance companies in China. We cooperate with insurance companies to offer their standard insurance products or to design and develop customized insurance products. We need to keep the growth of our business, brand influence and risk management capabilities to strengthen the cooperation with insurance companies which are our existing customers while attracting more insurance companies to build cooperative relationships with us. Our growth will also allow us to hold stronger bargaining power and be able to negotiate favorable terms in our business cooperation with insurance companies. We plan to diversify and expand the number of insurance companies we work with to manage any potential concentration risk. Our five largest insurance company customers in terms of revenue contribution accounted for 77.2%, 63.8% and 70.7% of our total revenue in 2022, 2023 and 2024, respectively. Any significant change to our relationship with insurance

companies could have a material adverse impact on our results of operations. For more details, please refer to the paragraph headed "Risk Factors — Risks Relating to Our Business and Our Industry — If we fail to maintain stable relationships with our partners, our business, results of operations, financial condition and business prospects could be materially and adversely affected" in this prospectus.

In addition, we provide policyholders and the insured with smooth insurance transaction experience through our platform by offering a series of client services for policyholders and the insured, including, among others, product selection and recommendations, online underwriting assistance, online completion of insurance purchase, and policy management. Satisfaction and positive feedbacks from policyholders and the insured encourage insurance companies to maintain and expand their cooperation with us. Furthermore, to supplement our insurance transaction services, we also provide services to insurance companies to maintain their incentive to keep cooperating with us. Since May 2019, we have also been providing insurance technology services for risk assessment assistance, claims adjustment, and rapid claims settlement to insurance companies, helping insurance companies improve operational efficiency.

Regulatory Environment

We are subject to regulation and administration by the insurance regulatory authorities and other government authorities as described in the section headed "Regulatory Overview" in this prospectus. The regulatory framework for the insurance intermediary industry in the PRC is constantly evolving, and we expect it will continue to evolve. We cannot predict the likelihood, nature or extent of regulatory changes that may arise from existing or future legislation in the PRC. Such changes may result in increased compliance costs or prevent our business expansion, which would adversely affect our business, financial condition and results of operations.

For example, the Notice on Further Regulating Matters Concerning Internet Life and Health Insurance Business (《關於進一步規範保險機構互聯網人身保險業務有關事項的通知》) (the "**Notice**") issued by the CBIRC on October 12, 2021 provides requirements on the internet personal insurance products offered online and prohibits insurance institutions (including insurance companies and insurance intermediaries) offering internet personal insurance products that do not meet the requirements thereof. The Notice was promulgated as a supporting normative document of the Measures for the Regulation of Internet Insurance Business, and aims to refine and improve the relevant regulatory rules for the Internet personal insurance business. While the requirements set out in the Notice has elevated industry standards and enhanced the overall industry environment, they have also affected the product offering, sales strategy and commission rate of insurance companies and online insurance intermediaries including us.

Effects on insurance companies affected us as the supply side of insurance products are impacted. The Notice provides more stringent requirements on insurance companies that offer Internet life and health insurance products, including solvency, comprehensive risk rating, reserve coverage ratio, and governance rating. In particular, insurance companies are required to meet more stringent criteria in order to offer insurance products that can be distributed with no geographical restrictions. Some of our insurance company customers were impacted by the Notice and reduced transaction amount with us as they were trying to comply with the Notice, which led to the decrease in the number of Internet life and health insurance products available to be distributed by us. To fulfill the requirements for geographical restrictions, we expanded cooperation with insurance companies to cover the same geographical areas.

The Notice provided a scope of the Internet insurance products and delineated non-Internet and Internet insurance products, which added complexity to the insurance transactions as insurance companies and us need to comply with regional requirements such as dual recording for non-Internet insurance products. In certain provinces such as Shandong, Shanghai and Zhejiang, it is mandatory to record the insurance application process through both audio and video, commonly known as dual recording. As a result, we allocated more resources to enhance our business operations in various provinces to support our business development. In addition, we had to adjust sales strategy of our insurance products, and divert resources to ensure compliance with the Notice, which generally impacted our product offering, sales strategy and commission rate. As a result, our revenue and financial performance were indirectly impacted by the Notice.

Our Directors are of the view that the impact of the Notice was temporary with no material adverse impact on our business operations and financial performance, primarily because we took the following measures to overcome the adverse impact of the Notice and have recovered in 2023: (i) we expanded insurance product offerings, including introducing new products in Zengduoduo, Fuduoduo, Chaojimali, Dahuangfeng and Jinyibao series in 2023 to improve our revenue; (ii) we expanded cooperation with insurance companies fulfilling the requirements of the Notice to cover the same geographical areas we had before the Notice as some life and health insurance products could only be distributed in provinces where both the insurance companies and us have offices. We also expanded business relationship with insurance companies that were qualified to offer life and health insurance products without geographical restrictions; and (iii) we continued to improve our different platforms and systems. For example, the Chuangxin Shanlu system we developed in 2022 is a dual recording system designed to meet the relevant regulatory requirements.

For another example, the Notice on Matters Related to Regulating Bancassurance Channels of Life Insurance Companies (《關於規範人身保險公司銀行代理渠道業務有關事項的通知》) promulgated by the NFRA in January 2024 provides that life insurance companies should strictly adhere to the insurance terms and premium rates filed with the NFRA, known as the "unified reporting and underwriting" policy, which currently applies only to bancassurance channels. The policy aims to further standardize bancassurance channels of life insurance companies, to avoid marketing expenses of insurance companies exceeding the amount filed with the NFRA which may affect the profitability of insurance companies, to

prevent risks in the market of downward adjustments of interest rates and to promote the steady and healthy development of the insurance industry. Notwithstanding that a similar policy has not been promulgated for any insurance channel other than bancassurance, the insurance companies adjusted commission rates of insurance intermediaries downwards out of prudence, in particular commission rates for long-term life insurance products. The policy has led to a decline in the commission rates of bancassurance channels and insurance intermediaries, according to Frost & Sullivan. Our average first year commission rates for long-term life insurance products decreased from 31.7% in 2023 to 21.5% in 2024. Our revenue from long-term life insurance decreased in 2024 compared to 2023 partly due to the decrease in the commission rates offered by the insurance companies for distributing long-term life insurance products.

If we fail to comply with new regulations or adapt to the regulatory changes in a timely manner, our business operations, financial performance and results of operations may be adversely affected.

IMPACT OF THE COVID-19 OUTBREAK IN 2022

In 2022, there was a resurgence of the COVID-19 pandemic including the highly transmissible Delta and Omicron variants in China and across the world, which had adversely affected the economy. Certain of our business operations and financial performance were negatively affected, primarily because some of our marketing activities were impacted. Our revenue from different distribution channels was affected to varying degrees. Partly attributable to the COVID-19 resurgence, revenue from various distribution channels was low in 2022. COVID-19 travel restrictions and resurgence impeded on our sales and marketing effort. Our sales and marketing expenses was low in 2022 as we held few promotional campaigns partly attributable to the COVID-19 restrictions. In particular, we transitioned our offline events online in response to the COVID-19 outbreak, resulting in cost savings in terms of marketing expenses. We organized only one offline new product release event in 2022.

As the impact of COVID-19 on our business and financial performance has diminished since 2022, our Directors believe that the COVID-19 pandemic will have a relatively limited impact on our businesses in the long term. Nevertheless, we plan to stay alert and closely monitor and evaluate the market situation based on any development of the COVID-19 pandemic in the future. For further information on the impact and risk of the COVID-19 pandemic, see the section headed "Risk Factors — Risks Relating to Our Business and Our Industry — Any future occurrence of force majeure events, natural disasters or outbreaks of contagious diseases, may materially and adversely affect our business, financial condition and results of operations" in this prospectus.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

Some of our accounting policies require us to apply estimates and assumptions as well as complex judgments related to accounting items. The estimates and assumptions we use and the judgments we make in applying our accounting policies have a significant impact on our financial position and operational results. Our management continuously evaluates such estimates, assumptions and judgments based on past experience and other factors, including industry practices and expectations of future events which are deemed to be reasonable under the circumstances. There has not been any material deviation from our management's estimates or assumptions and actual results, and we have not made any material changes to these estimates or assumptions during the Track Record Period. We do not expect any material changes to these estimates and assumptions in the foreseeable future.

Set forth below are accounting policies that we believe are of critical importance to us or involve the most significant estimates, assumptions and judgments used in the preparation of our financial statements. Further details are set forth in Notes 2 and 3 to the Accountants' Report included in Appendix I to this prospectus. Our most critical accounting policies, judgments and estimates are summarized below.

Revenue recognition

Revenue from contracts with customers

Revenue is recognized when we satisfy the performance obligation in a contract by transferring control over promised services to the customers. Control of the service refers to the ability to direct the use of, and obtain substantially all of the remaining benefits from, the service. Depending on the terms of the contract and the laws that apply to the contract, control of the services may be transferred over time or at a point in time.

We satisfy a performance obligation over time if one of the following criteria is met; otherwise, the performance obligation is satisfied at a point in time:

- the customer simultaneously receives and consumes the benefits provided by our performance as we perform;

- the customer can control the asset created or enhanced during our performance; or

- our performance does not create an asset with an alternative use to it and we have an enforceable right to payment for performance completed to date.

For a performance obligation satisfied over time, we recognize revenue over time by measuring the progress towards complete satisfaction of that performance obligation. Otherwise, revenue is recognized at a point in time when the customer obtains control of the relevant services.

Where a contract has two or more performance obligations, we determine the stand-alone selling price at contract inception of the distinct service underlying each performance obligation in the contract and allocates the transaction price in proportion to those stand-alone selling prices. We recognize as revenue the amount of the transaction price that is allocated to each performance obligation. The stand-alone selling price is the price at which we would sell a promised service separately to a customer. If a stand-alone selling price is not directly observable, we consider all information that is reasonably available to us and maximize the use of observable inputs to estimate the stand-alone selling price.

The transaction price is the amount of consideration to which we expect to be entitled in exchange for transferring promised services to a customer, excluding amounts collected on behalf of third parties. We recognize the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

We determine whether we are a principal or an agent, based on whether we obtain control of the specified goods or service before that good or service is transferred to a customer. We are a principal if we control the specified good or service before that good or service is transferred to a customer and recognize revenue in the gross amount of consideration which we have received (or which is receivable). Otherwise, we are an agent, and recognize revenue in the amount of any fee or commission to which we expect to be entitled. The fee or commission is the net amount of consideration that we retain after paying the other party the consideration or is determined according to the established amount or proportion.

We are engaged in the online insurance intermediary business and derives revenue primarily from commissions paid by the insurance companies for successfully distribution of insurance products underwritten by them through us. The commissions are generally determined based on a percentage of premiums of the insurance policies paid by the policyholders. The commission rate for insurance products distributed through us is based on the terms specified in the service contract with the insurance company. We determined that the insurance company is our customer in this agreement.

Revenue from insurance transaction services is recognized when the signed insurance policy is in force since we have fulfilled our performance obligation to distribute an insurance policy on behalf of the insurance company.

We also derive revenue from insurance technology services by providing rapid claims settlement, risk assessment consulting and other services to insurance companies.

In determining the amount and timing of revenue recognition, the revenue recognition process as described above is used, which requires judgments and estimates. These judgments and estimates include determining the transaction price of contracts and determining the standalone selling price for each distinct performance obligation.

We recognize the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

We derive commissions by serving as an insurance agent or insurance broker to distribute various insurance products by which we are entitled to receive first-year commission from the insurance companies based on the premium paid by the policyholders for the related insurance policy distributed. For long-term insurance products when the policyholder renews the policy, we are also entitled to receive subsequent renewal commissions and renewal incentives which represent variable considerations and are contingent on future renewals of policies or whether we achieve our incentive targets. We estimate the variable consideration based on accumulated historical data and experiences.

For the long-term insurance products, when estimating the commissions contingent upon future premium payments, we use the expected value method based on historical data and experience. We take into account factors including but not limited insurance product mix, the renewal terms of various products, the persistency rates and commission rates for subsequent years of the policy period. The renewal terms of the insurance products generally vary from 2 to 30 years. Based on our historical data and our understanding of the market, we estimate our persistency rates generally ranged from 80% to 95% during the Track Record Period. For details of the commission rates for the various categories of insurance products charged by us during the Track Record Period, please refer to the section headed "Business — Products We Distribute and Services We Provide — Insurance Transaction Services — (v) Our Fee Model" in this prospectus. We perform ongoing evaluation of the appropriateness of the assumptions applied in estimating the renewal commissions by comparing the estimated values with the actual renewal commissions collected to determine whether any adjustments are needed. There were no material differences between the estimated and the actual renewal commissions received by us, and therefore no material adjustments were made to our financial information during the Track Record Period.

Financial instruments issued to investors

We issued several series of shares with preferential rights/preferred shares to investors. The investors shall have the right to require us to redeem their shares at a predetermined redemption price upon occurrence of particular redemption events, and shall have the right to receive, in priority, the liquidation preference amounts upon occurrence of change in control events, which are not within our control. Our contractual obligations to purchase our own shares for cash and to distribute the liquidation preference amounts upon occurrence of events that are beyond our control give rise to financial liabilities.

The financial liabilities are initially measured at the present value of the highest of the amounts that could become payable to the investors upon the earliest possible date of occurrence of redemption or change in control events. Subsequently, any changes in the carrying amount of the financial liabilities are recorded in "changes in the carrying amount of financial instruments issued to investors" in profit or loss. When the preferential rights are expired or terminated without delivery, the carrying amount of the financial liabilities are reclassified to equity.

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

The following table sets forth a summary of our consolidated statements of profit or loss and other comprehensive income, with line items in absolute amounts and as percentages of our revenue for the periods indicated.

	For the year ended December 31,					
	2022		2023		2024	
	RMB	*% of Revenue*	*RMB*	*% of Revenue*	*RMB*	*% of Revenue*
	(in thousands, except percentages)					
Revenue	806,258	100.0	1,634,395	100.0	1,387,086	100.0
Cost of revenue	(525,840)	(65.2)	(1,082,596)	(66.2)	(858,206)	(61.9)
Gross profit	**280,418**	**34.8**	**551,799**	**33.8**	**528,880**	**38.1**
Other net income	13,517	1.7	12,921	0.8	13,682	1.0
Sales and marketing expenses	(98,174)	(12.2)	(139,358)	(8.5)	(136,285)	(9.7)
General and administrative expenses	(54,915)	(6.8)	(84,080)	(5.1)	(98,023)	(7.1)
Research and development expenses	(53,508)	(6.6)	(61,078)	(3.7)	(50,955)	(3.7)
Reversal of/(provision for) impairment loss	111	0.0	(1,776)	(0.1)	(962)	(0.1)
Profit from operations	**87,449**	**10.8**	**278,428**	**17.0**	**256,337**	**18.5**
Finance costs	(464)	(0.1)	(461)	(0.0)	(258)	(0.0)
Changes in carrying amount of financial instruments issued to investors	61,556	7.6	(584,340)	(35.8)	(345,035)	(24.9)
Share of profits/(losses) of associates	313	0.0	75	0.0	(1,234)	(0.1)
Profit/(loss) before taxation	**148,854**	**18.5**	**(306,298)**	**(18.7)**	**(90,190)**	**(6.5)**
Income tax	(17,867)	(2.2)	(49,911)	(3.1)	(45,419)	(3.3)
Profit/(loss) for the year	**130,987**	**16.3**	**(356,209)**	**(21.8)**	**(135,609)**	**(9.8)**

	For the year ended December 31,					
	2022		2023		2024	
	RMB	*% of Revenue*	*RMB*	*% of Revenue*	*RMB*	*% of Revenue*
	(in thousands, except percentages)					
Other comprehensive income for the year (after tax)						
Exchange differences on translation of financial statements of operations outside the Chinese mainland	–	–	1	0.0	2,886	(0.2)
Other comprehensive income for the year	–	–	1	0.0	2,886	(0.2)
Total comprehensive income for the year	130,987	16.2	(356,208)	(21.8)	(132,723)	(9.6)
Profit/(loss) attributable to:						
Equity shareholders of the Company	130,881	16.2	(356,164)	(21.8)	(136,116)	(9.8)
Non-controlling interests	106	0.0	(45)	(0.0)	507	0.0
Profit/(loss) for the year	**130,987**	**16.2**	**(356,209)**	**(21.8)**	**(135,609)**	**(9.8)**
Total comprehensive income attributable to:						
Equity shareholders of the Company	130,881	16.2	(356,163)	(21.8)	(133,230)	(9.6)
Non-controlling interests	106	0.0	(45)	(0.0)	507	0.0
Total comprehensive income for the year	130,987	16.2	(356,208)	(21.8)	(132,723)	(9.6)
Basic and diluted (loss)/earnings per share (RMB)	N/A	N/A	N/A	N/A	N/A	N/A

NON-HKFRS MEASURE

To supplement our consolidated financial statements presented in accordance with HKFRS, we also use a non-HKFRS measure, namely adjusted net profit (non-HKFRS measure), as an additional financial measure, which is not required by or presented in accordance with HKFRS. We believe that such non-HKFRS measure facilitates comparisons of operating performance from period to period by eliminating potential impacts of certain items. We believe that such measure provides useful information to investors and others in understanding and evaluating our consolidated results of operations in the same manner as it helps our management. However, our presentation of adjusted net profit (non-HKFRS measure) may not be comparable to similarly titled measures presented by other companies. The use of such non-HKFRS measure has limitations as an analytical tool, and you should not consider it in isolation from, or as substitute for analysis of, our results of operations or financial conditions as reported under HKFRS.

We define adjusted net profit (non-HKFRS measure) as profit/(loss) excluding the effects of share-based compensation expenses, listing expenses and changes in carrying amount of financial instruments issued to investors. Share-based compensation expenses are non-cash in nature and are employee related expenses arising from grant of share options under our share incentive plan. We also exclude listing expenses with respect to this Global Offering. In addition, the changes in carrying amount of financial instruments issued to investors is also a non-cash item. These changes in profit or loss relate to the financial instruments we issued to investors which will automatically convert into ordinary shares upon the completion of the Global Offering, and the carrying amount of the financial liabilities are expected to be reclassified to equity upon such conversion. The adjustments have been consistently made during the Track Record Period. The following table sets forth the reconciliation of net profit or loss to adjusted net profit (non-HKFRS measure) for the periods indicated:

	For the year ended December 31,		
	2022	2023	2024
	(RMB in thousands)		
Profit/(loss) for the year	**130,987**	**(356,209)**	**(135,609)**
Add:			
Changes in carrying amount of financial instruments issued to investors	(61,556)	584,340	345,035
Share-based compensation	5,592	7,920	14,552
Listing expenses	–	17,285	17,585
Adjusted net profit (non-HKFRS measure)	**75,023**	**253,336**	**241,563**

DESCRIPTION OF MAJOR COMPONENTS OF OUR RESULTS OF OPERATIONS

Revenue

Revenue by business segments

The following table sets forth the breakdown of our revenue by business segments in absolute amounts and as percentages of our total revenue for the periods indicated.

	For the year ended December 31,					
	2022		2023		2024	
	Revenue	*%*	*Revenue*	*%*	*Revenue*	*%*
	(RMB in thousands, except for percentages)					
Insurance transaction services	801,670	99.4	1,628,618	99.6	1,377,751	99.3
Insurance technology services	4,588	0.6	5,777	0.4	9,335	0.7
Total	**806,258**	**100.0**	**1,634,395**	**100.0**	**1,387,086**	**100.0**

During the Track Record Period, we generated revenue from two segments: (i) insurance transaction services; and (ii) insurance technology services. We generate revenue from our insurance transaction services mainly through receiving commissions from insurance companies for distributing their insurance products to policyholders and the insured. We also generate revenue from insurance technology services by providing rapid claims settlement, risk assessment consulting and other services to insurance companies. Our revenue from our insurance transaction services during the Track Record Period was RMB801.7 million, RMB1,628.6 million and RMB1,377.8 million representing 99.4%, 99.6% and 99.3% of our total revenue for the years ended December 31, 2022, 2023 and 2024, respectively. Our revenue from insurance technology services was RMB4.6 million, RMB5.8 million and RMB9.3 million for the years ended December 31, 2022, 2023 and 2024, respectively.

Revenue by insurance products

We offer a comprehensive mix of insurance products, providing policyholders and the insured with broad selections and adequate options to choose from in order to satisfy their needs in different scenarios and at different life stages. We primarily distribute four categories of insurance products, namely (i) long-term life insurance, (ii) long-term critical illness insurance, (iii) long-term medical and other insurance, and (iv) short-term insurance products.

We recognize revenue from insurance transaction services when the signed insurance policy becomes effective since we have fulfilled our performance obligation to distribute an insurance policy on behalf of the insurance company.

The table below sets forth the revenue generated from insurance companies for distributing their insurance products, in absolute amounts and as percentages of our total revenue from insurance transaction services for the periods indicated.

	For the year ended December 31,					
	2022		2023		2024	
	Revenue	*%*	*Revenue*	*%*	*Revenue*	*%*
	(RMB in thousands, except for percentages)					
Long-term insurance products						
Life insurance	401,114	50.0	968,902	59.4	465,088	33.8
Critical illness insurance	330,819	41.3	440,835	27.1	474,802	34.5
Medical and other insurance	18,626	2.3	142,946	8.8	306,416	22.2
Short-term insurance products	51,111	6.4	75,935	4.7	131,445	9.5
Total	**801,670**	**100.0**	**1,628,618**	**100.0**	**1,377,751**	**100.0**

The table below sets forth the revenue generated from insurance transaction services by online platform and distribution channel, in absolute amounts and as percentages of our total revenue from insurance transaction services for the periods indicated.

	For the year ended December 31,					
	2022		2023		2024	
	Revenue	*%*	*Revenue*	*%*	*Revenue*	*%*
	(RMB in thousands, except for percentages)					
Niubao 100 (Business partners)						
– Self-media traffic channels	180,413	22.5	599,460	36.8	404,642	29.4
– Licensed brokerages and agencies	343,561	42.9	501,656	30.8	459,932	33.4
Sub-total	**523,974**	**65.4**	**1,101,116**	**67.6**	**864,574**	**62.8**
Xiaoyusan (Direct distribution)	173,846	21.6	317,604	19.5	293,121	21.3
Kachabao (Insurance agents)	103,850	13.0	209,898	12.9	220,056	15.9
Total	**801,670**	**100.0**	**1,628,618**	**100.0**	**1,377,751**	**100.0**

We believe FYP is a strong indicator of revenue because it effectively demonstrates the revenue potential we may generate from an insurance policy. The table below sets forth the FYP for each category of insurance products we offered during the Track Record Period, in absolute amounts and as percentages of our total FYP for the periods indicated.

	For the year ended December 31,					
	2022		2023		2024	
	FYP	*%*	*FYP*	*%*	*FYP*	*%*
	(RMB in thousands, except for percentages)					
Long-term insurance products						
Life insurance	994,888	61.5	2,573,068	75.6	1,883,058	61.7
Critical illness insurance	292,340	18.1	401,231	11.8	419,606	13.8
Medical and other insurance	9,221	0.6	63,856	1.9	138,676	4.5
Short-term insurance products	321,745	19.9	363,373	10.7	609,404	20.0
Total	**1,618,193**	**100.0**	**3,401,528**	**100.0**	**3,050,744**	**100.0**

The table below sets forth our revenue attributable to each of FYP and renewals during the Track Record Period, in absolute amounts and as percentages of our total revenue from insurance transaction services for the periods indicated.

	For the year ended December 31,					
	2022		2023		2024	
	Revenue	*%*	*Revenue*	*%*	*Revenue*	*%*
	(RMB in thousands, except for percentages)					
Attributable to FYP	563,181	70.3	1,127,495	69.2	799,220	58.0
Attributable to renewals	238,489	29.7	501,123	30.8	578,531	42.0
Total	**801,670**	**100.0**	**1,628,618**	**100.0**	**1,377,751**	**100.0**

The table below sets forth the GWP for each category of insurance products we offered during the Track Record Period, in absolute amounts and as percentages of our total GWP for the periods indicated.

	For the year ended December 31,					
	2022		2023		2024	
	GWP	*%*	*GWP*	*%*	*GWP*	*%*
	(RMB in thousands, except for percentages)					
Long-term insurance products						
Life insurance	1,851,228	46.3	4,178,377	61.8	4,930,873	60.2
Critical illness insurance	1,731,017	43.3	2,069,755	30.6	2,372,046	28.9
Medical and other insurance	93,702	2.3	155,071	2.3	283,001	3.5
Short-term insurance products	321,745	8.0	363,373	5.3	609,404	7.4
Total	**3,997,692**	**100.0**	**6,766,576**	**100.0**	**8,195,324**	**100.0**

During the Track Record Period, there was a change in our product mix, mainly driven by market demands in response to policy changes and financial market conditions. The change was influenced by various factors, such as the market expectation of higher prices for long-term critical illness insurance products. As a result, there was a significant demand for long-term critical illness insurance products during that year and such demand decreased in 2022 and 2023. According to Frost & Sullivan, the GWP of the critical illness insurance market in China decreased from RMB443.9 billion in 2022 to RMB429.2 billion in 2023. In 2023, there was a market preference primarily for long-term life insurance products. This preference arose due to a downward adjustment in interest rates for investments in China, including stocks and wealth management products. As a result, long-term life insurance products gained popularity in the market. According to Frost & Sullivan, the GWP of the life insurance market in China increased from RMB2.45 trillion in 2022 to RMB2.76 trillion in 2023. In 2024, revenue contribution from long-term life insurance products decreased primarily due to (i) the decrease in demand for long-term life insurance products driven by the general economic slowdown and the downward adjustments by the insurance companies of expected rate of return of long-term life insurance products in response to the market conditions in China in 2024; and (ii) the adjustments made by insurance companies out of prudence in response to the changes in the policies in the insurance industry, in particular the "unified reporting and underwriting" policy in the bancassurance channels. In 2024, revenue contribution from long-term medical and other insurance products increased mainly driven by the popularity of Jinyibao, customized products which was launched in June 2023.

For details of the commission rates for the various categories of insurance products charged by us during the Track Record Period, please refer to the paragraph headed "Business — Products We Distribute and Services We Provide — Insurance Transaction Services — (v) Our Fee Model" in this prospectus. The commission rates of all types of insurance products remained relatively stable during the Track Record Period, which is in line with industry trend and regulations.

Cost of Revenue

Our cost of revenue consists primarily of (i) commission expenses paid to insurance agents and licensed insurance brokerages and agencies, (ii) channel promotion fees to our self-media traffic channels for referring potential policyholders and the insured, (iii) salaries and other benefits of our staff members, and (iv) other costs related to our business operation such as costs for risk assessment technologies, which are primarily used to cover the cost of digital signatures, electronic authentication, health assessments and anti-fraud identification services provided by external vendors. The following table sets forth a breakdown of our cost of revenue by nature, in absolute amounts and as percentages of total cost of revenue, for the periods indicated.

	For the year ended December 31,					
	2022		2023		2024	
	RMB	*%*	*RMB*	*%*	*RMB*	*%*
	(RMB in thousands, except percentages)					
Commission expenses	334,796	63.7	518,945	47.9	478,590	55.8
Channel promotion fees	150,369	28.6	503,229	46.5	322,034	37.5
Salaries and other benefits	38,555	7.3	57,502	5.3	53,080	6.2
Others	2,120	0.4	2,920	0.3	4,502	0.5
Total	**525,840**	**100.0**	**1,082,596**	**100.0**	**858,206**	**100.0**

Gross Profit and Gross Margin

Gross profit and gross profit margin by business segments

The following table sets forth a breakdown of our gross profit and gross profit margin by business segments during the Track Record Period.

	For the year ended December 31,					
	2022		2023		2024	
	Gross profit	Gross profit margin	Gross profit	Gross profit margin	Gross profit	Gross profit margin
	RMB	*%*	*RMB*	*%*	*RMB*	*%*
	(RMB in thousands, except percentages)					
Insurance transaction services	278,073	34.7	548,942	33.7	524,047	38.0
– Long-term life insurance	120,414	30.0	266,296	27.5	127,054	27.3
– Long-term critical illness insurance	125,369	37.9	166,649	37.8	160,678	33.8
– Long-term medical and other insurance	14,502	77.9	96,563	67.6	214,675	70.1
– Short-term insurance	17,788	34.8	19,434	25.6	21,640	16.5
Insurance technology services	2,345	51.1	2,857	49.5	4,833	51.8
Total	**280,418**	**34.8**	**551,799**	**33.8**	**528,880**	**38.1**

Our gross profit margin of insurance transaction services remained relatively stable at 33.7% in 2023 compared to 34.7% in 2022. Our gross profit margin of insurance transaction services increased from 33.7% in 2023 to 38.0% in 2024, primarily due to the shift in our product mix, specifically (i) the increase in the revenue contribution of long-term medical and other insurance which had a relatively high gross profit margin; and (ii) the decrease in the revenue contribution of long-term life insurance which had a relatively low gross profit margin and used to be the business focus of Niubao 100, particularly self-media traffic channels. The gross profit margin of long-term medical and other insurance products we distributed during the Track Record Period was relatively high primarily because the long-term medical insurance products we distributed generally had a longer payment term with higher renewal commissions which contributed to the high gross profit margin. For example, Jinyibao products, one series of our long-term medical insurance products, typically have a premium payment term of up to 20 years. In addition, we were able to pass a portion of the decrease in the commission rates we received to our suppliers including licensed brokerages and agencies and self-media traffic channels. The gross profit margin attributable to distribution with the assistance of business partners on Niubao 100 increased from 19.0% in 2023 to 23.1% in 2024. The gross profit margin of short-term insurance decreased during the Track Record Period primarily due to the changes in the types of short-term insurance products we distributed, specifically the

employer's liability insurance products in 2023 and property insurance products in 2024 which had lower gross profit margins compared to other short-term insurance products. Our gross profit margin of insurance technology services was relatively stable during the Track Record Period.

Gross profit by platforms and distribution channels

The following table sets forth a breakdown of our gross profit of insurance transaction services by platform and distribution channel during the Track Record Period.

	For the year ended December 31,					
	2022		2023		2024	
	Gross profit	Gross profit margin	Gross profit	Gross profit margin	Gross profit	Gross profit margin
	RMB	*%*	*RMB*	*%*	*RMB*	*%*
	(RMB in thousands, except percentages)					
Xiaoyusan (Direct distribution)	135,413	77.9	260,102	81.9	240,041	81.9
Niubao 100 (Business partners)	106,814	20.4	208,994	19.0	199,482	23.1
– Licensed brokerages and agencies	76,773	22.3	112,763	22.5	116,874	25.4
– Self-media traffic channels	30,041	16.7	96,231	16.1	82,608	20.4
Kachabao (Insurance agents)	35,846	34.5	79,846	38.0	84,524	38.4
Total	**278,073**	**34.7**	**548,942**	**33.7**	**524,047**	**38.0**

Among our three distribution channels, the gross profit margin attributable to our online direct distribution on Xiaoyusan is the highest primarily because the major cost of revenue for direct distribution is salaries and other benefits of our insurance consultants, which cost is lower than the commission expenses and channel promotion fees paid to insurance agents and business partners. Insurance consultants are our employees and offer support to policyholders and the insured throughout the insurance transaction process on Xiaoyusan. The gross profit margin attributable to distribution via insurance agents on Kachabao is higher than the gross profit margin attributable to distribution with the assistance of business partners on Niubao 100 primarily because our business partner as a business organization generally have higher operating costs than individual insurance agents and as a result require higher commissions when cooperating with us.

The gross profit margin attributable to our online direct distribution on Xiaoyusan remained relatively stable during the Track Record Period. The gross profit margin attributable to distribution with the assistance of business partners on Niubao 100 remained relatively stable at 20.4% in 2022 and 19.0% in 2023. The gross profit margin attributable to distribution with the assistance of business partners on Niubao 100 increased from 19.0% in 2023 to 23.1% in 2024 primarily because historically we aimed to expand our business through Niubao 100 platform. Starting from the second half of 2023, we included profitability into our consideration when forming new cooperation relationships and assessing existing relationships with business partners. In addition, revenue contribution from long-term medical and other insurance products and long-term critical illness insurance products which had a relatively higher gross profit margin increased on Niubao 100 in 2024 compared to 2023, resulting in an increase of gross profit margin of Niubao 100 in 2024. The gross profit margin attributable to distribution via insurance agents on Kachabao increased from 34.5% in 2022 to 38.0% in 2023 and further increased to 38.4% in 2024.

Other Net Income

Our other net income consists of (i) government grants, representing one-off subsidies and benefits received from local governments in China, (ii) realized gains from financial assets measured at fair value through profit or loss, (iii) interest income on bank deposits, (iv) super-deduction of input value added tax ("**VAT**"), (v) foreign exchange differences, (vi) gain on disposal of a subsidiary, Shouhui Clinic, (vii) dilution gains from interests in associates, and (viii) others.

The following table sets forth a breakdown of our other net income, in absolute amounts and as percentages of our total other net income, for the periods indicated.

	For the year ended December 31,					
	2022		2023		2024	
	RMB	%	RMB	%	RMB	%
	(RMB in thousands, except percentages)					
Government grants	1,925	14.2	596	4.6	49	0.4
Realized gains from financial assets measured at fair value through profit or loss	5,496	40.7	6,362	49.2	11,789	86.1
Interest income	2,230	16.5	2,279	17.6	1,762	12.9
Super-deduction of input VAT	3,403	25.2	3,094	24.0	(903)	(6.6)
Foreign exchange differences	–	–	–	–	(2,911)	(21.3)
Gain on disposal of a subsidiary	–	–	501	3.9	–	–
Dilution gains from interests in associates	–	–	–	–	2,655	19.4
Others	463	3.4	89	0.7	1,241	9.1
Total	**13,517**	**100.0**	**12,921**	**100.0**	**13,682**	**100.0**

Sales and Marketing Expenses

Our sales and marketing expenses primarily consist of (i) advertising and marketing expenses, (ii) salaries and other benefits, (iii) office administrative expenses, (iv) share-based compensation, and (v) other expenses including short message service fees.

The following table sets forth the breakdown of our sales and marketing expenses, in absolute amounts and as percentages of our total sales and marketing expenses, for the periods indicated.

	For the year ended December 31,					
	2022		2023		2024	
	RMB	*%*	*RMB*	*%*	*RMB*	*%*
	(RMB in thousands, except percentages)					
Advertising and marketing expenses	40,095	40.8	61,246	44.0	65,095	47.7
Salaries and other benefits	46,777	47.6	62,914	45.2	52,610	38.6
Office administrative expenses	7,273	7.4	11,605	8.3	12,756	9.4
Share-based compensation	1,744	1.8	1,437	1.0	1,511	1.1
Others	2,285	2.4	2,156	1.5	4,313	3.2
Total	**98,174**	**100.0**	**139,358**	**100.0**	**136,285**	**100.0**

General and Administrative Expenses

Our general and administrative expenses primarily consist of (i) salaries and other benefits of our administrative and operational team, (ii) office administrative expenses, (iii) professional service fees including audit and consulting services fees, (iv) listing expenses, (v) taxes and surcharges, (vi) share-based compensation, and (vii) other expenses including regulatory fees paid by us as an insurance intermediary to NFRA.

The following table sets forth the breakdown of our general and administrative expenses, in absolute amounts and as percentages of our total general and administrative expenses, for the periods indicated.

	For the year ended December 31,					
	2022		2023		2024	
	RMB	*%*	*RMB*	*%*	*RMB*	*%*
	(RMB in thousands, except percentages)					
Salaries and other benefits	34,973	63.7	41,081	48.9	43,697	44.6
Office administrative expenses	9,122	16.6	10,080	12.0	10,946	11.2
Professional service fees	2,789	5.1	2,906	3.5	4,785	4.9
Listing expenses	–	–	17,285	20.6	17,585	17.9
Taxes and surcharges	2,307	4.2	3,470	4.1	3,502	3.6
Share-based compensation	2,137	3.9	4,763	5.7	13,245	13.5
Others	3,587	6.5	4,495	5.2	4,263	4.3
Total	**54,915**	**100.0**	**84,080**	**100.0**	**98,023**	**100.0**

Research and Development Expenses

Our research and development expenses primarily consist of (i) salaries and other benefits of our R&D team, (ii) share-based compensation, and (iii) other expenses including hardware and software service expenses and depreciation and amortization.

The following table sets forth the breakdown of our research and development expenses, in absolute amounts and as percentages of total research and development expenses, for the periods indicated.

	For the year ended December 31,					
	2022		2023		2024	
	RMB	*%*	*RMB*	*%*	*RMB*	*%*
	(RMB in thousands, except percentages)					
Salaries and other benefits	49,171	91.9	55,763	91.3	45,607	89.5
Share-based compensation	1,711	3.2	1,720	2.8	(212)	(0.4)
Others	2,626	4.9	3,595	5.9	5,560	10.9
Total	**53,508**	**100.0**	**61,078**	**100.0**	**50,955**	**100.0**

Provision for/Reversal of Impairment Loss

During the Track Record Period, our provision for and reversal of impairment loss were allowance for expected credit losses of accounts receivable. During the Track Record Period, we recorded reversal of impairment loss of RMB111 thousand in 2022, provision for impairment loss of RMB1.8 million in 2023 and provision for impairment loss of RMB962 thousand in 2024.

Finance Costs

Our finance costs consist of interest expenses on bank borrowings and lease liabilities. We recorded finance costs of RMB464 thousand, RMB461 thousand and RMB258 thousand in 2022, 2023 and 2024, respectively.

Changes in Carrying Amount of Financial Instruments Issued to Investors

During the Track Record Period, we recognized the financial instruments issued to some Pre-IPO Investors as financial liabilities, because they were granted with the preferential rights/preferred shares to require us to redeem all of the instruments at a predetermined amount upon certain redemption or liquidation events, which are not all within our control. The financial liabilities are measured at the present value of the highest of the amounts that could become payable to the investors upon the earliest possible date of occurrence of redemption or liquidation events. Any changes in the carrying amount of the financial liabilities arising from the remeasurement of the redemption or liquidation amount were recorded in as changes in the carrying amount of financial instruments issued to investors. Upon qualified initial public offering, the preferential rights will automatically expire and the financial instruments issued to investors will be reclassified from liabilities to equity accordingly. For additional information, see Note 24 to the Accountants' Report included in Appendix I to this prospectus, and the section headed "History, Reorganization and Corporate Development — Pre-IPO Investments."

Share of Profits/(losses) of Associates

Share of profits of associates represents our share of profits from Dahe Shenzhen and Mianmiao Information Technology (Shanghai) Co., Ltd. (棉苗信息科技(上海)有限公司). During the Track Record Period, we recorded share of profits of associates of RMB313 thousand, RMB75 thousand and share of losses of associates of RMB1.2 million in 2022, 2023 and 2024, respectively.

Income Tax

We recorded income tax expense of RMB17.9 million, RMB49.9 million and RMB45.4 million in 2022, 2023 and 2024, respectively.

We are subject to various rates of income tax under different jurisdictions. The following summarizes major factors affecting our applicable tax rates in the Cayman Islands and China.

Cayman Islands

Pursuant to the rules and regulations of the Cayman Islands, we are not subject to any income tax in the Cayman Islands during the Track Record Period.

Hong Kong

The provision for Hong Kong Profits Tax during the Track Record Period is calculated at 16.5%. No provision has been made for Hong Kong Profits Tax as the Group did not have assessable profits during Track Record Period.

China

Pursuant to the Enterprise Income Tax Law of the PRC and the respective regulations, the subsidiaries which operate in Chinese mainland are subject to income tax at a rate of 25% on the taxable income, except for Shenzhen Shouhui, one of the subsidiaries of our Group which was recognized as a high and new technology enterprise ("**HNTE**") in December 2020 and successfully renewed its HNTE status in October 2023. Accordingly, Shenzhen Shouhui was entitled to a preferential income tax rate of 15% during the Track Record Period.

During the Track Record Period, we made provisions for PRC enterprise income tax based on the taxable income, which includes both initial commissions and the estimated future renewal commissions that are expected to be collected in the future years of the policy period. The income tax we paid during the Track Record Period was lower than the provisions for PRC enterprise income tax as the estimated future renewal commissions were not included in the taxable income for the relevant period in our annual tax filing. According to the current PRC tax laws and regulations, each PRC legal entity shall calculate and pay enterprise income tax individually, and the tax filings shall be based on its own financial data. Our tax consultant is of the view that the relevant entities in the Group calculated and paid enterprise income tax

based on each of their own individual audit report during the Track Record Period, which is in compliance with the above mentioned PRC tax laws and regulations. Our PRC Legal Advisor has reviewed the aforementioned analysis of our tax consultant and confirmed that the above analysis is not contradictory to its understanding of PRC tax laws and regulations. In addition, according to the Certificates of No Tax Arrears issued by relevant PRC tax competent authorities to us in July 2024, they have not found any tax arrears about us. During the Track Record Period and up to the Latest Practicable Date, we have not received any notification from the relevant PRC tax competent authorities, alleging that we had not fully paid PRC enterprise income tax about revenue generated from insurance transaction services, nor have we received any request for payment of any such outstanding amounts by the relevant authorities.

During the Track Record Period, the revenue generated from insurance transaction services of our Group is recognized in accordance with the accounting policy set out in Note 2(q)(i) to the Accountants' Report in Appendix I to this prospectus and therefore the taxable income includes both initial commissions and the estimated future renewal commissions. The income tax we paid during the Track Record Period is derived from the tax filings of each PRC legal entity, which calculated and paid enterprise income tax based on each of their own individual financial report. The difference between the provisions for PRC enterprise income tax recognized in the Group and the income tax paid of each PRC legal entity is a timing difference, which will be eliminated when all the commission is received.

The income tax expense comprises current tax and deferred tax. Current tax comprises the estimated tax payable on the taxable income for the year and any adjustments to the tax payable in respect of previous years. Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax assets are recognized for the deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used.

Loss/Profit for the Year

As a result of the foregoing, we recorded a profit of RMB131.0 million, a loss of RMB356.2 million and RMB135.6 million, in 2022, 2023 and 2024, respectively.

Adjusted Net Profit (Non-HKFRS Measure) for the Year

As a result of the foregoing, we recorded adjusted net profit (non-HKFRS measure) of RMB75.0 million, RMB253.3 million and RMB241.6 million in 2022, 2023 and 2024, respectively.

YEAR-TO-YEAR COMPARISON OF RESULTS OF OPERATIONS

Year Ended December 31, 2024 Compared to Year Ended December 31, 2023

Revenue

Our total revenue decreased by 15.1% from RMB1,634.4 million in 2023 to RMB1,387.1 million in 2024, mainly due to the decrease in revenue generated from our insurance transaction services.

Our revenue generated from insurance transaction services decreased by 15.4% from RMB1,628.6 million in 2023 to RMB1,377.8 million in 2024, primarily due to the decrease in revenue from long-term life insurance from RMB968.9 million in 2023 to RMB465.1 million in 2024, which was attributable to the decrease in FYP from RMB2,573.1 million to RMB1,883.1 million. The decrease in revenue of long-term life insurance was primarily due to (i) the decrease in demand for long-term life insurance products driven by the general economic slowdown and the downward adjustments by the insurance companies of expected rate of return of long-term life insurance products in response to the market conditions in China in 2024; and (ii) the adjustments made by insurance companies out of prudence in response to the changes in the policies in the insurance industry, in particular the "unified reporting and underwriting" policy in the bancassurance channels. The policy aims to standardize the bancassurance business of life insurance companies and requires the life insurance companies to strictly adhere to the insurance terms and premium rates filed with the NFRA. Insurance companies are required to implement expense policies according to the product actuarial reports filed with the NFRA, and the commissions paid to bancassurance channels must not exceed the specified maximum commission rate. Notwithstanding that a similar policy has not been promulgated for any insurance channel other than bancassurance, the insurance companies adjusted commission rates of insurance intermediaries downwards, in particular commission rates for long-term life insurance products out of prudence. The insurance companies lowered the commission rates to insurance intermediaries so that their actual operating costs would not exceed the expected operating costs calculated based on the product actuarial reports filed with the NFRA. Our average first year commission rates for long-term life insurance products decreased from 31.7% in 2023 to 21.5% in 2024. Please refer to the section headed "Business — Products We Distribute and Services We Provide — Insurance Transaction Services — (v) Our Fee Model" in this prospectus for further details. The "unified reporting and underwriting" policy has led to a general decline in the commission rates of bancassurance channels and insurance intermediaries, according to Frost & Sullivan. Our revenue from long-term life insurance products in 2024 decreased partly due to the decrease in the commission rates offered by the insurance companies for distributing long-term life insurance products. The decrease in revenue generated from insurance transaction services was partially offset by the increase in revenue from (i) long-term medical and other insurance from RMB142.9 million in 2023 to RMB306.4 million in 2024, which was driven by the popularity of Jinyibao, customized products which was launched in June 2023; (ii) long-term critical illness insurance from RMB440.8 million in 2023 to RMB474.8 million in 2024, which was driven by the increase in FYP from RMB401.2 million to RMB419.6 million,

further driven by the upgrade and distribution of customized products including Chaojimali and Dahuangfeng series; and (iii) short-term insurance from RMB75.9 million in 2023 to RMB131.4 million in 2024, which was driven by the expansion of our group insurance and property insurance business.

The decrease in our revenue from insurance transaction services from RMB1,628.6 million in 2023 to RMB1,377.8 million in 2024 was mainly attributable to the decrease in revenue from Niubao 100 platform from RMB1,101.1 million in 2023 to RMB864.6 million in 2024, which was further attributable to (i) the decrease in revenue generated from self-media traffic channels from RMB599.5 million in 2023 to RMB404.6 million in 2024 and (ii) to a lesser extent the decrease in revenue generated from licensed brokerages and agencies from RMB501.7 million in 2023 to RMB459.9 million in 2024. The decrease in revenue generated from self-media traffic channels was primarily because self-media traffic channels historically focused on long-term life insurance products and derived a significant portion of revenue from long-term life insurance whose revenue was impacted by the "unified reporting and underwriting" policy. The decrease in revenue generated from licensed brokerages and agencies was less significant as licensed brokerages and agencies derived more revenue from long-term critical illness insurance products which was not materially affected by the "unified reporting and underwriting" policy. Furthermore, we enhanced cooperation with large licensed brokerages and agencies, for example Supplier E and Supplier H in 2024.

Our revenue generated from insurance technology services increased by 61.6% from RMB5.8 million in 2023 to RMB9.3 million in 2024, primarily driven by the growth of our risk assessment assistance and other technology service business.

Cost of Revenue

Our cost of revenue decreased by 20.7% from RMB1,082.6 million in 2023 to RMB858.2 million in 2024, primarily due to (i) the decrease in channel promotion fees from RMB503.2 million in 2023 to RMB322.0 million in 2024; and (ii) the decrease in commission expenses from RMB518.9 million in 2023 to RMB478.6 million in 2024. The decrease in commission expenses and channel promotion fees in 2024 were mainly due to the decrease in our revenue and our enhanced cost control measures, in particular for channel promotion fees of customized products.

Gross profit and gross profit margin

Our overall gross profit slightly decreased by 4.2% from RMB551.8 million in 2023 to RMB528.9 million in 2024. Our overall gross profit margin increased from 33.8% in 2023 to 38.1% in 2024 mainly due to the increase in the gross profit margin of our insurance transaction services from 33.7% in 2023 to 38.0% in 2024. The gross profit margin of our insurance technology services slightly increased from 49.5% in 2023 to 51.8% in 2024.

The increase in the gross profit margin of our insurance transaction services was mainly driven by the increase in the revenue contribution of long-term medical and other insurance which had a relatively high gross profit margin further driven by the popularity of Jinyibao, customized products which was launched in June 2023.

Other net income

Our other net income increased by 5.9% from RMB12.9 million in 2023 to RMB13.7 million in 2024, mainly due to the increase of RMB5.4 million in realized gains from financial assets measured at fair value through profit or loss.

Sales and marketing expenses

Our sales and marketing expenses slightly decreased by 2.2% from RMB139.4 million in 2023 to RMB136.3 million in 2024, primarily due to the decrease in our salaries and other benefits from RMB62.9 million in 2023 to RMB52.6 million in 2024, partially offset by (i) the increase in our advertising and marketing expenses from RMB61.2 million in 2023 to RMB65.1 million in 2024 as we carried out more marketing activities and placed more advertisements to expand our business; and (ii) the increase in our office administrative expenses from RMB11.6 million in 2023 to RMB12.8 million in 2024.

General and administrative expenses

Our general and administrative expenses increased by 16.6% from RMB84.1 million in 2023 to RMB98.0 million in 2024, primarily due to (i) the increase in our share-based compensation from RMB4.8 million in 2023 to RMB13.2 million in 2024; and (ii) the increase in our salaries and other benefits from RMB41.1 million in 2023 to RMB43.7 million in 2024 further due to the increase in the average number of our administrative and operational personnel from 134 in 2023 to 143 in 2024 and the increase in the average compensation of our administrative and operational personnel.

Research and development expenses

Our research and development expenses decreased by 16.6% from RMB61.1 million in 2023 to RMB51.0 million in 2024, primarily due to the decrease in our salaries and other benefits from RMB55.8 million in 2023 to RMB45.6 million in 2024 further due to the decrease in the average number of our R&D personnel from 145 in 2023 to 133 in 2024.

Provision for Impairment Loss

Our provision for impairment loss decreased from RMB1.7 million in 2023 to RMB962 thousand in 2024, mainly due to the decrease in our accounts receivable from RMB158.5 million as of December 31, 2023 to RMB96.1 million as of December 31, 2024.

Finance costs

Our finance costs decreased from RMB461 thousand in 2023 to RMB258 thousand in 2024.

Changes in carrying amount of financial instruments issued to investors

Our changes in carrying amount of financial instruments issued to investors decreased from RMB584.3 million in 2023 to RMB345.0 million in 2024, as a result of changes in the valuation of our Company.

Income tax

Our income tax slightly decreased from RMB49.9 million in 2023 to RMB45.4 million in 2024.

Loss for the year

As a result of the foregoing, we recorded a loss of RMB135.6 million in 2024 as compared to a loss of RMB356.2 million in 2023. Our net loss margin is 9.8% in 2024, compared to a net loss margin of 21.8% in 2023.

Adjusted net profit (non-HKFRS measure) for the year

As a result of the foregoing, our adjusted net profit (non-HKFRS measure) slightly decreased by 4.7% from RMB253.3 million in 2023 to RMB241.5 million in 2024.

Year Ended December 31, 2023 Compared to Year Ended December 31, 2022

Revenue

Our total revenue increased by 102.7% from RMB806.3 million in 2022 to RMB1,634.4 million in 2023, mainly due to the increase in revenue generated from our insurance transaction services.

Our revenue generated from insurance transaction services increased by 103.2% from RMB801.7 million in 2022 to RMB1,628.6 million in 2023, primarily attributable to the increase in revenue from (i) long-term life insurance from RMB401.1 million in 2022 to RMB968.9 million in 2023, which was driven by the increase in FYP from RMB994.9 million to RMB2,573.1 million due to a market preference for long-term life insurance products, further due to a downward adjustment in interest rates for investments in China, including stocks and wealth management products; and (ii) long-term critical illness insurance from RMB330.8 million in 2022 to RMB440.8 million in 2023, which was driven by the increase in FYP from RMB292.3 million to RMB401.2 million. The increase in insurance transaction services was also attributable to the increase in revenue from (i) long-term medical and other

insurance from RMB18.6 million in 2022 to RMB142.9 million in 2023, which was mainly driven by the launch of Jinyibao, customized products exclusively offered on our platforms, as we beefed up offering of long-term medical insurance products starting from 2022; and (ii) short-term insurance from RMB51.1 million in 2022 to RMB75.9 million in 2023, which was driven by the expansion of our group insurance business. The increase in FYP from all the categories of the insurance products we distributed was mainly driven by (i) our diverse product offerings, growing self-media traffic channels and agent network resulting in the increase in the number of policies and policyholders; and (ii) the overall growth of China's online long-term life and health insurance intermediary service market.

Our revenue generated from insurance technology services increased from RMB4.6 million in 2022 to RMB5.8 million in 2023.

Cost of revenue

Our cost of revenue increased by 105.9% from RMB525.8 million in 2022 to RMB1,082.6 million in 2023, mainly due to (i) the increase in commission expenses from RMB334.8 million in 2022 to RMB518.9 million in 2023, and (ii) the increase in channel promotion fees from RMB150.4 million in 2022 to RMB503.2 million in 2023. The increases in commission expenses and channel promotion fees in 2023 were driven by the increase in our revenue from insurance transaction services. In 2023, we increased effort to cooperate with self-media traffic channels to reach out to a larger number of potential policyholders and the insured. The number of our policyholders increased from 2.4 million as of December 31, 2022 to 2.9 million as of December 31, 2023.

Gross profit and gross profit margin

Our overall gross profit increased by 96.8% from RMB280.4 million in 2022 to RMB551.8 million in 2023. Our overall gross profit margin remained relatively stable at 33.8% in 2023 compared to 34.8% in 2022.

The gross profit margin of our insurance transaction services remained relatively stable at 33.7% in 2023 compared to 34.7% in 2022. The gross profit margin of our insurance technology services remained relatively stable at 49.5% in 2023 compared to 51.1% in 2022.

Other net income

Our other net income decreased by 4.4% from RMB13.5 million in 2022 to RMB12.9 million in 2023, mainly due to the decrease in government grants from RMB1.9 million in 2022 to RMB0.6 million in 2023.

Sales and marketing expenses

Our sales and marketing expenses increased by 42.0% from RMB98.2 million in 2022 to RMB139.4 million in 2023, mainly due to (i) the increase in our advertising and marketing expenses from RMB40.1 million in 2022 to RMB61.2 million in 2023 as we conducted more marketing campaigns in line with our business expansion; and (ii) the increase in our salaries and other benefits of our marketing team from RMB46.8 million in 2022 to RMB62.9 million in 2023 further due to the increase in the headcounts of our marketing team.

General and administrative expenses

Our general and administrative expenses increased by 53.1% from RMB54.9 million in 2022 to RMB84.1 million in 2023 mainly due to (i) the increase in listing expenses from nil in 2022 to RMB17.3 million in 2023 in relation to our proposed Listing; and (ii) the increase in our salaries and other benefits of our administrative and operational team from RMB35.0 million in 2022 to RMB41.1 million in 2023 due to the increase in the average compensation of our administrative and operational personnel, both to attract and retain talents.

Research and development expenses

Our research and development expenses increased by 14.1% from RMB53.5 million in 2022 to RMB61.1 million in 2023 mainly due to the increase in salaries and other benefits of our R&D team from RMB49.2 million in 2022 to RMB55.8 million in 2023, further due to the increase in the average compensation of our R&D team.

Provision for/Reversal of Impairment Loss

We recorded a reversal of impairment loss of RMB111 thousand in 2022 compared to a provision for impairment loss of RMB1.8 million in 2023, as a result of the increase in our accounts receivable further driven by our business expansion.

Finance costs

Our finance costs remained relatively stable at RMB461 thousand in 2023 compared to RMB464 thousand in 2022.

Changes in carrying amount of financial instruments issued to investors

In 2023, we recorded a loss of RMB584.3 million in changes in carrying amount of financial instruments issued to investors, as compared to a gain of RMB61.6 million in 2022, which was attributable primarily to the shares of Shenzhen Shouhui issued to some of our Pre-IPO investors. These shares with preferential rights resulted in financial liabilities whose carrying amounts were related to the equity value of our Group, the increase of which was driven by our business growth and business outlook.

Income tax

Our income tax increased by 179.3% from RMB17.9 million in 2022 to RMB49.9 million in 2023, primarily attributable to an increase in taxable profit during the year as a result of our business growth.

Profit/Loss for the year

As a result of the foregoing, we recorded a loss of RMB356.2 million in 2023 compared to a profit of RMB131.0 million in 2022. Our net profit margin decreased from 16.2% in 2022 to a net loss margin of 21.8% in 2023.

Adjusted net profit (non-HKFRS measure) for the year

As a result of the foregoing, our adjusted net profit (non-HKFRS measure) increased by 237.7% from RMB75.0 million in 2022 to RMB253.3 million in 2023.

DISCUSSION OF CERTAIN KEY ITEMS FROM OUR CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

The table below sets forth our consolidated statements of financial position as of the dates indicated.

	As of December 31,		
	2022	2023	2024
	(RMB in thousands)		
Non-current assets			
Property, plant, and equipment	234	217	153
Intangible assets	40,615	40,607	40,599
Right-of-use assets	7,013	9,088	6,376
Interests in associates	3,593	3,668	5,089
Deferred tax assets	61,193	121,458	140,807
Prepayment, other receivables and other assets	2,604	2,962	3,179
Contract assets	92,973	293,297	459,029
Restricted cash	10,241	10,240	10,242
Total non-current assets	**218,466**	**481,537**	**665,474**
Current assets			
Prepayment, other receivables and other assets	27,426	29,979	26,357
Accounts receivable	216,866	158,490	96,080
Contract assets	245,467	338,305	390,555
Financial assets measured at fair value through profit or loss	240,367	369,522	504,796
Restricted cash	63,213	49,528	39,564
Cash and cash equivalents	95,241	130,491	113,368
Total current assets	**888,580**	**1,076,315**	**1,170,720**

	As of December 31,		
	2022	2023	2024
	(RMB in thousands)		
Current liabilities			
Accounts payable	272,596	331,846	360,886
Borrowings	8,810	–	–
Other payables, accruals and other liabilities	119,842	163,234	126,840
Lease liabilities	3,621	5,343	4,329
Financial instruments issued to investors	899,907	1,357,136	1,702,171
Current taxation	157,104	237,093	277,563
Total current liabilities	**1,461,880**	**2,094,652**	**2,471,879**
Net current liabilities	**(573,300)**	**(1,018,337)**	**(1,301,159)**
Total assets less current liabilities	**(354,834)**	**(536,800)**	**(635,685)**
Non-current liabilities			
Accounts payable	15,923	85,907	102,730
Lease liabilities	3,348	3,458	1,388
Total non-current liabilities	19,271	89,365	104,118
Net liabilities	**(374,105)**	**(626,165)**	**(739,803)**
Equity			
Paid-in capital/share capital	6,191	6,053	*
Reserves	(380,789)	(632,666)	(740,758)
Total deficit attributable to			
Equity shareholders of the Company	(374,598)	(626,613)	(740,758)
Non-controlling interests	493	448	955
Total deficit	**(374,105)**	**(626,165)**	**(739,803)**

* The balance represents amount less than RMB500.

Property, Plant and Equipment

Our property, plant and equipment consists of (i) electronic equipment and (ii) office and other equipment. The following table sets forth a breakdown of our property, plant and equipment as of the dates indicated.

	As of December 31,		
	2022	2023	2024
	(RMB in thousands)		
Electronic equipment	222	206	150
Office and other equipment	12	11	3
Total	**234**	**217**	**153**

The carrying amount of our property, plant and equipment amounted to RMB0.2 million, RMB0.2 million and RMB0.2 million as of December 31, 2022, 2023 and 2024, respectively. The carrying amount of our property, plant and equipment remained relatively stable during the Track Record Period.

Intangible Assets

Our intangible assets consist of (i) software, copyright and trademark, which mainly includes our trademark and software copyrights, and (ii) licenses, including our insurance brokerage license, insurance agency license and insurance appraisal license. The following table sets forth a breakdown of our intangible assets as of the dates indicated.

	As of December 31,		
	2022	2023	2024
	(RMB in thousands)		
Software, copyright and trademark	64	56	48
Licenses	40,551	40,551	40,551
Total	**40,615**	**40,607**	**40,599**

The carrying amount of our intangible assets remained stable at RMB40.6 million as of December 31, 2022, 2023 and 2024.

We conducted impairment test on our licenses as of December 31, 2022, 2023 and 2024. For the purposes of the impairment test, each of the licenses were allocated to Small Umbrella Insurance Brokerage, Chuangxin Insurance Sales and Baihong Insurance Appraisal, respectively, which were considered as separate cash generating units (the "**CGUs**"). The recoverable amounts of the licenses were determined based on the value-in-use calculations using the discounted cash flow method. These calculations use cash flow projections based on financial budgets approved by our management covering a five-year period.

The key assumptions used in the estimation of value-in-use were as follows:

	As of December 31,		
	2022	2023	2024
Small Umbrella Insurance Brokerage			
Pre-tax discount rate	20.07%	20.67%	18.48%
Revenue growth rate (average of next five years)	11.00%	6.00%	2.80%
Terminal value growth rate	2.00%	2.00%	2.00%
Chuangxin Insurance Sales			
Pre-tax discount rate	20.29%	20.81%	18.57%
Revenue growth rate (average of next five years)	11.00%	6.00%	2.80%
Terminal value growth rate	2.00%	2.00%	2.00%
Baihong Insurance Appraisal			
Pre-tax discount rate	19.27%	19.76%	18.62%
Revenue growth rate (average of next five years)	10.00%	17.00%	6.20%
Terminal value growth rate	2.00%	2.00%	2.00%

Details of the headroom calculated based on the recoverable amounts deducting the carrying amount allocated for the significant CGUs as of December 31, 2022, 2023 and 2024 are set out as follows:

	As of December 31,		
	2022	2023	2024
	(RMB in thousands)		
Small Umbrella Insurance Brokerage	833,774	823,461	838,733
Chuangxin Insurance Sales	808,889	1,754,341	1,759,483
Baihong Insurance Appraisal	389	665	1,237

We performed the sensitivity analysis based on the assumption that pre-tax discount rate, revenue growth rate and terminal value growth rate have been changed. Had the estimated key assumption during the forecast period been changed as below, the headroom would have decreased to the following:

	As of December 31,		
	2022	2023	2024
	(RMB in thousands)		
Small Umbrella Insurance Brokerage			
Pre-tax discount rate increase by 1%	792,723	783,858	796,071
Revenue growth rate (average of next five years) decrease by 1%	805,183	791,271	805,506
Terminal value growth rate decrease by 1%	796,177	790,366	800,588
Chuangxin Insurance Sales			
Pre-tax discount rate increase by 1%	763,949	1,662,367	1,659,497
Revenue growth rate (average of next five years) decrease by 1%	784,160	1,686,226	1,690,088
Terminal value growth rate decrease by 1%	772,161	1,678,897	1,672,381
Baihong Insurance Appraisal			
Pre-tax discount rate increase by 1%	305	548	1,127
Revenue growth rate (average of next five years) decrease by 1%	192	436	1,158
Terminal value growth rate decrease by 1%	320	578	1,138

Our Directors determined no impairment on the licenses was required as of December 31, 2022, 2023 and 2024 with reference to the recoverable amounts. With regard to the assessment of the value-in-use of the CGUs, our Directors believe that any reasonably possible change in any of the key assumptions would not cause the carrying value of the two significant CGUs, namely Small Umbrella Insurance Brokerage and Chuangxin Insurance Sales to exceed the recoverable amounts. For details of the impairment test including the key assumptions used in the estimation of value-in-use, headroom calculated based on the recoverable amounts deducting the carrying amount allocated for the significant CGUs, and sensitivity analysis for the headroom, see Note 12 to the Accountants' Report in Appendix I to this prospectus.

Interests in Associates

Our investment in associates refers to our equity interests in two unlisted companies, namely Dahe Shenzhen and Mianmiao Information Technology (Shanghai) Co., Ltd. (棉苗信息科技(上海)有限公司), amounting to RMB3.6 million, RMB3.7 million and RMB5.1 million as of December 31, 2022, 2023 and 2024, respectively.

Financial Assets Measured at Fair Value through Profit or Loss

Our financial assets measured at fair value through profit or loss consist of wealth management products issued by commercial banks in the PRC. Our financial assets measured at fair value through profit or loss increased from RMB240.4 million as of December 31, 2022 to RMB369.5 million as of December 31, 2023, and further increased to RMB504.8 million as of December 31, 2024, mainly attributable to the increase in wealth management products as we purchased more wealth management products with surplus cash from operating activities. The wealth management products we purchased are non-principal-protected low risk short-term investments with no pre-determined or guaranteed return. The underlying assets to which the wealth management products we purchased are linked include deposits, bonds and other debt investments, and market prices of gold or foreign exchange rates. To manage credit risk, we only purchase low-risk wealth management products with our own funds and make short-term investments less than one year. The realized gains from wealth management products amounted to RMB5.5 million, RMB6.4 million and RMB11.8 million in 2022, 2023 and 2024, respectively.

We monitor and control the investment risks associated with our portfolio of investments in wealth management products with a comprehensive set of internal policies and guidelines. Our finance department is responsible for proposing, analyzing and evaluating potential investment in such wealth management products. One of our executive Directors is responsible for reviewing our investments. Our finance department also monitors and reports the balance of our wealth management products to our chairman of the Board and chief financial officer on a weekly basis. There are members from our Board and senior management, as well as our finance department, who have extensive experience in finance and investment.

Our investment strategy related to such wealth management products focuses on controlling the financial risks, while generating desirable investment returns. To control our risk exposure, we make investment decisions related to wealth management products after thoroughly considering a number of factors, including but not limited to macro-economic environment, general market conditions, financial performance of the wealth management products, the expected profit or potential loss of the investment, and our own working capital conditions. We have been focusing our investment on wealth management products issued by commercial banks or their wholly owned asset management subsidiaries since our inception and are familiar with the features and risks associated with such wealth management products.

Upon the Listing, we intend to continue our investments in wealth management products strictly in accordance with our internal policies and guidelines, and to the extent that an investment in wealth management products is a notifiable transaction under Chapter 14 of the Listing Rules, we will comply with the relevant requirements under Chapter 14 of the Listing Rules, including the announcement, reporting and/or shareholders' approval requirements, if applicable.

Accounts Receivable and Contract Assets

Our accounts receivable comprised primarily commissions receivable from insurance companies for our insurance transaction services.

Our contract assets are recorded for arrangements when we have provided the insurance transaction services but for which the related payments are not yet unconditionally receivable. Contract assets are attributable to the commissions which are contingent upon the future premium payments of the policyholders. When estimating the commissions contingent upon future premium payments, we use the expected value method based on historical data and experience. We consider various factors including but not limited to insurance product mix, the renewal terms of various products, the persistency rates and commission rates for subsequent years of the policy period. The renewal terms of the insurance products generally vary from 2 to 30 years. Based on our historical data and our understanding of the market, we estimate our persistency rates generally ranged from 80% to 95% during the Track Record Period. For details of the commission rates for the various categories of insurance products charged by us during the Track Record Period, please refer to the section headed "Business – Products We Distribute and Services We Provide – Insurance Transaction Services – (v) Our Fee Model" in this prospectus. Our contract assets are recognized when we recognize revenue before being unconditionally entitled to the consideration under the terms in the contract. We are entitled to the commissions after the policyholders renew the initial policies.

As the policyholder pays the renewal premium in each of the subsequent years of the policy period, the contract assets representing the renewal commission of the corresponding year are transferred to accounts receivable in accordance with the renewal progress. A majority of commissions are generally collected in the first five years, thus most of the contract assets are transferred to accounts receivable within five years, except for the long-term medical insurance products with a premium payment term of 20 years such as Jinyibao, which we

introduced in 2023. Under our agreement with the insurance company, we are entitled to receive commissions for Jinyibao over a period of 20 years. We transfer contract assets in relation to Jinyibao to accounts receivable over the course of 20 years accordingly. The services we offer in relation to Jinyibao are similar to those provided for other insurance products we distribute.

The following table sets forth the breakdown of our accounts receivable and contract assets as of the dates indicated:

	As of December 31,		
	2022	2023	2024
	(RMB in thousands)		
Accounts receivable	217,128	158,761	96,228
Less: loss allowance	(262)	(271)	(148)
Accounts receivable, net	216,866	158,490	96,080
Contract assets	339,101	634,030	852,913
Less: loss allowance	(661)	(2,428)	(3,329)
Contract assets, net	338,440	631,602	849,584

Our accounts receivable decreased from RMB216.9 million as of December 31, 2022 to RMB158.5 million as of December 31, 2023 mainly due to our enhanced accounts receivable collection efforts. Our accounts receivable decreased from RMB158.5 million as of December 31, 2023 to RMB96.1 million as of December 31, 2024, mainly due to the decrease in our revenue in 2024 compared to 2023 and our enhanced accounts receivable collection efforts.

The payment terms are stipulated in relevant contracts. Our trading terms with our customers are mainly on credit. The credit period offered by us is generally 5 to 30 days after reaching the settlement conditions and the invoice date. We seek to maintain strict control over our outstanding receivables. Overdue balances are reviewed regularly by the management of respective business segment. We do not hold any collateral or other credit enhancements over our accounts receivable balances. Accounts receivable are non-interest-bearing.

Our contract assets increased from RMB338.4 million as of December 31, 2022 to RMB631.6 million as of December 31, 2023, and further increased to RMB849.6 million as of December 31, 2024. The changes in our contract assets mainly relate to the changes in our revenue for renewal commissions.

The following table sets forth the ageing analysis of our accounts receivable, based on the invoice date, as of the dates indicated:

	As of December 31,		
	2022	2023	2024
	(RMB in thousands)		
Within 3 months	7,707	7,772	3,716
3 months to 6 months	11	549	–
6 months to 12 months	–	–	7
Over 12 months	–	–	6
Unbilled[(1)]	209,148	150,169	92,351
Accounts receivable, net	**216,866**	**158,490**	**96,080**

Note:

(1) Mainly include the unsettled reconciliation and uninvoiced payments between us and insurance companies. According to relevant terms of the insurance agency contracts, we reconcile information of the policies distributed with insurance companies on a monthly basis, which usually takes place around the 20th day of the following month in which the insurance policies are distributed. The duration of the reconciliation process varies between one to two weeks depending on factors such as product mix and transaction volume. Following the completion of the reconciliation process, we issue invoices to the insurance companies within 10 business days. Due to this time lag and as the act of invoicing the customer for payment does not indicate whether the entity has an unconditional right to consideration according to HKFRS 15, the accounts receivable that had not been invoiced to the insurance companies were presented as unbilled as of December 31, 2022, 2023 and 2024.

The average settlement periods of unbilled accounts receivable during the Track Record Period is generally around one to two months for new insurance policies from the effective date of the policies and one to four months for policy renewals from renewal payment due dates.

The following table sets forth the turnover days of our accounts receivable for the periods indicated.

	For the year ended December 31,		
	2022	2023	2024
Accounts receivable turnover days[(1)]	106.4	41.9	33.6

Note:

(1) Accounts receivable turnover days are based on the average balance of accounts receivable divided by total revenue for the relevant period and multiplied by the number of days in the relevant period. Average balance is calculated as the average of the beginning balance and ending balance of a given period.

Our average accounts receivable turnover days decreased from 106.4 days in 2022 to 41.9 days in 2023, mainly because the average accounts receivable turnover days were exceptionally large in 2022 due to the relatively large beginning and ending balance of our accounts receivable in 2022 and we returned to a normal level in 2023. Our average accounts receivable turnover days decreased from 41.9 days in 2023 to 33.6 days in 2024, mainly due to the decrease in the balance of accounts receivable as of December 31, 2024 compared to the balance as of December 31, 2023 further due to the decrease in our revenue in 2024 compared to 2023.

The following table sets forth the ageing analysis of our contract assets, presented from the date revenue is recognized, as of the dates indicated:

	As of December 31,		
	2022	2023	2024
	(RMB in thousands)		
Within 1 year	239,803	501,171	547,562
1 year to 2 years	93,812	96,229	270,435
Over 2 years	5,486	36,630	34,916
Less: loss allowance	(661)	(2,428)	(3,329)
Contract assets, net	**338,440**	**631,602**	**849,584**

Our contract assets aged over two years increased from RMB5.5 million as of December 31, 2022 to RMB36.6 million as of December 31, 2023 primarily because of the increase in our revenue in 2021 compared to 2020 as the contract assets aged over two years as of December 31, 2023 mainly relate to the renewal commissions of insurance policies distributed in 2021 and the contract assets aged over two years as of December 31, 2022 mainly relate to the renewal commissions of insurance policies distributed in 2020. Our contract assets aged from one to two years increased from RMB96.2 million as of December 31, 2023 to RMB270.4 million as of December 31, 2024 primarily because of the increase in our revenue in 2023 compared to 2022 as the contract assets aged from one to two years as of December 31, 2024 mainly relate to the renewal commissions of insurance policies distributed in 2023.

The following table sets forth the turnover days of our contract assets for the periods indicated.

	For the year ended December 31,		
	2022	2023	2024
Contract assets turnover days[(1)]	160.8	108.3	195.4

Note:

(1) Contract assets turnover days are based on the average balance of contract assets divided by total revenue for the relevant period and multiplied by the number of days in the relevant period. Average balance is calculated as the average of the beginning balance and ending balance of a given period.

Our average contract assets turnover days decreased from 160.8 days in 2022 to 108.3 days in 2023, mainly due to the increase in our revenue in 2023. Our average contract assets turnover days increased from 108.3 days in 2023 to 195.4 days in 2024, mainly due to (i) the decrease in our revenue in 2024 compared to 2023, and (ii) the increase in the balance of our contract assets as of December 31, 2024 further due to the increase in our revenue attributable to renewals in 2024 compared to 2023.

The following table sets forth the turnover days of the sum of our accounts receivable and contract assets for the periods indicated.

	For the year ended December 31,		
	2022	2023	2024
Accounts receivable and contract assets turnover days[(1)]	267.2	150.2	229.0

Note:

(1) Accounts receivable and contract assets turnover days are based on the average balance of the sum of accounts receivable and contract assets divided by total revenue for the relevant period and multiplied by the number of days in the relevant period. Average balance is calculated as the average of the beginning balance and ending balance of a given period.

Our average accounts receivable and contract assets turnover days decreased from 267.2 days in 2022 to 150.2 days in 2023, primarily because (i) our revenue from insurance transaction services increased significantly in 2023; and (ii) we enhanced our collection efforts of accounts receivable. Our average accounts receivable and contract assets turnover days increased from 150.2 days in 2023 to 229.0 days in 2024, mainly due to (i) the decrease in our revenue in 2024 compared to 2023, and (ii) the increase in the balance of our contract assets as of December 31, 2024 further due to the increase in our revenue attributable to renewals in 2024 compared to 2023.

As of the Latest Practicable Date, RMB62.1 million, or 64.5% of our accounts receivable outstanding as of December 31, 2024 had been subsequently collected. As of the Latest Practicable Date, 100.0%, 100.0% and 62.4% of our unbilled accounts receivable as of December 31, 2022, 2023 and 2024 had been subsequently billed and settled. The remaining amount of unbilled accounts receivable is expected to be settled within one year.

As of the Latest Practicable Date, RMB329.1 million, or 97.0% of our contract assets as of December 31, 2022 had been transferred to accounts receivable, RMB415.8 million, or 65.6% of our contract assets as of December 31, 2023 had been transferred to accounts receivable, and RMB78.8 million, or 9.2% of our contract assets as of December 31, 2024 had been transferred to accounts receivable. Our Directors are of the view that there is no material recoverability issues for our contract assets on the following basis: (i) the contract assets representing the renewal commission of the corresponding year are transferred to accounts

receivable in accordance with the renewal progress. During the Track Record Period, we did not experience any material difficulties in transferring contract assets to accounts receivable during the Track Record Period; (ii) our Directors confirm there was no material disagreement or dispute between us and our customers which could adversely affect the recoverability of the contract assets that were yet to be transferred to accounts receivable; (iii) in accordance with HKFRS, we have made sufficient loss allowance provisions for contract assets of RMB0.7 million, RMB2.4 million and RMB3.3 million as of December 31, 2022, 2023 and 2024, respectively, to reflect the uncertainties associated with the outstanding amount and will continue to make sufficient provisions to account for any potential write-offs and contingent factors; and (iv) our management closely monitors the amount and turnover days of our contract assets to minimize and control credit risk.

Prepayments, Other Receivables and Other Assets

Our prepayments, other receivables and other assets consist of (i) rental deposits, (ii) prepayment to suppliers, (iii) prepayment for wealth management products, (iv) other receivables from third parties, (v) prepayments for listing expense, (vi) value-added tax and income tax recoverable, (vii) advances to related parties, and (viii) others. As of December 31, 2022, 2023 and 2024, our prepayments, deposits and other receivables amounted to RMB30.0 million, RMB32.9 million and RMB29.5 million, respectively.

The following table sets forth our prepayments, other receivables and other assets as of the dates indicated.

	As of December 31,		
	2022	2023	2024
	(RMB in thousands)		
Non-current assets			
Rental deposits	2,128	2,459	2,754
Others	476	503	425
Sub-total	**2,604**	**2,962**	**3,179**
Current assets			
Prepayments to suppliers	7,470	6,682	13,187
Other receivables from third parties	3,340	3,223	4,731
Prepayments for listing expense	–	5,111	2,098
Value-added tax and income tax recoverable	16,590	14,963	6,333
Amounts due from related parties	26	–	8
Sub-total	**27,426**	**29,979**	**26,357**
Total	**30,030**	**32,941**	**29,536**

Rental deposits remained relatively stable at RMB2.1 million, RMB2.5 million and RMB2.8 million as of December 31, 2022, 2023 and 2024, respectively.

Prepayment to suppliers remained relatively stable at RMB6.7 million as of December 31, 2023 compared to RMB7.5 million as of December 31, 2022. Prepayments to suppliers increased from RMB6.7 million as of December 31, 2023 to RMB13.2 million as of December 31, 2024, primarily because we made more prepayments for advertising and marketing expenses in 2024.

Other receivables from third parties represents receivables in relation to social securities and housing provident funds paid on behalf of employees and advance payment for rapid claims settlement. Other receivables remained relatively stable at RMB3.3 million, RMB3.2 million and RMB4.7 million as of December 31, 2022, 2023 and 2024, respectively.

Prepayments for listing expense in relation to our Listing amounted to nil, RMB5.1 million and RMB2.1 million as of December 31, 2022, 2023 and 2024, respectively.

Value-added tax and income tax recoverable slightly decreased from RMB16.6 million as of December 31, 2022 to RMB15.0 million as of December 31, 2023. Value-added tax and income tax recoverable decreased from RMB15.0 million as of December 31, 2023 to RMB6.3 million as of December 31, 2024, mainly because the carried-forward input value-added tax credit from previous years was utilized in 2024 with the cancellation of the policy on additional deduction of input value-added tax in 2024.

As of the Latest Practicable Date, RMB12.9 million, or 43.5% of our prepayments, other receivables and other assets outstanding as of December 31, 2024 had been subsequently used or collected.

Restricted Cash

Our restricted cash consist of (i) guarantee deposits, (ii) cash collected on behalf of other parties, (iii) frozen funds and (iv) restricted bank deposits in transit for purchasing the wealth management products. As of December 31, 2022, 2023 and 2024, our restricted cash amounted to RMB73.5 million, RMB59.8 million and RMB49.8 million, respectively.

The following table sets forth our restricted cash as of the dates indicated.

	As of December 31,		
	2022	2023	2024
	(RMB in thousands)		
Non-current assets			
Guarantee deposits	10,241	10,240	10,242
Current assets			
Cash collected on behalf of other parties	35,047	49,528	39,562
Frozen funds	28,166	–	–
Restricted bank deposit in capital account	–	–	2
Sub-total	**63,213**	**49,528**	**39,564**
Total	**73,454**	**59,768**	**49,806**

Guarantee deposits consist of the security deposit includes funds that professional intermediary institutions holding insurance licenses are required to deposit with commercial banks in China for escrow purposes. Guarantee deposits remained relatively stable at RMB10.2 million as of December 31, 2022, 2023 and 2024.

Cash collected on behalf of other parties are insurance premiums collected on behalf of insurance companies but not yet remitted. Cash collected on behalf of other parties increased to RMB49.5 million as of December 31, 2023 compared to RMB35.0 million as of December 31, 2022. Cash collected on behalf of other parties decreased from RMB49.5 million as of December 31, 2023 to RMB39.6 million as of December 31, 2024.

Frozen funds refer to settlement fund in connection with legal proceedings with a supplier, Shanghai Liannu Information Technology Co., Ltd.* (上海連弩信息技術有限公司) ("**Shanghai Liannu**"). We entered into a promotion services agreement with Shanghai Liannu in October 2021. The promotion fees with Shanghai Liannu in 2021 amounted to RMB29.3 million, accounting for 2.7% of our total cost of revenue in 2021. We found that Shanghai Liannu did not provide promotion services in accordance with our agreement and had a dispute with Shanghai Liannu on whether we were liable to pay the promotion fees for certain orders. We terminated our business relationship with Shanghai Liannu in 2021 and did not have business relationship with Shanghai Liannu as of the Latest Practicable Date. Shanghai Liannu filed a claim against us for the disputed promotion fees in a PRC court in April 2022. We made a settlement agreement with Shanghai Liannu in February 2023 under the supervision of the court. According to the settlement agreement, we will settle the promotion fees with Shanghai Liannu in installments. We will first pay 50% of the promotion fees. We will then conduct quality check on each of the promotion orders with Shanghai Liannu and settle the remaining payments on a monthly basis within 6 months based on the results of the quality checks. Shanghai Liannu applied to the court for enforcement of the settlement agreement in September

2023 and we paid the settlement amount in November 2023. Our Directors are of the view that the legal proceedings with Shanghai Liannu did not and will not have a material adverse impact on our business operation or financial condition for the following reasons: (i) the legal proceedings have concluded; (ii) we had a brief business relationship with Shanghai Liannu which had been terminated, which did not and will not have a significant impact on our business development; (iii) the relevant amount involved in the legal proceedings was fully accounted for in our financial statements for the Track Record Period and there will be no subsequent adverse financial impact. The relevant legal proceedings in relation to the frozen funds had been closed and such frozen funds were released as of the Latest Practicable Date. Frozen funds amounted to RMB28.2 million, nil and nil as of December 31, 2022, 2023 and 2024, respectively.

Restricted bank deposit in capital account amounted to nil, nil, and RMB2 thousand as of December 31, 2022, 2023 and 2024, respectively.

Accounts Payable

Our accounts payable consist of amounts payables to suppliers.

The following table sets forth the breakdown of our accounts payable to suppliers as of the dates indicated:

	As of December 31,		
	2022	2023	2024
	(RMB in thousands)		
Non-current liabilities			
Amounts payable to suppliers	15,923	85,907	102,730
Current liabilities			
Amounts payable to suppliers	272,596	331,846	360,886
Total	**288,519**	**417,753**	**463,616**

Our accounts payable increased from RMB288.5 million as of December 31, 2022 to RMB417.8 million as of December 31, 2023, primarily due to the increase in our cost of revenue further driven by our business growth.

Our accounts payable increased from RMB417.8 million as of December 31, 2023 to RMB463.6 million as of December 31, 2024, primarily due to the increase in our cost of revenue in relation to revenue attributable to renewals.

The following table sets forth the ageing analysis of our accounts payable, based on the invoice date, as of the dates indicated.

	As of December 31,		
	2022	2023	2024
	(RMB in thousands)		
Within 3 months	180	70	–
3 months to 6 months	–	–	–
6 months to 12 months	25,012	1	–
Over 12 months	50	52	–
Unbilled[(1)]	263,277	417,630	463,616
Total	**288,519**	**417,753**	**463,616**

Note:

(1) Our accounts payable are mainly commissions payable to insurance agents and business partners through whose channels the insurance products have been successfully distributed to policyholders. When the insurance policy is effective, we recognize commission expenses and channel promotion fees in cost of revenue, and the corresponding accounts payable, taking into account the costs for both initial placement and the renewal of the insurance policy that are expected to be paid in future years. According to relevant agreements, we reconcile the information of the policies distributed through our business partners on a monthly basis. Following the completion of the reconciliation process, our suppliers issue invoices to us and we usually settle the bills within 20 business days upon receipt of the invoices. Due to this time lag, the accounts payable that had not been invoiced from the suppliers were presented as unbilled as of December 31, 2022, 2023 and 2024.

The following table sets forth our accounts payable turnover days for the periods indicated.

	For the year ended December 31,		
	2022	2023	2024
Accounts payable turnover days[(1)]	252.4	105.3	147.7

Note:

(1) Accounts payable turnover days are based on the average balance of current accounts payable divided by cost of revenue for the relevant period and multiplied by the number of days in the relevant period. Average balance is calculated as the average of the beginning balance and ending balance of a given period.

Accounts payable are non-interest bearing and are normally settled within one to three months. Our average accounts payable turnover days decreased from 252.4 days in 2022 to 105.3 days in 2023, mainly due to the increase in the cost of revenue. Our average accounts payable turnover days increased from 105.3 days in 2023 to 147.7 days in 2024, mainly due to the decrease in the cost of revenue and the increase in accounts payable.

As of the Latest Practicable Date, RMB89.5 million, or 19.3% of our accounts payable to suppliers outstanding as of December 31, 2024 were settled. As of the Latest Practicable Date, 86.4%, 73.9% and 19.3% of our unbilled accounts payable as of December 31, 2022, 2023 and 2024 had been subsequently billed and settled.

Other Payables, Accruals and Other Liabilities

Our other payables, accruals and other liabilities consist of (i) insurance premiums payable on behalf of insurance policy holders, (ii) salary and welfare payables, (iii) payables to service providers, (iv) payables for miscellaneous tax, (v) payables for listing expenses, and (vi) others.

The following table sets forth the breakdown of our other payables, accruals and other liabilities as of the dates indicated:

	As of December 31,		
	2022	2023	2024
	(RMB in thousands)		
Insurance premiums payable on behalf of insurance policy holders	47,250	54,217	37,378
Salary and welfare payables	60,718	80,093	70,331
Payables to service providers	8,877	8,445	8,462
Payables for VAT and surcharges	532	1,811	1,527
Payables for listing expenses	–	14,812	8,687
Others	2,465	3,856	455
Total	**119,842**	**163,234**	**126,840**

Insurance premiums payable on behalf of insurance policy holders represents insurance premiums we collect on behalf of insurance companies. Insurance premiums payable increased from RMB47.3 million as of December 31, 2022 to RMB54.2 million as of December 31, 2023, mainly due to the slight growth in our premium collection business in 2023. Insurance premiums payable decreased from RMB54.2 million as of December 31, 2023 to RMB37.4 million as of December 31, 2024 mainly due to the settlement of historical amounts with certain insurance companies.

Salary and welfare payables increased from RMB60.7 million as of December 31, 2022 to RMB80.1 million as of December 31, 2023, primarily due to the increase in our salary expenses. Salary and welfare payables decreased from RMB80.1 million as of December 31, 2023 to RMB70.3 million as of December 31, 2024, primarily due to the decrease in our bonus payable as of December 31, 2024 compared to December 31, 2023.

Payables to service providers mainly include payables related to marketing and overhead expenses. Payables to service providers remained relatively stable at RMB8.9 million, RMB8.4 million and RMB8.5 million as of December 31, 2022, 2023 and 2024, respectively.

Payables for VAT and surcharges increased from RMB0.5 million as of December 31, 2022 to RMB1.8 million as of December 31, 2023, primarily due to the increase in our revenue in 2023. Payables for VAT and surcharges slightly decreased from RMB1.8 million as of December 31, 2023 to RMB1.5 million as of December 31, 2024.

Payables for listing expenses in relation to our Listing amounted to nil, RMB14.8 million and RMB8.7 million as of December 31, 2022, 2023 and 2024, respectively.

Other payables primarily include miscellaneous payables. Other payables increased from RMB2.5 million as of December 31, 2022 to RMB3.9 million as of December 31, 2023. Other payables decreased from RMB3.9 million as of December 31, 2023 to RMB0.5 million as of December 31, 2024.

As of the Latest Practicable Date, RMB59.6 million, or 47.0% of our other payables, accruals and other liabilities outstanding as of December 31, 2024 were certificated or settled.

LIQUIDITY AND CAPITAL RESOURCES

During the Track Record Period, we have funded our operations primarily with net cash generated from our operations and bank borrowings. The following table summarizes for the periods indicated, our consolidated statements of cash flows:

Cash Flow Analysis

The following table sets forth our cash flows for the periods indicated.

	For the year ended December 31,		
	2022	2023	2024
	(RMB in thousands)		
Cash (used in)/generated from operations	(42,485)	231,083	135,607
Income tax paid	(11,776)	(26,015)	(25,507)
Net cash (used in)/generated from operating activities	(54,261)	205,068	110,100
Net cash used in investing activities	(81,418)	(123,061)	(123,490)
Net cash used in financing activities	(2,071)	(46,757)	(4,125)
Net (decrease)/increase in cash and cash equivalents	**(137,750)**	**35,250**	**(17,515)**
Cash and cash equivalents at the beginning of the year	232,991	95,241	130,491
Effect of foreign exchange rate changes	–	*	392
Cash and cash equivalents at the end of the year	**95,241**	**130,491**	**113,368**

* The balance represents amount less than RMB500.

Net Cash (Used in)/Generated from Operating Activities

During the Track Record Period, our cash inflow from operating activities was principally from the receipt of revenue from the provision of our insurance transaction services and insurance technology services. Our cash outflow used in operating activities was principally for channel promotion fees, commission expenses to insurance agents and licensed insurance brokerages and agencies, and salaries and other benefits paid to our staff and other operating expenses.

In 2024, our net cash generated from operating activities was RMB110.1 million. During this year, our operating cash inflows before working capital changes were RMB263.4 million. Our cash flow was negatively affected by working capital adjustments primarily including (i) an increase in accounts receivable and contract assets of RMB156.4 million, (ii) a decrease in other payables, accruals and other liabilities of RMB32.9 million, which were partially offset by an increase in accounts payable of RMB45.9 million.

In 2023, our net cash generated from operating activities was RMB205.1 million. During this year, our operating cash inflows before working capital changes were RMB286.5 million. Our cash flow was negatively affected by working capital adjustments primarily including (i) an increase in accounts receivable and contract assets of RMB236.6 million, (ii) an increase in prepayment, other receivables and other assets of RMB5.4 million, which were partially offset by (i) an increase in accounts payable of RMB129.2 million and (ii) an increase in other payables, accruals and other liabilities of RMB43.6 million.

In 2022, our net cash used in operating activities was RMB54.3 million. During this year, our operating cash inflows before working capital changes were RMB92.4 million. Our cash flow was negatively affected by working capital adjustments primarily including (i) a decrease in accounts payable of RMB172.7 million and (ii) a decrease in other payables, accruals and other liabilities of RMB138.2 million. The negative working capital adjustments were partially offset by (i) a decrease in amounts due from restricted cash of RMB104.9 million and (ii) a decrease in accounts receivable and contract assets of RMB69.7 million.

Net Cash Used in Investing Activities

During the Track Record Period, our cash inflow from investing activities was principally from proceeds from redemption of wealth management products. Our cash outflow used in investing activities was principally for purchasing wealth management products.

In 2024, our net cash used in investing activities was RMB123.5 million, primarily attributable to proceeds from redemption of wealth management products of RMB2,461.1 million. This was partially offset by purchase of wealth management products of RMB2,584.6 million.

In 2023, our net cash used in investing activities was RMB123.1 million, primarily attributable to purchase of wealth management products of RMB1,257.6 million. This was partially offset by proceeds from redemption of wealth management products of RMB1,134.8 million.

In 2022, our net cash used in investing activities was RMB81.4 million, primarily attributable to purchase of wealth management products of RMB760.3 million. This was partially offset by proceeds from redemption of wealth management products of RMB680.4 million.

Net Cash Used in Financing Activities

During the Track Record Period, our cash inflow from financing activities was principally from proceeds from bank borrowings. Our cash outflow used in financing activities was principally for repayment for borrowings and capital elements of lease rentals paid.

In 2024, our net cash used in financing activities was RMB4.1 million, primarily attributable to (i) capital element of lease rentals paid of RMB6.7 million, and (ii) listing expenses paid as financing activities of RMB1.1 million. This was partially offset by the capital contribution from shareholders of RMB3.9 million.

In 2023, our net cash used in financing activities was RMB46.8 million, primarily attributable to repurchase of financial instruments issued to investors of RMB31.0 million, repayment for borrowings of RMB8.8 million, and capital element of lease rentals paid arising from our operating leases of RMB5.4 million.

In 2022, our net cash used in financing activities was RMB2.1 million, primarily attributable to repayment for borrowings of RMB9.1 million and capital element of lease rentals paid of RMB4.5 million. This was partially offset by proceeds from borrowings of RMB10.0 million.

NET CURRENT LIABILITIES

The following table sets forth our current assets and current liabilities as of the dates indicated.

	As of December 31,			As of March 31,
	2022	2023	2024	2025
				(unaudited)
	(RMB in thousands)			
Current assets				
Prepayment, other receivables and other assets	27,426	29,979	26,357	28,366
Accounts receivable	216,866	158,490	96,080	133,706
Contract assets	245,467	338,305	390,555	407,079
Financial assets measured at fair value through profit or loss	240,367	369,522	504,796	480,113
Restricted cash	63,213	49,528	39,564	75,422
Cash and cash equivalents	95,241	130,491	113,368	125,487
Total current assets	**888,580**	**1,076,315**	**1,170,720**	**1,250,173**
Current liabilities				
Accounts payable	272,596	331,846	360,886	378,988
Borrowings	8,810	–	–	–
Other payables, accruals and other liabilities	119,842	163,234	126,840	160,877
Lease liabilities	3,621	5,343	4,329	6,034
Financial instruments issued to investors	899,907	1,357,136	1,702,171	1,703,077
Current taxation	157,104	237,093	277,653	303,819
Total current liabilities	**1,461,880**	**2,094,652**	**2,471,879**	**2,552,795**
Net current liabilities	**(573,300)**	**(1,018,337)**	**(1,301,159)**	**(1,302,622)**

Our current assets mainly represented accounts receivable and contract assets, prepayment, other receivables and other assets, financial assets measured at fair value through profit or loss, restricted cash, and cash and cash equivalents. Our current liabilities mainly represented accounts payable, lease liabilities, borrowings, other payables, accruals and other liabilities, financial instruments issued to investors, and current taxation.

We recorded net current liabilities of RMB573.3 million, RMB1,018.3 million, RMB1,301.2 million and RMB1,302.6 million as of December 31, 2022, 2023 and 2024 and March 31, 2025, respectively. Our net current liabilities as of December 31, 2022 and 2023 and 2024 and March 31, 2025 were primarily due to financial instruments issued to investors. Financial instruments issued to investors amounted to RMB899.9 million, RMB1,357.1 million, RMB1,702.2 million and RMB1,703.1 million as of December 31, 2022, 2023 and 2024 and March 31, 2025, respectively. Our financial instruments issued to investors will be re-designated from liabilities to equity as a result of the automatic conversion into ordinary shares upon the Listing, after which we do not expect to recognize any further changes in carrying amount of financial instruments issued to investors and we will return to a net current assets position from a net current liabilities position. For more information, see the paragraph headed "Financial Information — Indebtedness — Financial Instruments Issued to Investors" of this prospectus.

We believe that our net current liabilities position will improve with net cash inflows generated from operating activities with the growth of our business. We also plan to improve our net current liabilities position and ensure that we have sufficient working capital by: (i) enhancing our operating efficiency through carefully selecting business partners and further optimize our client acquisition methods, (ii) continuing to closely monitor our liquidity position to ensure that it is in line with our business operations and expansion plan, (iii) properly managing the level of our cash and current assets to ensure the availability of sufficient cash flows to meet any planned or unexpected cash requirements arising from our operations, (iv) better managing the collection of our accounts receivable by setting up an accounts receivable team in our finance department which will be responsible for reconciling and collecting receivables from our customers, and (v) assigning designated personnel to liaise with different customers, and performing monthly reconciliation of receivables and follow up with the customers.

Our net current liabilities increased from RMB1,301.2 million as of December 31, 2024 to RMB1,302.6 million as of March 31, 2025, primarily due to (i) an increase of RMB34.0 million of other payables, accruals and other liabilities, (ii) a decrease of RMB24.7 million in financial assets at fair value through profit or loss, and partially offset by (i) an increase of RMB35.9 million in restricted cash and (ii) an increase of RMB37.6 million in accounts receivable.

Our net current liabilities increased from RMB1,018.3 million as of December 31, 2023 to RMB1,301.2 million as of December 31, 2024, primarily due to (i) an increase of RMB345.0 million in financial instruments issued to investors, and (ii) a decrease of RMB62.4 million in accounts receivable, partially offset by (i) an increase of RMB135.3 million in financial assets measured at fair value through profit or loss and (ii) an increase of RMB52.3 million in contract assets.

Our net current liabilities increased from RMB573.3 million as of December 31, 2022 to RMB1,018.3 million as of December 31, 2023, primarily due to (i) an increase of RMB457.2 million in financial instruments issued to investors, (ii) an increase of RMB80.0 million in current taxation, and (iii) an increase of RMB59.2 million in accounts payable, partially offset by (i) an increase of RMB129.1 million in financial assets measured at fair value through profit or loss, (ii) an increase of RMB92.8 million in contract assets, and (iii) an increase of RMB35.3 million in cash and cash equivalents.

WORKING CAPITAL SUFFICIENCY

Our Directors confirm that, taking into consideration of the financial resources presently available to us, mainly including cash flow from our operating activities, existing cash and cash equivalents and the estimated net proceeds from the Global Offering (after a possible Downward Offer Price Adjustment setting the final Offer Price up to 10% below the bottom end of the indicative Offer Price range), we have sufficient working capital for our present requirements and for at least the next 12 months from the date of this prospectus.

Our Directors are not aware of any other factors that would have a material impact on our Group's liquidity. For more details on the funds necessary to meet our existing operations and to fund our future plans, please refer to the section headed "Future Plans and Use of Proceeds" in this prospectus.

CAPITAL EXPENDITURES

Our historical capital expenditures primarily included expenditures on (i) property, plant and equipment, comprising electronic equipment and office and other equipment, and (ii) right-of-use assets for leased offices. The following table sets forth our capital expenditures for the periods indicated.

	For the year ended December 31,		
	2022	2023	2024
	(RMB in thousands)		
Property, plant and equipment	72	52	5
Right-of-use assets	7,303	7,261	3,597
Total	**7,375**	**7,313**	**3,602**

CONTRACTUAL AND CAPITAL COMMITMENTS

As of December 31, 2022, 2023 and 2024, our Group did not have any significant contractual and capital commitments. During the Track Record Period, there was no material change to our indebtedness and capital commitments.

INDEBTEDNESS

The following table sets forth the components of our indebtedness as of the dates indicated:

	As of December 31,			As of March 31,
	2022	2023	2024	2025
				(unaudited)
		(RMB in thousands)		
Current				
Financial instruments issued to investors	899,907	1,357,136	1,702,171	1,703,077
Lease liabilities	3,621	5,343	4,329	6,034
Borrowings	8,810	–	–	–
Subtotal	**912,338**	**1,362,479**	**1,706,500**	**1,709,111**
Non-current				
Lease liabilities	3,348	3,458	1,388	10,249
Total	**915,686**	**1,365,937**	**1,707,888**	**1,719,360**

Financial Instruments Issued to Investors

Our financial instruments issued to investors represent the financial instruments issued to Pre-IPO Investors in connection with the Pre-IPO Investments. During the Track Record Period, we recognized the financial instruments issued to the Pre-IPO Investors as financial liabilities, because not all triggering events of redemption and distribution obligation are within our control and these financial instruments did not meet the definition of equity for us. As of December 31, 2022, 2023 and 2024 and March 31, 2025, we recorded financial instruments issued to investors of RMB899.9 million, RMB1,357.1 million, RMB1,702.2 million and RMB1,703.1 million, respectively. Upon the Listing, all such financial instruments will be converted into ordinary shares, and accordingly, such liability will be derecognized and transferred to equity.

For details, see "History, Reorganization and Corporate Development — Pre-IPO Investments" and Note 24 to the Accountants' Report in Appendix I to this prospectus.

Lease Liabilities

Our lease liabilities represent the payment obligations on our leases in relation to our leased properties that are used mainly as our offices. The carrying amount of our lease liabilities amounted to RMB7.0 million, RMB8.8 million, RMB5.7 million, and RMB16.3 million as of December 31, 2022, 2023 and 2024 and March 31, 2025, respectively.

Borrowings

Our bank borrowings amounted to RMB8.8 million, nil, nil and nil as of December 31, 2022, 2023, 2024 and March 31, 2025, respectively. For interest rate profile of our borrowings during the Track Record Period, see Note 20 to the Accountants' Report in Appendix I to this prospectus.

As of the Latest Practicable Date, we had no unutilized banking facilities. Except for incurring additional bank borrowings from time to time in the ordinary course of business, we currently have no material external debt financing plan before or shortly after the Global Offering.

Except as disclosed above and apart from normal trade and other payables, and due to related parties, as of March 31, 2025, being the most recent practicable date for determining our indebtedness, we did not have any outstanding mortgages, charges, debentures, other issued debt capital, bank overdrafts, borrowings, liabilities under acceptance or other similar indebtedness, hire purchase commitments, guarantees or contingent liabilities.

Since March 31, 2025 and up to the date of this prospectus, there has not been any material change in our indebtedness and contingent liabilities, and our Directors confirm that we did not have any external financing plans as of the Latest Practicable Date. Our Directors do not foresee any potential difficulty in obtaining bank facilities should the need arise.

CONTINGENT LIABILITIES

As of the Latest Practicable Date, we did not have any material contingent liabilities.

KEY FINANCIAL RATIOS

The following table sets forth certain of our key financial ratios for the periods indicated.

	For the year ended/As of December 31,		
	2022	2023	2024
Gross profit margin	34.8%	33.8%	38.1%
Net profit/(loss) margin[(1)]	16.2%	(21.8%)	(9.8%)
Adjusted net profit margin (non-HKFRS measure)[(2)]	9.3%	15.5%	17.4%
Current ratio[(3)]	0.6	0.5	0.5

Notes:

(1) Net profit/(loss) margin was calculated based on loss/profit for the year divided by the total revenue for the year indicated.

(2) Adjusted net profit margin (non-HKFRS measure) was calculated based on adjusted net profit (non-HKFRS measure) divided by the total revenue for the year indicated.

(3) Current ratio as of December 31, 2022, 2023 and 2024, respectively, was calculated based on the total current assets divided by the total current liabilities.

FINANCIAL RISKS DISCLOSURE

We are exposed to market risks from changes in market, such as credit risk, liquidity risk and interest rate risk.

Credit Risk

Our credit risk is primarily attributable to accounts receivable and contract assets. Our exposure to credit risk arising from cash and cash equivalents and restricted cash is limited because the counterparties are banks and financial institutions, which we consider to represent low credit risk. Our exposure to credit risk arising from refundable rental deposits is considered to be low, taking into account (i) the landlords' credit rating and (ii) the remaining lease term and the period covered by the rental deposits. We do not provide any guarantees which would expose us to credit risk.

For more details on the credit quality and the maximum exposure to credit risk we are exposed, see Note 27 to the Accountants' Report in Appendix I to this prospectus.

Liquidity Risk

Our approach to managing liquidity is to ensure, as far as possible, that we have sufficient cash to meet our liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to our reputation. Our policy is to regularly monitor current and expected liquidity requirements, and to ensure that we maintain sufficient reserves of cash to meet our liquidity requirements in the short and longer term.

For more details on the maturity profile of our financial liabilities, see Note 27 to the Accountants' Report in Appendix I to this prospectus.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Our interest rate risk arises primarily from financial instruments with variable rates, such as cash and cash equivalent, restricted cash, and financial instruments with fixed rates such as interest-bearing borrowings and lease liabilities. Interest-bearing financial instruments at variable rates and at fixed rates expose the Group to cash flow interest rate risk and fair value interest rate risk, respectively.

For more details on the maturity profile of our financial liabilities, see Note 27 to the Accountants' Report in Appendix I to this prospectus.

DIVIDENDS

Our Company is a holding company incorporated in the Cayman Islands. We do not have a formal dividend policy or a pre-determined dividend payout ratio. Any dividends we pay will be at the discretion of our Directors and will depend on our future operations and earnings, capital requirements and surplus, general financial condition, contractual restriction and other factors our Directors consider relevant. Any declaration and payment as well as the amount of dividends will be subject to our Memorandum of Association and Articles of Association and the Cayman Companies Act. Our Shareholders in a general meeting may approve any declaration of dividends, which must not exceed the amount recommended by our Board. As advised by our Cayman Islands legal advisor, under Cayman Islands law, a position of net liabilities or accumulated losses does not necessarily restrict us from declaring and paying dividends to our Shareholders out of either our profit or our share premium account, provided this would not result in our Company being unable to pay its debts as they fall due in the ordinary course of business.

The payment and amount of any future dividends will also depend on the availability of dividends received from our subsidiaries. PRC laws require that dividends be paid only out of the profit for the year calculated according to PRC accounting principles. As advised by our PRC Legal Advisor, according to PRC laws and regulations, our PRC subsidiaries are permitted to pay dividends out of their accumulated after-tax profits, if any, upon approval of their

respective shareholders, provided that (i) our PRC subsidiaries shall make up their losses of previous years when conducting outward remittance; and (ii) PRC subsidiaries shall make appropriations from their after-tax profits to non-distributable reserve funds. Therefore, our PRC subsidiaries with positive accumulated after-tax profits, having offset losses from previous years and made requisite appropriations to reserve funds, may declare dividends to their respective shareholder(s).

During the Track Record Period, we did not declare or pay any dividend.

DISTRIBUTABLE RESERVES

As of December 31, 2024, our Company did not have any distributable reserves.

OFF-BALANCE SHEET ARRANGEMENT

During the Track Record Period, we did not have any material off-balance sheet arrangements or any variable interest in any unconsolidated entity that provides financing, liquidity, market risk or credit support for us. As of the Latest Practicable Date, we had not entered into any off-balance sheet transactions.

RELATED PARTY TRANSACTIONS

Set out below are our balances with related parties as of the dates indicated.

	As of December 31,		
	2022	**2023**	**2024**
	RMB'000	*RMB'000*	*RMB'000*
Trade related:			
Accounts payable			
– Dahe Shenzhen Information Co., Limited	3,547	8,448	2,629
– Xiaomianhua Digital Technology (Shanghai) Co., Ltd. ("**Xiao Mian Hua**")	–	237	24,775
Prepayment, other receivable and other assets			
– Xiao Mian Hua	–	–	3,310
Non-trade related:			
– Prepayment, other receivable and other assets*(Note)*	26	–	–

Note: Other receivables was a loan to a shareholder and was collected in December 2023.

We enter into transactions with our related parties from time to time. Our Directors confirm that the related party transactions set out in Note 28 to the Accountants' Report in Appendix I to this prospectus were conducted in the ordinary course of business on arm's length basis and with reference to the normal commercial terms of each party. Our Directors also consider that our related party transactions during the Track Record Period would not affect our results during such period, and would not make our historical results not reflective of our future performance.

LISTING EXPENSES

Listing expenses to be borne by us are estimated to be approximately RMB56.4 million (HK$60.9 million) (including underwriting commissions), at the Offer Price of HK$7.28 per Share, and assuming the Over-allotment Option is not exercised, representing approximately 34.4% of the gross proceeds of the Global Offering, comprising (i) underwriting-related expenses of RMB5.7 million; and (ii) non-underwriting-related expenses of RMB50.7 million, including (a) fees and expenses of legal advisors and reporting accountants of RMB30.1 million; and (b) other fees and expenses, of RMB20.6 million. During the Track Record Period, we incurred a total of RMB36.4 million (HK$39.4 million) in listing expenses, among which RMB34.9 million (HK$37.8 million) were recognized in our consolidated statements of profit or loss and other comprehensive income.

We estimate that additional listing expenses of approximately RMB20.0 million (HK$21.5 million) (including underwriting commissions, incentives and other transaction fees of approximately RMB5.7 million (HK$6.2 million), assuming the Over-allotment Option is not exercised and based on the Offer Price of HK$7.28 per Offer Share) will be incurred by our Company, approximately RMB11.4 million (HK$12.2 million) of which is expected to be charged to our consolidated statements of profit or loss and other comprehensive income, and approximately RMB8.6 million (HK$9.3 million) of which is expected to be accounted for as a deduction from equity upon the Listing. The listing expenses directly attributable to the issue of shares will be deducted from equity. The listing expenses above are the latest practicable estimate for reference only, and the actual amount may differ from this estimate.

UNAUDITED PRO FORMA STATEMENT OF ADJUSTED NET TANGIBLE ASSETS

The following unaudited pro forma adjusted net tangible assets of our Group prepared in accordance with paragraph 4.29 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited and with reference to Accounting Guideline 7 *Preparation of Pro Forma Financial Information for inclusion in Investment Circulars* issued by the Hong Kong Institute of Certified Public Accountants had been prepared for illustration purposes only, and is set out here to illustrate the effect of the Global Offering on the consolidated net tangible liabilities of our Group attributable to equity shareholders of the Company as if the Global Offering had taken place on December 31, 2024.

The unaudited pro forma statement of adjusted net tangible assets of our Group has been prepared for illustrative purpose only and, because of its hypothetical nature, it may not give a true picture of the financial position of our Group had the Global Offering been completed as of December 31, 2024 or as of any future dates.

	Consolidated net tangible liabilities attributable to equity shareholders of the Company as at December 31, 2024	**Estimated net proceeds from the Global Offering**	**Estimated impact upon reclassification of financial instruments issued to investors**	**Unaudited pro forma adjusted net tangible assets attributable to equity shareholders of the Company**	**Unaudited pro forma adjusted net tangible assets attributable to equity shareholders of the Company per Share** *Note (4)(5)*	
	RMB'000 *Note (1)*	*RMB'000* *Note (2)*	*RMB'000* *Note (3)*	*RMB'000*	*RMB*	*HKD*
Based on an Offer Price of HK$5.84 per Offer Share, after a Downward Offer Price Adjustment of 10%	(781,356)	111,353	1,702,171	1,032,168	4.70	5.07
Based on an Offer Price of HK$6.48 per Offer Share	(781,356)	125,288	1,702,171	1,046,103	4.76	5.14
Based on an Offer Price of HK$8.08 per Offer Share	(781,356)	160,126	1,702,171	1,080,941	4.92	5.31

Notes:

(1) The consolidated net tangible liabilities attributable to equity shareholders of the Company as of December 31, 2024 is based on the consolidated net liabilities attributable to equity shareholders of the Company of RMB740,757,521 after deducting intangible assets of RMB40,598,669 as of December 31, 2024, as shown in the Accountants' Report as set out in Appendix I to the Prospectus.

(2) The estimated net proceeds from the Global Offering are based on 24,358,400 Shares expected to be issued under the Global Offering and the indicative Offer Prices of HKD6.48 per Share and HKD8.08 per share, being the low end and high end of the indicative Offer Price range respectively, and also based on an Offer Price of HK$5.84 per Offer Share after making a Downward Offer Price Adjustment of 10%, after deduction of the estimated underwriting fees and other estimated related expenses relating to the Global Offering paid or payable by the Group (excluding the listing expenses charged to profit or loss during the Track Record Period) and do not take into account of any Shares which may be issued upon the exercise of the Over-allotment Option or any Shares which may be issued under the Pre-IPO Share Award Scheme.

The estimated net proceeds from the Global Offering have been converted into Renminbi ("RMB") at an exchange rate of RMB0.9264 to HK$1.00 published by PBOC prevailing on May 12, 2025. No representation is made that Hong Kong dollar amounts have been, could have been or may be converted to Renminbi, or vice versa, at that rate or at any other rate.

(3) As of December 31, 2024, the carrying amount of financial instruments issued to investors amounted to RMB1,702,170,891, which was related to the preferred shares granted to the offshore investors (as set out in Note 24 of Appendix I). Upon qualified initial public offering, the preferred shares will automatically expire and the financial instruments issued to investors will be reclassified from liabilities to equity accordingly.

(4) The unaudited pro forma adjusted net tangible assets attributable to equity shareholders of the Company per Share is arrived at after adjustments referred to in the preceding paragraphs and on the basis that 219,780,200 Shares were in issue assuming that the Global Offering and the expiration of preferred shares granted to the offshore investors had been completed on December 31, 2024, but do not take into account of 6,598,400 shares held by the employee shareholding platforms which are consolidated by the Company, any shares which may be issued upon the exercise of the Over-allotment Option or any Shares which may be issued under the Pre-IPO Share Award Scheme.

The unaudited pro forma adjusted net tangible assets attributable to equity shareholders of the Company per Share amounts in RMB are converted into Hong Kong dollars at an exchange rate of RMB0.9264 to HK$1.00 published by PBOC prevailing on May 12, 2025. No representation is made that Renminbi amounts have been, could have been or may be converted to Hong Kong dollars, or vice versa, at that rate or at any other rate.

(5) No adjustment has been made to the unaudited pro forma adjusted net tangible assets attributable to equity shareholders of the Company to reflect any trading results or other transactions of the Group subsequent to December 31, 2024.

NO MATERIAL ADVERSE CHANGE

Our Directors have confirmed that, up to the date of this prospectus, there has been no material adverse change in our financial, operational or trading position, indebtedness, contingent liabilities or prospects since December 31, 2024, being the end date of the periods reported in the Accountants' Report set out in Appendix I to this prospectus, and there has been no event since December 31, 2024 that would materially affect the information shown in the Accountants' Report set out in Appendix I to this prospectus.

DISCLOSURE UNDER RULES 13.13 TO 13.19 OF THE LISTING RULES

Our Directors confirm that as of the Latest Practicable Date, there are no circumstances that would give rise to a disclosure requirement under Rules 13.13 to 13.19 of the Listing Rules.

FUTURE PLANS

See "Business — Our Strategies" in this prospectus for details of our future plans.

USE OF PROCEEDS

We estimate that we will receive net proceeds from the Global Offering of approximately HK$116.4 million (after deducting the underwriting fees and expenses related to the Global Offering), assuming the Over-allotment Option is not exercised and an Offer Price of HK$7.28 per Share, being the mid-point of the Offer Price range of HK$6.48 to HK$8.08 per Offer Share.

We intend to use the net proceeds of the Global Offering for the following purposes:

(a) Approximately 60% of the net proceeds, or approximately HK$69.8 million, is expected to be used for strengthening and optimizing our sales and marketing network and improving our services in the next 60 months, including:

(1) approximately 27% of the net proceeds, or approximately HK$31.4 million, is expected to be used for expanding our sales team based on our operations and market conditions in Hubei, Henan, Chongqing and Jiangsu. Firstly, as our direct distribution platform, Xiaoyusan, requires more young and professional insurance consultants to provide insurance consulting services, we plan to recruit 12 to 15 insurance consultants to better serve our growing base of policyholders and the insured. Secondly, with the expansion of the insurance agent network of our Kachabao platform, we plan to establish high-end customer service centers and recruit 2 to 3 local administrative staff to serve our insurance agent network in various regions in China, including south, north and central China. Thirdly, we plan to expand in several provinces in China with Niubao 100 platform and recruit channel service personnel to support our growth in those regions. Our recruitment plan is our response to the anticipated changes in market conditions in 2024 and beyond. We aim to mitigate the decline in revenue by increasing our business volume through the addition of sales and administrative personnel. We recognize that the challenging market conditions may result in a larger pool of available talents, and we intend to seize this opportunity to hire qualified sales and administrative professionals. By doing so, we aim to proactively prepare for our future development;

(2) approximately 18% of the net proceeds, or approximately HK$21.0 million, is expected to be used for conducting marketing activities to promote our brand and services through product marketing, user education, and brand advertising. We aim to enhance the recognition of our brand among insurance companies, policyholders and the insured. Specifically, we plan to promote the insurance products we distribute through mainstream social media, search engines, and content platforms. We plan to cooperate with online media channels and utilize

online media and channels. In addition, we plan to operate online accounts and promote by live streaming. We plan to enter into annual framework agreements with key opinion leaders who may bring us high quality traffic, thereby increasing our traffic acquisition scale through effective advertising and expanding our marketing reach. For offline marketing, we plan to proactively track and incentivize business partners with good sales performance, encouraging them to direct more business towards us;

(3) approximately 9% of the net proceeds, or approximately HK$10.5 million, is expected to be used for developing a new training curriculum system and an honors and training system for top-performing individuals. We aim to strengthen our systematic training capabilities for insurance professionals, deepen their knowledge in the field, and enhance the quality of service. We plan to conduct training sessions for our insurance consultants in relation to high-end customer service at the high-net-worth client service center on a regular basis. We will also engage external training resources to enhance the comprehensive skills and capabilities of insurance consultants and agents in serving high-end clients, including value-added services such as legal, tax, and insurance trust expertise tailored to the needs of high-end clients.

Considering the complexity of insurance products and the high regulatory requirements in the insurance industry, we recognize the significance of trainings in enhancing sales capabilities and service quality. We have established a training system and plan to iterate and develop a more comprehensive training system, enriching training formats and accumulating training resources. Specifically, we plan to use approximately HK$1.7 million of net proceeds on trainings targeted at three proficiency levels of insurance consultants and agents, HK$4.9 million on various training programs including quarterly trainings, inductions for new employees, livestreaming and other formats of trainings, HK$1.0 million on training system development, HK$2.9 million on training camps and award ceremonies for high-performing insurance consultants and agents. In terms of the intended use of net proceeds, we plan to allocate approximately HK$3.8 million for training and activity expenses, such as hiring instructors and renting conference rooms, HK$3.5 million for catering services during training sessions, HK$2.1 million for accommodation and flight tickets, and HK$1.0 million for staff salaries related to training system development. We plan to develop and offer trainings specifically designed for insurance consultants and agents at three proficiency levels: new, intermediate and high-performing. For new recruits, our Chu Ying (雛鷹) or Young Eagle Plan is designed to provide customized training in job-specific knowledge and skills, enhance new recruits' sense of belonging, provide tools and specialized tracking and honor systems for new employees, and facilitate their growth from industry novices to professional insurance consultants. For intermediate-level insurance consultants and agents, our Fei Ying (飛鷹) or Flying Eagle Plan is a training program aimed at the core

workforce, providing a complete training system, IP development, and resource empowerment. The plan is to motivate them to strive for higher business goals and help insurance consultants and agents enhance their professional expertise, marketing skills, and critical thinking abilities, enabling them to better serve clients' insurance planning needs. For high-performing insurance consultants and agents, our Ling Ying (領鷹) or Leading Eagle Plan focuses on fulfilling four major types of client needs in high-end medical care, high-end elderly care, high-end education, and high-end inheritance. We plan to cultivate top insurance consultants and agents with professionalism, client-oriented approaches, and comprehensive abilities in product analysis and risk consultation. Furthermore, for high-performing insurance consultants and agents, we plan to provide centralized training camps that combine award ceremonies and specialized training sessions on a quarterly, semi-annual, or annual basis.

Based on our past experience, we observed that development and upgrading of training systems have a notable positive impact on our business. For example, in 2023, we set up training programs specifically tailored for new recruits, intermediate-level insurance consultants and agents, and high-performing insurance consultants and agents. We observed significant improvement in the agents' performance across different levels after the training. After participating in our training programs in 2023, the average productivity of our insurance consultants and agents in terms of monthly premiums increased by approximately two to three times per person. We observed higher retention rates among new recruits, and a greater number of intermediate-level and high-performing insurance consultants and agents successfully met or exceeded their high monthly premium targets; and

(4) approximately 6% of the net proceeds, or approximately HK$7.0 million, is expected to be used for exploring high-quality brokerages in the market for cooperation in order to further increase our market share. Based on our experience in 2023, we observed that the productivity of high-quality senior agents and brokers is two to five times that of junior agents and brokers. We aim to strengthen our market position by hiring more high-quality agents and brokers. We also plan to expand our business development in various regions by increasing our field presence, thereby seizing business opportunities in different regions.

(b) Approximately 20% of the net proceeds, or approximately HK$23.3 million, is expected to be used for enhancing our research and development capabilities and improving our technology infrastructure in the next 60 months, including:

(1) approximately 14% of the net proceeds, or approximately HK$16.3 million, is expected to be used for recruiting 3 to 5 programmers to optimize and iterate our platforms in promoting synchronization among policy issuance, claim management services, risk assessment assistance and operational systems in order to improve the user experience of policyholders and the insured throughout the insurance transaction process. The primary objective of our research and development activities is to support our core insurance transaction services business. We strive to continuously improve our ability and efficiency in integrating our system with insurance companies, enabling us to offer a wide range of insurance products available in the market. We plan to iterate our intelligent claims calculation system to improve our rapid claims settlement service and enhance user experience. In addition, we plan to iterate and enhance our operational and management systems to improve the efficiency of our daily operations. We plan to improve our policy management system to assist policyholders, the insured and insurance agents managing insurance policies, and Eagle Eye AI Verification system and Chuangxin Shanlu system to enhance our quality management. We also plan to develop an intelligent customer service system to improve our efficiency in responding to policyholders and the insured. Furthermore, we are committed to investing in our platforms to provide policyholders and the insured with enhanced user experience. In addition, we anticipate that our insurance technology services business will benefit from our enhanced systems, particularly our Picus risk assessment system, for example the upgrade of the automatic risk detection and blocking system; and

(2) approximately 6% of the net proceeds, or approximately HK$7.0 million is expected to be used for purchasing servers and broadband infrastructure to support the computational power required for research and development, in order to improve the user experience of policyholders and the insured and support the growth of our user base. We also plan to purchase software and relevant tools for research and development.

(c) **Approximately 10% of the net proceeds, or approximately HK$11.6 million, is expected to be used for selected mergers, acquisitions, and strategic investments, including to continue seeking potential businesses that can supplement or enhance our existing business and are strategically beneficial to our long-term goals in the next 36 to 60 months**. Potential targets include market players in our industry value chain which we connect such as insurance companies and business partners. We anticipate that the proposed investments will have a positive impact on our business scale, growth potential and overall financial health. In selecting acquisition and investment opportunities, we will take into account a number of considerations, including our strategic goals and the target company's market position, management experience, valuation, track record and financial performance. We will select target companies: (i) with product sales channels that can complement ours in terms of product types and geographic coverage; or (ii) with technological capabilities that we can leverage in enhancing the cost-effectiveness of our existing marketing channels and create marketing breakthrough. For target companies such as insurance companies and insurance intermediaries, we will consider targets with: (i) a high historical persistency rate to ensure business quality; (ii) a significant monthly premium in terms of business scale; or (iii) substantial annual premium growth rate over a three-year period in terms of business growth. The criteria are subject to adjustment based on changes in the market conditions and our strategic needs. We may consider acquisitions or minority investments when appropriate opportunities arise. Our primary investment format is to acquire a minority stake of target companies. According to Frost & Sullivan, it is estimated that there are more than 30 targets that meet our selection criteria in the industry in China. We may also consider strategic investment opportunities in new growing overseas geographic markets.

As of the Latest Practicable Date, we had not identified any specific acquisition target, or adopted a concrete timetable or expected capital expenditure plan to implement any acquisition, and we had not entered into any agreements, commitments or understandings with respect to any such transaction, to which we plan to apply the proceeds from the Global Offering. The timetable for the deployment of the proceeds will be subject to the identification of suitable targets, market conditions and the opportunistic nature of strategic acquisitions.

(d) Approximately 10% of the net proceeds, or approximately HK$11.6 million, is expected to be used for working capital and general corporate purposes in the next 60 months.

The table below sets forth the expected implementation timetable of our planned use of our proceeds:

	For the year ending December 31,					
	2025	**2026**	**2027**	**2028**	**2029**	**Total**
	(HK$ in millions)	*(HK$ in millions)*	*(HK$ in millions)*	*(HK$ in millions)*	*(HK$ in millions)*	*(HK$ in millions)*
Strengthening and optimizing our sales and marketing network and improving our services						
Expanding our sales team	5.8	6.0	6.2	6.5	6.8	31.4
Conducting marketing activities to promote our brand and services	3.9	4.0	4.1	4.3	4.6	21.0
Developing a new training curriculum system and an honors and training system for top-performing individuals	1.9	2.0	2.1	2.2	2.3	10.5
Exploring high-quality brokerages in the market	1.3	1.3	1.4	1.4	1.5	7.0
Enhancing our research and development capabilities and improving our technology infrastructure						
Recruiting programmers to optimize and iterate our platforms	3.0	3.1	3.2	3.4	3.5	16.3
Purchasing servers and broadband infrastructure	1.3	1.3	1.4	1.4	1.5	7.0
Selected mergers, acquisitions, and strategic investments	2.2	2.2	2.3	2.4	2.5	11.6
Working capital and general corporate purposes	2.2	2.2	2.3	2.4	2.5	11.6
Total	21.7	22.3	23.0	24.1	25.3	116.4

The above allocation of the proceeds will be adjusted on a pro rata basis in the event that the Offer Price is fixed at a higher or lower level compared to the mid-point of the Offer Price range or the Over-allotment Option is exercised.

If the Offer Price is fixed at HK$8.08 per Offer Share (being the high-end of the Offer Price range) and assuming the Over-allotment Option is not exercised, we will receive net proceeds of approximately HK$135.2 million, after deduction of underwriting fees and expenses related to the Global Offering.

If the Offer Price is fixed at HK$6.48 per Offer Share (being the low-end of the Offer Price range) and assuming the Over-allotment Option is not exercised, we will receive net proceeds of approximately HK$97.6 million, after deduction of underwriting fees and expenses related to the Global Offering.

If we make a Downward Offer Price Adjustment to set the final Offer Price at HK$5.84 per Offer Share, the estimated net proceeds we will receive from the Global Offering will be further reduced by an additional amount of approximately HK$33.9 million. To the extent our net proceeds are further reduced we will adjust the above allocation of the net proceeds from the Global Offering on a pro rata basis.

In the event that the Over-allotment Option is exercised in full, we will receive additional net proceeds ranging from approximately HK$22.8 million (assuming an Offer Price of HK$6.48 per Share, being the low-end of the Offer Price range) to HK$28.5 million (assuming an Offer Price of HK$8.08 per Share, being the high-end of the Offer Price range), after deduction of underwriting fees and expenses related to the Global Offering.

If the net proceeds of the Global Offering are not immediately used for the purposes described above, they will only be placed on short-term interest-bearing accounts at licensed commercial banks and/or other authorized financial institutions as defined under the SFO or applicable laws and regulations in other jurisdictions. We will issue an appropriate announcement if there is any material change to the above use of proceeds.

HONG KONG UNDERWRITERS

China International Capital Corporation Hong Kong Securities Limited
Huatai Financial Holdings (Hong Kong) Limited
CCB International Capital Limited
CLSA Limited
CMB International Capital Limited
Futu Securities International (Hong Kong) Limited
Patrons Securities Limited
TradeGo Markets Limited
Tiger Brokers (HK) Global Limited
Maxa Capital Limited

UNDERWRITING ARRANGEMENTS AND EXPENSES

The Hong Kong Public Offering

Hong Kong Underwriting Agreement

Pursuant to the Hong Kong Underwriting Agreement, our Company is offering initially 2,436,000 Hong Kong Offer Shares (subject to reallocation) for subscription by the public in Hong Kong on and subject to the terms and conditions of this Prospectus.

Subject to the Stock Exchange granting approval for the listing of, and permission to deal in, the Shares to be issued pursuant to the Global Offering (including any Shares which may be issued pursuant to the exercise of the Over-allotment Option), and certain other conditions set out in the Hong Kong Underwriting Agreement (including but not limited to the Offer Price being agreed upon between our Company and the Sponsor-Overall Coordinators (for themselves and on behalf of the Hong Kong Underwriters), the Hong Kong Underwriters have agreed severally and not jointly to subscribe or procure subscribers for their respective applicable proportions of the Hong Kong Offer Shares now being offered which are not taken up under the Hong Kong Public Offering on and subject to the terms and conditions of this prospectus and the Hong Kong Underwriting Agreement. The Hong Kong Underwriting Agreement is conditional upon and subject to, among other things, the International Underwriting Agreement having been signed and becoming unconditional and not having been terminated in accordance with its terms.

Grounds for Termination

The obligations of the Hong Kong Underwriters to subscribe or procure subscribers for the Hong Kong Offer Shares under the Hong Kong Underwriting Agreement are subject to termination. If at any time prior to 8:00 a.m. on the day that trading in the Shares commences on the Stock Exchange:

(a) there develops, occurs, exists or comes into force:

(i) any new law or regulation or any change or development involving a prospective change or any event or series of events or circumstances likely to result in a change or a development involving a prospective change in existing laws or regulations, or the interpretation or application thereof by any court or any competent Authority in or affecting Hong Kong, the Cayman Islands, the BVI, the PRC, the United States, the United Kingdom, the European Union (or any member thereof), Japan, Singapore, or other jurisdictions relevant to our Group or the Global Offering (each a "**Relevant Jurisdiction**" and collectively, the "**Relevant Jurisdictions**"); or

(ii) any change or development involving a prospective change, or any event or series of events or circumstances likely to result in a change or prospective change, in any local, national, regional or international financial, political, military, industrial, economic, fiscal, legal, regulatory, currency, credit or market conditions or sentiments, Taxation (as defined in the Hong Kong Underwriting Agreement), equity securities or currency exchange rate or controls or any monetary or trading settlement system, or foreign investment regulations (including, without limitation, a devaluation of the Hong Kong dollar, United States dollar or Renminbi against any foreign currencies, a change in the system under which the value of the Hong Kong dollar is linked to that of the United States dollar or the Renminbi is linked to any foreign currency or currencies) or other financial markets (including, without limitation, conditions and sentiments in stock and bond markets, money and foreign exchange markets, the inter-bank markets and credit markets) in or affecting any Relevant Jurisdictions, or affecting an investment in the Offer Shares; or

(iii) any event or series of events, or circumstances in the nature of force majeure (including, without limitation, any acts of government, declaration of a regional, national or international emergency or war, calamity, crisis, economic sanctions, strikes, labor disputes, other industrial actions, lock-outs, fire, explosion, flooding, tsunami, earthquake, volcanic eruption, civil commotion, riots, rebellion, public disorder, paralysis in government operations, acts of war, epidemic, pandemic, outbreak or escalation, mutation or aggravation of diseases, accident or interruption or delay in transportation, local, national,

regional or international outbreak or escalation of hostilities (whether or not war is or has been declared), act of God or act of terrorism (whether or not responsibility has been claimed)) in or affecting any of the Relevant Jurisdictions; or

(iv) the imposition or declaration of any moratorium, suspension or limitation (including without limitation, any imposition of or requirement for any minimum or maximum price limit or price range) on the trading in shares or securities generally on the Stock Exchange, the Shanghai Stock Exchange, the Shenzhen Stock Exchange, the Tokyo Stock Exchange, the Singapore Stock Exchange, the New York Stock Exchange, the NASDAQ Global Market or the London Stock Exchange; or

(v) the imposition or declaration of any general moratorium on banking activities in or affecting any of the Relevant Jurisdictions or any disruption in commercial banking or foreign exchange trading or securities settlement or clearing services, procedures or matters in or affecting any of the Relevant Jurisdictions; or

(vi) other than with the prior written consent of the Overall Coordinators, the issue or requirement to issue by our Company of a supplement or amendment to this prospectus or other documents in connection with the offer and sale of the Offer Shares pursuant to the Companies (Winding up and Miscellaneous Provisions) Ordinance or the Listing Rules or upon any requirement or request of the Stock Exchange and/or the SFC; or

(vii) the commencement by any Authority (as defined in the Hong Kong Underwriting Agreement) or other regulatory or political body or organization of any public action or investigation against a member of our Group or a director or a senior management member of any member of our Group or announcing an intention to take any such action; or

(viii) the imposition of sanctions or export controls in whatever form, directly or indirectly, on any member of our Group or by or on any Relevant Jurisdiction, or the withdrawal of trading privileges which existed on the date of the Hong Kong Underwriting Agreement, in whatever form, directly or indirectly, by, or for, any Relevant Jurisdiction; or

(ix) any valid demand by creditors for payment or repayment of indebtedness of any member of our Group or in respect of which any member of our Group is liable prior to its stated maturity; or

(x) any non-compliance of this prospectus (or any other documents used in connection with the contemplated offering, allotment, issue, subscription or sale of any of the Offer Shares), the CSRC Filings (as defined in the Hong Kong Underwriting Agreement) or any aspect of the Global Offering with the Listing Rules or any other applicable Laws (as defined in the Hong Kong Underwriting Agreement); or

(xi) any litigation, dispute, legal action or claim or regulatory or administrative investigation or action being threatened, instigated or announced against any member of our Group or any Director or senior management members as named in this prospectus; or

(xii) any contravention by any member of our Group or any Director of the Listing Rules or applicable Laws; or

(xiii) any change or prospective change, or a materialization of, any of the risks set out in the section headed "Risk Factors" in this prospectus; or

(xiv) an order or petition is presented for the winding-up or liquidation of any member of our Group (other than our Company), or any member of our Group (other than our Company) makes any composition or arrangement with its creditors or enters into a scheme of arrangement or any resolution is passed for the winding-up of any member of our Group (other than our Company) or a provisional liquidator, receiver or manager is appointed over all or part of the assets or undertaking of any member of our Group or anything analogous thereto occurs in respect of any member of our Group (other than our Company); or

(xv) other than with the prior written consent of the Joint Sponsors and the Sponsor-Overall Coordinators (for themselves and on behalf of the Hong Kong Underwriters), the issue or requirement to issue by our Company of a supplement or amendment to the CSRC Filings pursuant to the CSRC Rules (as defined in the Hong Kong Underwriting Agreement) or upon any requirement or request of the CSRC; or

which, in any such case individually or in the aggregate, in the sole and absolute opinion of the Joint Sponsors and the Sponsor-Overall Coordinators (for themselves and on behalf of the Hong Kong Underwriters):

(i) has or will or may have a material adverse effect, whether directly or indirectly, on the assets, liabilities, business, general affairs, management, prospects, shareholders' equity, profits, losses, results of operations, position or condition, financial or otherwise, or performance of our Group as a whole;

(ii) has or will or may have a material adverse effect on the success of the Global Offering or the level of applications under the Hong Kong Public Offering or the level of indications of interest under the International Offering; or

(iii) makes or will make or may make it impracticable, inadvisable, inexpedient or incapable for any material part of the Hong Kong Underwriting Agreement, the Hong Kong Public Offering or the Global Offering to be performed or implemented as envisaged, or for the Hong Kong Public Offering and/or the Global Offering to proceed, or to market the Global Offering or the delivery or distribution of the Offer Shares on the terms and in the manner contemplated by the Offering Documents (as defined in the Hong Kong Underwriting Agreement); or

(iv) has or will or may have the effect of making any part of the Hong Kong Underwriting Agreement (including underwriting) incapable of performance in accordance with its terms or preventing the processing of applications and/or payments pursuant to the Global Offering or pursuant to the underwriting thereof; or

(b) there has come to the notice of the Joint Sponsors and the Sponsor-Overall Coordinators (for themselves and on behalf of the Hong Kong Underwriters) that:

(i) any statement contained in any of the Offering Documents, the CSRC Filings and/or any notices, announcements, advertisements, communications or other documents issued or used by or on behalf of our Company in connection with the Hong Kong Public Offering (including any supplement or amendment thereto, but excluding the information relating to the Joint Sponsors, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Sponsor-Overall Coordinators, the Overall Coordinators, the Capital Market Intermediaries and/or the Hong Kong Underwriters, it being understood that such information consists only of the names, logos, addresses and qualification of the respective Indemnified Persons disclosed in the sections headed "Directors and Parties Involved in this Global Offering", "Appendix IV — Statutory and General Information" and "Underwriting" in this prospectus) (the "**Global Offering Documents**") was, when it was issued, or has become untrue, incorrect, inaccurate in any material respect or misleading; or that any estimate, forecast, expression of opinion, intention or expectation contained in any such documents, was, when it was issued, or has become unfair or misleading in any respect or based on untrue, dishonest or unreasonable assumptions or given in bad faith; or

(ii) any matter has arisen or has been discovered which would, had it arisen or been discovered immediately before the date of this prospectus, constitute a material omission or misstatement in any Global Offering Document; or

(iii) any breach of, or any event or circumstance rendering untrue or incorrect or misleading in any respect, any of the representations, warranties and undertakings given by our Company or the Controlling Shareholders in the Hong Kong Underwriting Agreement or the International Underwriting Agreement; or

(iv) any event, act or omission which gives rise or is likely to give rise to any liability of any of the Indemnifying Parties (as defined in the Hong Kong Underwriting Agreement) pursuant to the indemnities in the Hong Kong Underwriting Agreement; or

(v) any breach of any of the obligations or undertakings imposed upon our Company or any member of the Controlling Shareholders or any cornerstone investor (as applicable) to the Hong Kong Underwriting Agreement, the International Underwriting Agreement or the Cornerstone Investment Agreements (as defined in the section headed "Cornerstone Investors" in this prospectus); or

(vi) there is any change or development involving a prospective change, constituting or having a Material Adverse Effect (as defined in the Hong Kong Underwriting Agreement); or

(vii) that the chairman of the Board, any Director or any member of the senior management of our Company named in this prospectus seeks to retire, is removed from office or vacate his/her office; or

(viii) any Director or any member of senior management of our Company named in this prospectus is being charged with an indictable offence or prohibited by operation of law or otherwise disqualified from taking part in the management or taking directorship of a company; or

(ix) our Company withdraws this prospectus (and/or any other documents used in connection with the subscription or sale of any of the Offer Shares pursuant to the Global Offering) or the Global Offering; or

(x) that the approval by the Listing Committee of the listing of, and permission to deal in, the Shares in issue and to be issued pursuant to the Capitalization Issue and Global Offering (including pursuant to any exercise of the Over-allotment Option) is refused or not granted, other than subject to customary conditions, on or before the Listing Date, or if granted, the approval is subsequently withdrawn, cancelled, qualified (other than by customary conditions), revoked or withheld; or

(xi) any prohibition on our Company for whatever reason from offering, allotting, issuing or selling any of the Offer Shares pursuant to the terms of the Global Offering; or

(xii) an order or petition is presented for the winding-up or liquidation of our Company, or our Company makes any composition or arrangement with its creditors or enters into a scheme of arrangement or any resolution is passed for the winding-up of our Company or a provisional liquidator, receiver or manager is appointed over all or part of the assets or undertaking of any member of our Group or anything analogous thereto occurs in respect of our Company; or

(xiii) any person (other than the Joint Sponsors) has withdrawn or sought to withdraw its consent to the issue of any of the Offering Documents with the inclusion of its reports, letters and/or legal opinions (as the case may be) and references to its name included therein in the form and context in which it respectively appears; or

(xiv) (A) the notice of acceptance of the CSRC Filings issued by the CSRC and/or the results of the CSRC Filings published on the website of the CSRC is rejected, withdrawn, revoked or invalidated; or (B) any non-compliance of the CSRC Filings with the CSRC Rules or any other applicable Laws; or

(xv) that (i) a material portion of the orders placed or confirmed in the bookbuilding process or (ii) any investment commitment made by any cornerstone investors under the Cornerstone Investment Agreements signed with such cornerstone investors, have been withdrawn, terminated or cancelled,

then, in each case, the Sponsor-Overall Coordinators (for themselves and on behalf of the Hong Kong Underwriters) may, in their sole and absolute discretion and upon giving notice in writing to our Company, terminate the Hong Kong Underwriting Agreement with immediate effect.

Undertakings to the Stock Exchange pursuant to the Listing Rules

By our Company

We have undertaken to the Stock Exchange that no further Shares or securities convertible into equity securities of our Company (whether or not of a class already listed) may be issued or sold or transferred out of treasury or form the subject of any agreement to such issue, or sale or transfer out of treasury within six months from the Listing Date (whether or not such issue of Shares or securities, or sale or transfer of treasury shares will be completed within six months from the Listing Date), except pursuant to the Global Offering, the exercise of the Over-allotment Option or for the circumstances provided under Rule 10.08 of the Listing Rules.

By our Controlling Shareholders

Pursuant to Rule 10.07 of the Listing Rules, each of the Controlling Shareholders has jointly and severally undertaken to the Stock Exchange and our Company that, except pursuant to the Global Offering (including pursuant to the Stock Borrowing Agreement) or the Over-allotment Option, he/it will not, and will procure that none of the relevant registered holder(s) of the Shares in which any of them has a beneficial interest or our controlled companies or associates or nominees or trustees will:

(a) in the period commencing on the date of this prospectus and ending on the date which is six months from the Listing Date, dispose of, nor enter into any agreement to dispose of or otherwise create any options, rights, interests or encumbrances in respect of, any of the Shares in respect of which it is shown by this prospectus to be the beneficial owner(s) (the "**Relevant Shares**"); and

(b) in the period of six months commencing on the date on which the period referred to in paragraph (a) above expires, dispose of, nor enter into any agreement to dispose of or otherwise create any options, rights, interests or encumbrances in respect of, any of the Relevant Shares if, immediately following such disposal or upon the exercise or enforcement of such options, rights, interests or encumbrances, he/it would cease to be a controlling shareholder (as defined in the Listing Rules) of our Company or would together with the other Controlling Shareholders cease to be, or regarded as, a group of controlling shareholders (as defined in the Listing Rules) of our Company.

Pursuant to Note 3 to Rule 10.07(2) of the Listing Rules, each of the Controlling Shareholders has jointly and severally undertaken to the Stock Exchange and our Company that, within the period commencing on the date of this prospectus and ending on the date which is 12 months from the Listing Date, he/it will immediately inform the Stock Exchange and the Company:

(i) when he/it pledges or charges any Shares beneficially owned by him/it in favor of an authorized institution (as defined in the Banking Ordinance (Chapter 155 of the Laws of Hong Kong)) pursuant to Note 2 to Rule 10.07(2) of the Listing Rules, together with the number of Shares so pledged or charged; and

(ii) any indication(s) received by him/it, either verbal or written, from any pledgee or chargee that any of the pledged or charged Shares will be disposed of.

Our Company will inform the Stock Exchange as soon as it has been informed of the matters referred to in paragraphs (i) and (ii) above by any of the Controlling Shareholders and disclose such matters by way of an announcement in accordance with applicable requirements under the Listing Rules.

Undertakings pursuant to the Hong Kong Underwriting Agreement

Undertakings by our Company

Pursuant to the Hong Kong Underwriting Agreement, our Company has undertaken to each of the Joint Sponsors, the Sponsor-Overall Coordinators, the Overall Coordinators, the Joint Global Coordinators, the Capital Market Intermediaries, the Joint Bookrunners, the Joint Lead Managers and the Hong Kong Underwriters that except pursuant to the Global Offering (including pursuant to the Over-allotment Option), at any time after the date of the Hong Kong Underwriting Agreement up to and including the date falling six months after the Listing Date (the "**First Six Month Period**"), it will not, without the prior written consent of the Joint Sponsors and the Sponsor-Overall Coordinators (for themselves and on behalf of the Hong Kong Underwriters) and unless in compliance with the requirements of the Listing Rules:

(a) allot, issue, sell, accept subscription for, offer to allot, issue or sell, contract or agree to allot, issue or sell, assign, mortgage, charge, pledge, hypothecate, lend, grant or sell any option, warrant, contract or right to subscribe for or purchase, grant or purchase any option, warrant, contract or right to allot, issue or sell, or otherwise transfer or dispose of or create an Encumbrance (as defined in the Hong Kong Underwriting Agreement) over, or agree to transfer or dispose of or create an Encumbrance over, either directly or indirectly, conditionally or unconditionally, or repurchase, any legal or beneficial interest in the share capital or any other securities of our Company or any interest in any of the foregoing (including, without limitation, any securities convertible into or exchangeable or exercisable for or that represent the right to receive, or any warrants or other rights to purchase any share

capital or other equity securities of our Company, as applicable), or deposit any share capital or other securities of our Company, as applicable, with a depositary in connection with the issue of depositary receipts; or

(b) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership (legal or beneficial) of the Shares or any other securities of our Company, or any interest in any of the foregoing (including, without limitation, any securities convertible into or exchangeable or exercisable for or that represent the right to receive, or any warrants or other rights to purchase, any Shares); or

(c) enter into any transaction with the same economic effect as any transaction described in paragraphs (a) or (b) above; or

(d) offer to or agree to do any of the foregoing specified in paragraphs (a), (b) or (c) above or announce any intention to do so,

in each case, whether any of the foregoing transactions is to be settled by delivery of share capital or such other securities, in cash or otherwise (whether or not the issue of such share capital or other securities will be completed within the First Six Month Period). Our Company further agrees that, in the event our Company is allowed to enter into any of the transactions described in paragraphs (a), (b) or (c) above or offers to or agrees to or announces any intention to effect any such transaction during the period of six months commencing on the date on which the First Six Month Period expires (the "**Second Six Month Period**"), it will take all reasonable steps to ensure that such an issue or disposal will not, and no other act of our Company will, create a disorderly or false market for any Shares or other securities of our Company.

The Controlling Shareholders have undertaken to each of the Joint Sponsors, the Sponsor-Overall Coordinators, the Overall Coordinators, the Joint Global Coordinators, the Capital Market Intermediaries, the Joint Bookrunners, the Joint Lead Managers and the Hong Kong Underwriters that it/he shall procure the Company to comply with the above undertakings.

Undertakings by the Controlling Shareholders

Pursuant to the Hong Kong Underwriting Agreement, each of the Controlling Shareholders has undertaken to each of the Joint Sponsors, the Sponsor-Overall Coordinators, the Overall Coordinators, the Joint Global Coordinators, the Capital Market Intermediaries, the Joint Bookrunners, the Joint Lead Managers and the Hong Kong Underwriters that, without the prior written consent of the Joint Sponsors and the Sponsor-Overall Coordinators (for themselves and on behalf of the Hong Kong Underwriters) and unless in compliance with the requirements of the Listing Rules, except pursuant to the Stock Borrowing Agreement: he/it will not and will procure that the relevant registered holder(s), any nominee or trustee holding on trust for him/it and the companies controlled by him/it will not, at any time during the

period commencing on the date of the Hong Kong Underwriting Agreement and ending on, and including, the date that is twelve months from the Listing Date (the "**Twelve-Month Period**"), (i) offer, sell, offer to sell, contract or agree to sell, assign, mortgage, charge, pledge, hypothecate, lend, grant or sell any option, warrant, contract or right to purchase, grant or purchase any option, warrant, contract or right to sell, or otherwise transfer or dispose of or create an Encumbrance over, or agree to transfer or dispose of or create an Encumbrance over, either directly or indirectly, conditionally or unconditionally, any Shares or other securities of our Company beneficially owned by him/it as of the date of this prospectus or any interest therein (including, without limitation, any securities convertible into or exchangeable or exercisable for or that represent the right to receive, or any warrants or other rights to purchase, any Shares or any such other securities, as applicable or any interest in any of the foregoing) (the "**Locked-up Securities**"), or deposit any Locked-up Securities with a depositary in connection with the issue of depositary receipts, or (ii) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership (legal or beneficial) of any Locked-up Securities, or (iii) enter into or effect any transaction with the same economic effect as any transaction specified in (i) or (ii) above, or (iv) offer to, contract to, agree to or announce, or publicly disclose any intention to effect any transaction specified in (i), (ii) or (iii) above, in each case, whether any of the transactions specified in (i), (ii) or (iii) above is to be settled by delivery of Shares or other securities of our Company or in cash or otherwise (whether or not such transaction will be completed within the Twelve-Month Period). Such restriction shall not prevent the Controlling Shareholders from (i) purchasing additional Shares or other securities of our Company and disposing of such additional Shares or securities of our Company in accordance with the Listing Rules, provided that any such purchase or disposal does not contravene the above lock-up arrangements with the Controlling Shareholders or the compliance by our Company with the minimum public float requirement, and (ii) using the Shares or other securities of our Company or any interest therein beneficially owned by them as security (including a charge or a pledge) in favor of an authorized institution (as defined in the Banking Ordinance (Chapter 155 of the Laws of Hong Kong)) for a *bona fide* commercial loan, provided that (a) the relevant Controlling Shareholder will immediately inform the Company and the Overall Coordinators in writing of such pledge or charge together with the number of Shares or other securities of our Company so pledged or charged if and when it/he or the relevant registered holder(s) pledges or charges any Shares or other securities of our Company beneficially owned by it/him, and (b) when the relevant Controlling Shareholder receives indications, either verbal or written, from the pledgee or chargee of any Shares that any of the pledged or charged Shares or other securities of our Company will be disposed of, it/he will immediately inform the Company and the Overall Coordinators of such indications.

The Company has further undertaken undertakes to the Joint Sponsors, the Sponsor-Overall Coordinators, the Overall Coordinators, the Joint Global Coordinators, the Capital Market Intermediaries, the Joint Bookrunners, the Joint Lead Managers and the Hong Kong Underwriters that upon receiving such information in writing from the Controlling

Shareholders, it will, as soon as reasonably practicable and if required pursuant to the Listing Rules, the SFO and/or any other applicable Law, notify the Stock Exchange and/or other relevant Authorities, and make a public disclosure in relation to such information by way of an announcement.

Undertakings by certain other existing Shareholders

Pursuant to respective lock-up undertakings provided by each of Convolution Ltd, Plmmliu Ltd and the Pre-IPO Investors, (i) each of Convolution Ltd and Plmmliu Ltd has irrevocably undertaken to lock up all their Shares for a period of 12 months commencing from the Listing Date, and (ii) each of the Pre-IPO Investors has irrevocably undertaken to lock up all their Shares for a period of six months commencing from the Listing Date.

Further, pursuant to the Hong Kong Underwriting Agreement, our Company has also undertaken to each of the Joint Sponsors, the Sponsor-Overall Coordinators, the Overall Coordinators, the Joint Global Coordinators, the Capital Market Intermediaries, the Joint Bookrunners, the Joint Lead Managers and the Hong Kong Underwriters that it will procure each of Convolution Ltd and Plmmliu Ltd (the "**Lock-up Proxy Shareholders**"), during the period commencing on the date of the Hong Kong Underwriting Agreement and ending on, and including, the date that is twelve months from the Listing Date (the "**Twelve-Month Period**"), will not (i) offer, sell, offer to sell, contract or agree to sell, assign, mortgage, charge, pledge, hypothecate, lend, grant or sell any option, warrant, contract or right to purchase, grant or purchase any option, warrant, contract or right to sell, or otherwise transfer or dispose of or create an Encumbrance (as defined in the Hong Kong Underwriting Agreement) over, or agree to transfer or dispose of or create an Encumbrance over, either directly or indirectly, conditionally or unconditionally, any Shares or other securities of our Company beneficially owned by him/it as of the date of this prospectus or any interest therein (including, without limitation, any securities convertible into or exchangeable or exercisable for or that represent the right to receive, or any warrants or other rights to purchase, any Shares or any such other securities, as applicable or any interest in any of the foregoing) (the "**Locked-up Securities**"), or deposit any Locked-up Securities with a depositary in connection with the issue of depositary receipts, or (ii) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership (legal or beneficial) of any Locked-up Securities, or (iii) enter into or effect any transaction with the same economic effect as any transaction specified in (i) or (ii) above, or (iv) offer to, contract to, agree to or announce, or publicly disclose any intention to effect any transaction specified in (i), (ii) or (iii) above, in each case, whether any of the transactions specified in (i), (ii) or (iii) above is to be settled by delivery of Shares or other securities of our Company or in cash or otherwise (whether or not such transaction will be completed within the Twelve-Month Period). Such restriction shall not prevent the Lock-up Proxy Shareholders from (i) purchasing additional Shares or other securities of our Company and disposing of such additional Shares or securities of our Company in accordance with the Listing Rules, provided that any such purchase or disposal does not contravene the above lock-up arrangements with the Lock-up Proxy Shareholders or the compliance by our Company with the minimum public float requirement, and (ii) using the Shares or other securities of our Company or any interest therein beneficially

owned by them as security (including a charge or a pledge) in favor of an authorized institution (as defined in the Banking Ordinance (Chapter 155 of the Laws of Hong Kong)) for a *bona fide* commercial loan, provided that (a) the relevant Lock-up Proxy Shareholder will immediately inform the Company and the Overall Coordinators in writing of such pledge or charge together with the number of Shares or other securities of our Company so pledged or charged if and when it/he or the relevant registered holder(s) pledges or charges any Shares or other securities of our Company beneficially owned by it, and (b) when the relevant Lock-up Proxy Shareholder receives indications, either verbal or written, from the pledgee or chargee of any Shares that any of the pledged or charged Shares or other securities of our Company will be disposed of, it will immediately inform the Company and the Overall Coordinators of such indications.

Indemnity

Our Company has agreed to indemnify, among others, the Joint Sponsors, the Sponsor-Overall Coordinators, the Overall Coordinators, the Joint Global Coordinators, the Capital Market Intermediaries, the Joint Bookrunners, the Joint Lead Managers, the Hong Kong Underwriters and each of their respective affiliates and delegates for certain losses which they may suffer, including losses arising from the performance of their obligations under the Hong Kong Underwriting Agreement and any breach by us of the Hong Kong Underwriting Agreement, as the case may be.

Joint Sponsors' Fee

A total amount of US$1 million shall be paid by our Company as sponsor fees to the Joint Sponsors, among which US$150,000 has been paid and US$850,000 is payable by our Company to the Joint Sponsors as of the Latest Practicable Date.

The International Offering

In connection with the International Offering, it is expected that our Company and the warranting shareholder will enter into the International Underwriting Agreement with, among others, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers and the International Underwriters. Under the International Underwriting Agreement, the International Underwriters will, subject to certain conditions set out therein, severally and not jointly, agree to procure subscribers or purchasers for the International Offer Shares (excluding, for the avoidance of doubt, the Offer Shares which are subject to the Over- allotment Option), failing which they agree to subscribe for or purchase their respective proportions of the International Offer Shares which are not taken up under the International Offering.

Our Company is expected to grant to the International Underwriters the Over-allotment Option, exercisable by the Joint Global Coordinators on behalf of the International Underwriters at any time from the date of the International Underwriting Agreement until 30 days after the last day for the lodging of applications under the Hong Kong Public Offering, to require our Company to issue and allot up to an aggregate of 3,653,600 additional Shares representing no more than approximately 15% of the initial Offer Shares, at the same price per Offer Share under the International Offering to cover, among other things, over-allocations (if any) in the International Offering.

It is expected that the International Underwriting Agreement may be terminated on similar grounds as the Hong Kong Underwriting Agreement. Potential investors should note that if the International Underwriting Agreement is not entered into, or is terminated, the Global Offering will not proceed.

Commission and Expenses

The Underwriters and the Capital Market Intermediaries will receive an underwriting commission (the "**Fixed Fees**") equals to 3% of the aggregate sale proceeds from the Offering (including those related to the Over-allotment Option) (collectively the "**Gross Proceeds**"). Our Company may, at our sole and absolute discretion, pay to one or more Underwriters or Capital Market Intermediaries an incentive fee up to 1% of the Gross Proceeds (the "**Discretionary Fees**"). As of the date of this Prospectus, the allocation of a portion of the Fixed Fees remains subject to the Company's discretion. Accordingly, the unallocated portion of the Fixed Fees will be regarded as discretionary fees for the purpose of the Listing Rules. The ratio of the fixed fee and discretionary fee (as classified under and for the purpose of Rule 3A.34 of the Listing Rules) payable by the Company to all syndicate members (both before and after the exercise of the Over-allotment Option, if any) is expected to be approximately 2.36%:1.64%, or approximately 58.99:41.01 (assuming the Discretionary Fees will be paid in full).

Assuming the Over-allotment Option is not exercised at all and based on an Offer Price of HK$7.28 per Offer Share (being the mid-point of the indicative offer price range of HK$6.48 to HK$8.08 per Offer Share), the aggregate commissions and fees, together with listing fees, SFC transaction levy, Stock Exchange trading fee, AFRC transaction levy, legal and other professional fees and printing and other expenses, payable by our Company relating to the Global Offering are estimated to be approximately HK$60.9 million in total.

Activities by Syndicate Members

We describe below a variety of activities that underwriters of the Hong Kong Public Offering and the International Offering (together, referred to as "**Syndicate Members**") and their affiliates may each individually undertake a variety of activities (as further described below) which do not form part of the underwriting or the stabilizing process.

The Syndicate Members and their affiliates are diversified financial institutions with relationships in countries around the world. These entities engage in a wide range of commercial and investment banking, brokerage, funds management, trading, hedging, investing and other activities for their own account and for the account of others. In the ordinary course of their various business activities, the Syndicate Members and their respective affiliates may purchase, sell or hold a broad array of investments and actively trade securities, derivatives, loans, commodities, currencies, credit default swaps, and other financial instruments for their own account and for the accounts of their customers. Such investment and trading activities may involve or relate to assets, securities and/or instruments of our Company and/or persons and entities with relationships with our Company and may also include swaps and other financial instruments entered into for hedging purposes in connection with our Group's loans and other debt.

In relation to the Shares, the activities of the Syndicate Members and their affiliates could include acting as agent for buyers and sellers of the Shares, entering into transactions with those buyers and sellers in a principal capacity, proprietary trading in the Shares and entering into over the counter or listed derivative transactions or listed and unlisted securities transactions (including issuing securities such as derivative warrants listed on a stock exchange) which have the Shares as their or part of their underlying assets. Those activities may require hedging activity by those entities involving, directly or indirectly, buying and selling the Shares. All such activities could occur in Hong Kong and elsewhere in the world and may result in the Syndicate Members and their affiliates holding long and/or short positions in the Shares, in baskets of securities or indices including the Shares, in units of funds that may purchase the Shares, or in derivatives related to any of the foregoing.

In relation to issues by Syndicate Members or their affiliates of any listed securities having the Shares as their or part of their underlying assets, whether on the Stock Exchange or on any other stock exchange, the rules of the relevant exchange may require the issuer of those securities (or one of its affiliates or agents) to act as a market maker or liquidity provider in the security, and this will also result in hedging activity in the Shares in most cases.

All of these activities may occur both during and after the end of the stabilizing period described in "Structure of the Global Offering — The International Offering — Over-allotment Option" and "Structure of the Global Offering — The International Offering — Stabilization." These activities may affect the market price or value of the Shares, the liquidity or trading volume in the Shares and the volatility of their share price, and the extent to which this occurs from day to day cannot be estimated.

It should be noted that when engaging in any of these activities, the Syndicate Members will be subject to certain restrictions, including the following:

(a) the Syndicate Members (other than the Stabilizing Manager, its affiliates or any person acting for it) must not, in connection with the distribution of the Offer Shares, effect any transactions (including issuing or entering into any option or other derivative transactions relating to the Offer Shares), whether in the open market or otherwise, with a view to stabilizing or maintaining the market price of any of the Offer Shares at levels other than those which might otherwise prevail in the open market; and

(b) all of them must comply with all applicable laws, including the market misconduct provisions of the SFO, the provisions prohibiting insider dealing, false trading, price rigging and stock market manipulation.

Hong Kong Underwriters' Interests in our Company

Save as otherwise disclosed in this Prospectus and save for its obligations under the Hong Kong Underwriting Agreement, none of the Hong Kong Underwriters has any shareholding interests in our Company or the right or option (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in our Company.

Following the completion of the Global Offering, the Underwriters and their affiliated companies may hold a certain portion of the Shares as a result of fulfilling their obligations under the Underwriting Agreements.

Other Services to our Company

Certain of the Overall Coordinators, the Joint Global Coordinators, the Underwriters or their respective affiliates have, from time to time, provided and expect to provide in the future investment banking and other services to our Company and our respective affiliates, for which such Overall Coordinators, Joint Global Coordinators, Underwriters or their respective affiliates have received or will receive customary fees and commissions.

Other Services Provided by the Underwriters

The Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers and the Underwriters may in their ordinary course of business provide financing to investors subscribing for the Offer Shares offered by this Prospectus. Such Overall Coordinator, Joint Global Coordinators, Joint Bookrunners, Joint Lead Managers and Underwriters may enter into hedges and/or dispose of such Offer Shares in relation to the financing which may have a negative impact on the trading price of our Shares.

Over-Allotment and Stabilization

Details of the arrangements relating to the stabilization and Over-allotment Option are set forth in "Structure of the Global Offering — The International Offering — Stabilization," and "Structure of the Global Offering — The International Offering-Over-allotment Option."

Independence of the Joint Sponsors

The Joint Sponsors satisfied the independence criteria set out in Rule 3A.07 of the Listing Rules.

THE GLOBAL OFFERING

This prospectus is published in connection with the Hong Kong Public Offering as part of the Global Offering.

The listing of the Shares on the Stock Exchange is sponsored by the Joint Sponsors. The Joint Sponsors have made an application on behalf of our Company to the Stock Exchange for the listing of, and permission to deal in, the Shares in issue and to be issued as mentioned in this prospectus.

24,358,400 Shares will initially be made available under the Global Offering comprising:

(a) the Hong Kong Public Offering of initially 2,436,000 Shares (subject to reallocation) in Hong Kong as described in "— The Hong Kong Public Offering" below; and

(b) the International Offering of initially 21,922,400 Shares (subject to reallocation and the Over-allotment Option) as described in "— The International Offering" below.

Investors may either:

(i) apply for Hong Kong Offer Shares under the Hong Kong Public Offering; or

(ii) apply for or indicate an interest for International Offer Shares under the International Offering, but may not do both.

The Offer Shares will represent approximately 10.76% of the total Shares in issue immediately following the completion of the Global Offering, assuming the Over-allotment Option is not exercised. If the Over-allotment Option is exercised in full, the Offer Shares will represent approximately 12.18% of the enlarged issued share capital immediately after completion of the Global Offering and the exercise of the Over-allotment Option as set out in "— The International Offering — Over-allotment Option" below.

The number of Offer Shares to be offered under the Hong Kong Public Offering and the International Offering may be subject to reallocation as described in the paragraph headed "— The Hong Kong Public Offering — Reallocation and Clawback" below.

THE HONG KONG PUBLIC OFFERING

Number of Offer Shares initially offered

Our Company is initially offering 2,436,000 Shares for subscription by the public in Hong Kong at the Offer Price, representing approximately 10% of the total number of Offer Shares initially available under the Global Offering. The number of Offer Shares initially offered under the Hong Kong Public Offering, subject to any reallocation of Offer Shares between the International Offering and the Hong Kong Public Offering, will represent approximately 1.08% of the total Shares in issue immediately following the completion of the Global Offering (assuming the Over-allotment Option is not exercised).

The Hong Kong Public Offering is open to members of the public in Hong Kong as well as to institutional and professional investors. Professional investors generally include brokers, dealers, companies (including fund managers) whose ordinary business involves dealing in shares and other securities and corporate entities that regularly invest in shares and other securities.

Completion of the Hong Kong Public Offering is subject to the conditions set out in "— Conditions of the Global Offering" below.

Allocation

Allocation of Offer Shares to investors under the Hong Kong Public Offering will be based solely on the level of valid applications received under the Hong Kong Public Offering. The basis of allocation may vary, depending on the number of Hong Kong Offer Shares validly applied for by applicants. Such allocation could, where appropriate, consist of balloting, which could mean that some applicants may receive a higher allocation than others who have applied for the same number of Hong Kong Offer Shares, and those applicants who are not successful in the ballot may not receive any Hong Kong Offer Shares.

For allocation purposes only, the total number of Hong Kong Offer Shares available under the Hong Kong Public Offering (after taking into account any reallocation referred to below) will be divided equally into two pools: pool A and pool B, with any odd lots being allocated to pool A. The Hong Kong Offer Shares in pool A will be allocated on an equitable basis to applicants who have applied for Hong Kong Offer Shares with an aggregate subscription price of HK$5 million (excluding the brokerage, the SFC transaction levy, the Stock Exchange trading fee payable and AFRC transaction levy) or less. The Hong Kong Offer Shares in pool B will be allocated on an equitable basis to applicants who have applied for Hong Kong Offer Shares with an aggregate subscription price of more than HK$5 million (excluding the brokerage, the SFC transaction levy, the Stock Exchange trading fee payable and AFRC transaction levy) and up to the total value in pool B.

Investors should be aware that applications in pool A and applications in pool B may receive different allocation ratios. If any Hong Kong Offer Shares in one (but not both) of the pools are unsubscribed, such unsubscribed Hong Kong Offer Shares will be transferred to the other pool to satisfy demand in that other pool and be allocated accordingly. For the purpose of the immediately preceding paragraph only, the "price" for Hong Kong Offer Shares means the price payable on application therefor (without regard to the Offer Price as finally determined). Applicants can only receive an allocation of Hong Kong Offer Shares from either pool A or pool B and not from both pools. Multiple or suspected multiple applications under the Hong Kong Public Offering and any application for more than 1,218,000 Hong Kong Offer Shares, being 50% of the 2,436,000 Hong Kong Offer Shares initially available under the Hong Kong Public Offering, is liable to be rejected.

Reallocation and clawback

The allocation of the Offer Shares between the Hong Kong Public Offering and the International Offering is subject to reallocation. Paragraph 4.2 of Practice Note 18 of the Listing Rules requires a clawback mechanism to be put in place which would have the effect of increasing the number of Offer Shares under the Hong Kong Public Offering to a certain percentage of the total number of Offer Shares offered under the Global Offering if the International Offer Shares are fully subscribed or oversubscribed and certain prescribed total demand levels are reached under the Hong Kong Public Offering. If the number of the Offer Shares validly applied for under the Hong Kong Public Offering represents (a) 15 times or more but less than 50 times, (b) 50 times or more but less than 100 times and (c) 100 times or more of the total number of Offer Shares initially available under the Hong Kong Public Offering, then Offer Shares will be reallocated to the Hong Kong Public Offering from the International Offering. As a result of such reallocation, the total number of Offer Shares available under the Hong Kong Public Offering will be increased to 7,307,600 Offer Shares (in the case of (a)), 9,743,600 Offer Shares (in the case of (b)) and 12,179,200 Offer Shares (in the case of (c)), representing approximately 30%, approximately 40% and 50% of the total number of Offer Shares initially available under the Global Offering, respectively (before exercise of the Over- allotment Option). In each case, the additional Offer Shares reallocated to the Hong Kong Public Offering will be allocated between pool A and pool B and the number of Offer Shares allocated to the International Offering will be correspondingly reduced in such manner as the Joint Global Coordinators deem appropriate.

In addition, the Overall Coordinators may reallocate Offer Shares from the International Offering to the Hong Kong Public Offering to satisfy valid applications under the Hong Kong Public Offering. In accordance with Chapter 4.14 of the Guide for New Listing Applicants issued by the Stock Exchange, in the event that (i) the International Offer Shares are undersubscribed and the Hong Kong Offer Shares are fully subscribed or oversubscribed irrespective of the number of times; or (ii) the International Offer Shares are fully subscribed or oversubscribed and the Hong Kong Offer Shares are fully subscribed or oversubscribed as to less than 15 times of the number of Hong Kong Offer Shares initially available under the Hong Kong Public Offering, provided that the Offer Price would be set at HK$6.48 (low-end of the indicative Offer Price range), up to 2,436,000 Offer Shares may be reallocated to the

Hong Kong Public Offering from the International Offering, so that the total number of the Offer Shares available under the Hong Kong Public Offering will be increased to 4,872,000 Shares, representing double of the number of the Offer Shares initially available under the Hong Kong Public Offering (before any exercise of the Over-allotment Option).

If the Hong Kong Public Offering is not fully subscribed, the Joint Global Coordinators may reallocate all or any unsubscribed Hong Kong Offer Shares to the International Offering, in such proportions as the Joint Global Coordinators deems appropriate.

The Offer Shares to be offered in the Hong Kong Public Offering and the Offer Shares to be offered in the International Offering may, in certain circumstances, be reallocated between these offerings at the discretion of the Overall Coordinators.

Applications

Each applicant under the Hong Kong Public Offering will be required to give an undertaking and confirmation in the application submitted by him that he and any person(s) for whose benefit he is making the application has not applied for or taken up, or indicated an interest for, and will not apply for or take up, or indicate an interest for, any International Offer Shares under the International Offering. Such applicant's application is liable to be rejected if such undertaking and/or confirmation is/are breached and/or untrue (as the case may be) or if he has been or will be placed or allocated International Offer Shares under the International Offering.

Applicants under the Hong Kong Public Offering may be required to pay, on application (subject to application channels), the maximum Offer Price of HK$8.08 per Offer Share in addition to the brokerage, the SFC transaction levy, the Stock Exchange trading fee and AFRC transaction levy payable on each Offer Share, amounting to a total of HK$3,264.59 for one board lot of 400 Shares. If the Offer Price, as finally determined in the manner described in "— Pricing and Allocation" below, is less than the Maximum Offer Price of HK$8.08 per Offer Share, appropriate refund payments (including the brokerage, the SFC transaction levy, the Stock Exchange trading fee and AFRC transaction attributable to the surplus application monies) will be made to successful applicants (subject to application channels), without interest. Further details are set out in section headed "How to Apply for Hong Kong Offer Shares" of this prospectus.

THE INTERNATIONAL OFFERING

Number of Offer Shares initially offered

The International Offering will consist of an offering of initially 21,922,400 Shares being offered by our Company, representing approximately 90% of the total number of Offer Shares initially available under the Global Offering (subject to reallocation and the Over-allotment Option). The number of Offer Shares initially offered under the International Offering, subject to any reallocation of Offer Shares between the International Offering and the Hong Kong Public Offering, will represent approximately 9.68% of the total Shares in issue immediately following the completion of the Global Offering (assuming the Over-allotment Option is not exercised).

Allocation

The International Offering will include selective marketing of Offer Shares to institutional, professional investors and other investors anticipated to have a sizeable demand for such Offer Shares in Hong Kong and other jurisdictions. Professional investors generally include brokers, dealers, companies (including fund managers) whose ordinary business involves dealing in shares and other securities and corporate entities that regularly invest in shares and other securities. Allocation of Offer Shares pursuant to the International Offering will be effected in accordance with the "book-building" process described in "— Pricing and Allocation" below and based on a number of factors, including the level and timing of demand, the total size of the relevant investor's invested assets or equity assets in the relevant sector and whether or not it is expected that the relevant investor is likely to buy further Shares and/or hold or sell its Shares after the Listing. Such allocation is intended to result in a distribution of the Shares on a basis which would lead to the establishment of a solid professional and institutional shareholder base to the benefit of the Group and the Shareholders as a whole.

The Overall Coordinators (on behalf of the Underwriters) may require any investor who has been offered Offer Shares under the International Offering and who has made an application under the Hong Kong Public Offering to provide sufficient information to the Overall Coordinators so as to allow them to identify the relevant applications under the Hong Kong Public Offering and to ensure that they are excluded from any allocation of Offer Shares under the Hong Kong Public Offering.

Reallocation and clawback

The total number of Offer Shares to be issued or sold pursuant to the International Offering may change as a result of the clawback arrangement described in "— The Hong Kong Public Offering — Reallocation and Clawback" above, the exercise of the Over-allotment Option in whole or in part and/or any reallocation of unsubscribed Offer Shares originally included in the Hong Kong Public Offering.

OVER-ALLOTMENT OPTION

In connection with the Global Offering, our Company is expected to grant the Over-allotment Option to the International Underwriters, exercisable by the Sponsor-Overall Coordinators (on behalf of the International Underwriters).

Pursuant to the Over-allotment Option, the International Underwriters will have the right, exercisable by the Sponsor-Overall Coordinators (on behalf of the International Underwriters) at any time from the Listing Date until 30 days after the last day for lodging applications under the Hong Kong Public Offering, to require our Company to issue up to an aggregate of 3,653,600 additional Shares, representing not more than approximately 15% of the total number of Offer Shares initially available under the Global Offering, at the Offer Price under the International Offering to cover, among other things, over-allocations in the International Offering, if any.

If the Over-allotment Option is exercised in full, the additional Offer Shares to be issued pursuant thereto will represent approximately 1.59% of the total Shares in issue immediately following the completion of the Global Offering (without taking into account the Shares issued pursuant to the exercise of the Over-allotment Option). If the Over-allotment Option is exercised, an announcement will be made.

STOCK BORROWING AGREEMENT

In order to facilitate the settlement of over-allocations, if any, in connection with the Global Offering, the Stabilizing Manager (or its affiliates or any person acting for it) may choose to borrow up to 3,653,600 Shares (being the maximum number of Shares which may be sold pursuant to the exercise of the Over-allotment Option and representing approximately 15.0% of the number of Offer Shares initially available under the Global Offering) from Little Blue Light Ltd, pursuant to the Stock Borrowing Agreement, which is expected to be entered into between the Stabilizing Manager (or its affiliates or any person acting for it) and Little Blue Light Ltd on or about May 28, 2025. If the Stock Borrowing Agreement is entered into, the borrowing of Shares will only be effected by the Stabilizing Manager (or its affiliates or any person acting for it) for the settlement of over-allocations in the International Offering and such borrowing arrangement is not subject to the restrictions of Rule 10.07(1)(a) of the Listing Rules, provided that the requirements set out in Rule 10.07(3) of the Listing Rules, being that the Stock Borrowing Agreement will be for the sole purpose of covering any short position prior to the exercise of the Over-allotment Option in connection with the International Offering, are complied with.

The same number of Shares so borrowed must be returned to Little Blue Light Ltd on the third business day following the earlier of (a) the last day the Over-allotment Option may be exercised and (b) the day on which the Over-allotment Option is exercised. The Shares

borrowing arrangement described above will be effected in compliance with all applicable laws, rules and regulatory requirements. No payment will be made to Little Blue Light Ltd by the Stabilizing Manager (or its affiliates or any person acting for it) in relation to such Shares borrowing arrangement.

STABILIZATION

Stabilization is a practice used by underwriters in some markets to facilitate the distribution of securities. To stabilize, the underwriters may bid for, or purchase, the securities in the secondary market during a specified period of time, to retard and, if possible, prevent a decline in the initial public market price of the securities below the offer price. Such transactions may be effected in all jurisdictions where it is permissible to do so, in each case in compliance with all applicable laws and regulatory requirements, including those of Hong Kong. In Hong Kong, the price at which stabilization is effected is not permitted to exceed the offer price.

In connection with the Global Offering, the Stabilizing Manager (or any person acting for it), on behalf of the Underwriters, may over-allocate or effect transactions with a view to stabilizing or supporting the market price of the Shares at a level higher than that which might otherwise prevail for a limited period after the Listing Date. However, there is no obligation on the Stabilizing Manager (or any person acting for it) to conduct any such stabilizing action. Such stabilizing action, if taken, (a) will be conducted at the absolute discretion of the Stabilizing Manager (or any person acting for it) and in what the Stabilizing Manager reasonably regards as the best interest of our Company, (b) may be discontinued at any time and (c) is required to be brought to an end within 30 days from the last day for lodging applications under the Hong Kong Public Offering.

In Hong Kong, stabilizing activities must be carried out in accordance with the Securities and Futures (Price Stabilizing) Rules. Stabilizing actions permitted pursuant to the Securities and Futures (Price Stabilizing) Rules, as amended, include:

(a) over-allocation for the purpose of preventing or minimizing any reduction in the market price;

(b) selling or agreeing to sell the Shares so as to establish a short position in them for the purpose of preventing or minimizing any deduction in the market price;

(c) subscribing, or agreeing to subscribe, for the Shares pursuant to the Over-allotment Option in order to close out any position established under (a) or (b) above;

(d) purchasing, or agreeing to purchase, the Shares for the sole purpose of preventing or minimizing any reduction in the market price;

(e) selling the Shares to liquidate a long position held as a result of those purchases; and

(f) offering or attempting to do anything described in (b), (c), (d) and (e) above.

Stabilizing actions by the Stabilizing Manager, or any person acting for it, will be entered into in accordance with the laws, rules and regulations in place in Hong Kong on stabilization.

As a result of effecting transactions to stabilize or maintain the market price of the Shares, the Stabilizing Manager, or any person acting for it, may maintain a long position in the Shares. The size of the long position, and the period for which the Stabilizing Manager, or any person acting for it, will maintain the long position is at the discretion of the Stabilizing Manager and is uncertain. In the event that the Stabilizing Manager liquidates this long position by making sales in the open market, this may lead to a decline in the market price of the Shares.

Stabilizing action by the Stabilizing Manager, or any person acting for it, is not permitted to support the price of the Shares for longer than the stabilizing period, which begins on the day on which trading of the Shares commences on the Stock Exchange and ends on the thirtieth day after the last day for the lodging of applications under the Hong Kong Public Offering. The stabilizing period is expected to end on Thursday, June 26, 2025. As a result, demand for the Shares, and their market price, may fall after the end of the stabilizing period. These activities by the Stabilizing Manager may stabilize, maintain or otherwise affect the market price of the Shares. As a result, the price of the Shares may be higher than the price that otherwise may exist in the open market. Any stabilizing action taken by the Stabilizing Manager, or any person acting for it, may not necessarily result in the market price of the Shares staying at or above the Offer Price either during or after the stabilizing period. Bids for or market purchases of the Shares by the Stabilizing Manager, or any person acting for it, may be made at a price at or below the Offer Price and therefore at or below the price paid for the Shares by purchasers. A public announcement in compliance with the Securities and Futures (Price Stabilizing) Rules will be made within seven days of the expiration of the stabilizing period.

Over-Allocation

Following any over-allocation of Shares in connection with the Global Offering, the Stabilizing Manager (or any person acting for it) may cover such over-allocations by, among other methods, exercising the Over-allotment Option in full or in part, by using Shares purchased by the Stabilizing Manager (or any person acting for it) in the secondary market at prices that do not exceed the Offer Price or a combination of these means.

PRICING AND ALLOCATION

Pricing for the Offer Shares for the purpose of the various offerings under the Global Offering will be fixed on the Price Determination Date, which is expected to be on or about Wednesday, May 28, 2025 and, in any event, no later than 12:00 noon on Wednesday, May 28, 2025, by agreement between the Sponsor-Overall Coordinators (on behalf of the Underwriters) and our Company, and the number of Offer Shares to be allocated under the various offerings will be determined shortly thereafter.

The Offer Price will not be more than HK$8.08 per Offer Share and is expected to be not less than HK$6.48 per Share, unless otherwise announced, as further explained below. Applicants under the Hong Kong Public Offering may be required to pay, on application (subject to application channels), the maximum Offer Price of HK$8.08 per Share plus brokerage of 1.0%, SFC transaction levy of 0.0027%, Stock Exchange trading fee of 0.00565% and AFRC transaction levy of 0.00015%, amounting to a total of HK$3,264.59 for one board lot of 400 Shares. **Prospective investors should be aware that the Offer Price to be determined on the Price Determination Date may be, but is not expected to be, lower than the minimum Offer Price stated in this prospectus (subject to a Downward Offer Price Adjustment).**

The International Underwriters will be soliciting from prospective investors indications of interest in acquiring Offer Shares in the International Offering. Prospective professional and institutional investors will be required to specify the number of Offer Shares under the International Offering they would be prepared to acquire either at different prices or at a particular price. This process, known as "book-building," is expected to continue up to, and to cease on or about, the last day for lodging applications under the Hong Kong Public Offering.

The Sponsor-Overall Coordinators (on behalf of the Underwriters) may, where they deem appropriate, based on the level of interest expressed by prospective investors during the book-building process in respect of the International Offering, and with the consent of our Company, reduce the number of Offer Shares offered and/or the Offer Price range below that stated in this prospectus at any time on or prior to the morning of the last day for lodging applications under the Hong Kong Public Offering. In such a case, our Company will, as soon as practicable following the decision to make such reduction, and in any event not later than the morning of the last day for lodging applications under the Hong Kong Public Offering, cause to be published on the websites of our Company and the Stock Exchange at **www.shouhui-tech.com** and **www.hkexnews.hk**, respectively, an announcement, cancel the Global Offering and relaunch the Global Offering at the revised number of the Offer Shares and/or the revised Offer Price range, together with a supplemental prospectus or a new prospectus (as appropriate) as the process under Rule 11.13 of the Listing Rules will apply and, complete the requisite associated settlement processes on the FINI platform afresh. The Company will also, as soon as practicable following the decision to make such change, issue a supplemental prospectus updating investors of the change in the number of Offer Shares being offered under the Global Offering and/or the Offer Price. The Global Offering must first be canceled and subsequently relaunched on FINI pursuant to the supplemental prospectus.

Before submitting applications for the Hong Kong Offer Shares, applicants should have regard to the possibility that any announcement or supplemental prospectus or new prospectus (as appropriate) of a reduction in the number of Offer Shares and/or the Offer Price range may not be made until the last day for lodging applications under the Hong Kong Public Offering. Such notice will also include confirmation or revision, as appropriate, of the working capital statement and the Global Offering statistics as currently set out in this prospectus, and any other financial information which may change as a result of any such reduction. In the absence

of any such notice so published, the number of Offer Shares will not be reduced and/or the Offer Price, if agreed upon by the Sponsor-Overall Coordinators (on behalf of the Underwriters) and our Company, will under no circumstances be set outside the Offer Price range as stated in this prospectus.

ANNOUNCEMENT OF OFFER PRICE REDUCTION

The Sponsor-Overall Coordinators (for themselves and on behalf of the Underwriters) may, where considered appropriate, based on the level of interest expressed by prospective investors during the book-building process, and with the consent of the Company, determine the final Offer Price to be no more than 10% below HK$6.48 (the bottom end of the Offer Price range), at any time on or prior to the Expected Price Determination Date.

In such situation, the Company will, as soon as practicable following the decision to set the final Offer Price below HK$6.48 (the bottom end of the Offer Price range), publish on the website of the Stock Exchange **(www.hkexnews.hk)** and the Company's website **(www.shouhui-tech.com)** an announcement of the final Offer Price after making a Downward Offer Price Adjustment. Such announcement will be issued before and separate from the announcement of the results of allocations expected to be announced on Thursday, May 29, 2025. The Offer Price announced following making of a Downward Offer Price Adjustment shall be the final Offer Price and shall not be subsequently changed.

In the absence of an announcement that a Downward Offer Price Adjustment has been made, the final Offer Price will not be outside the indicative Offer Price range as disclosed in this prospectus.

ANNOUNCEMENT OF FINAL OFFER PRICE

Irrespective of whether a Downward Offer Price Adjustment is made, the final Offer Price, the level of indications of interest in the International Offering, the level of applications in the Hong Kong Public Offering, the basis of allocations of the Hong Kong Offer Shares and the results of allocations in the Hong Kong Public Offering are expected to be made available through a variety of channels in the manner described in the section headed "How to Apply for Hong Kong Offer Shares — B. Publication of Results" in this prospectus.

UNDERWRITING

The Hong Kong Public Offering is fully underwritten by the Hong Kong Underwriters under the terms and conditions of the Hong Kong Underwriting Agreement and is subject to, among other things, the Sponsor-Overall Coordinators (on behalf of the Underwriters) and our Company agreeing on the Offer Price.

Our Company expects to enter into the International Underwriting Agreement relating to the International Offering on the Price Determination Date.

These underwriting arrangements, including the Underwriting Agreements, are summarized in the section headed "Underwriting" of this prospectus.

CONDITIONS OF THE GLOBAL OFFERING

Acceptance of all applications for Offer Shares will be conditional on:

(a) the Stock Exchange granting approval for the listing of, and permission to deal in, the Shares in issue and to be issued pursuant to the Global Offering on the Main Board of the Stock Exchange and such approval not subsequently having been withdrawn or revoked prior to the Listing Date;

(b) the Offer Price having been agreed between the Sponsor-Overall Coordinators (on behalf of the Underwriters) and our Company;

(c) the execution and delivery of the International Underwriting Agreement on or about the Price Determination Date; and

(d) the obligations of the Hong Kong Underwriters under the Hong Kong Underwriting Agreement and the obligations of the International Underwriters under the International Underwriting Agreement becoming and remaining unconditional and not having been terminated in accordance with the terms of the respective agreements,

in each case on or before the dates and times specified in the respective Underwriting Agreements (unless and to the extent such conditions are validly waived on or before such dates and times) and, in any event, not later than the date which is 30 days after the date of this prospectus.

If, for any reason, the Offer Price is not agreed between the Sponsor-Overall Coordinators (on behalf of the Underwriters) and our Company on or before 12:00 noon on Wednesday, May 28, 2025, the Global Offering will not proceed and will lapse.

The consummation of each of the Hong Kong Public Offering and the International Offering is conditional upon, among other things, the other offering becoming unconditional and not having been terminated in accordance with its terms.

If the above conditions are not fulfilled or waived prior to the dates and times specified, the Global Offering will lapse and the Stock Exchange will be notified immediately. Notice of the lapse of the Hong Kong Public Offering will be published by our Company on the websites of our Company and the Stock Exchange at **www.shouhui-tech.com** and **www.hkexnews.hk**, respectively, on the next day following such lapse. In such a situation, all application monies will be returned, without interest, on the terms set out in "How to Apply for Hong Kong Offer Shares — D. Despatch/Collection of Share Certificates and Refund of Application Monies." In

the meantime, all application monies will be held in separate bank account(s) with the receiving banks or other bank(s) in Hong Kong licensed under the Banking Ordinance (Chapter 155 of the Laws of Hong Kong).

Share certificates for the Offer Shares will only become valid at 8:00 a.m. on Friday, May 30, 2025, provided that the Global Offering has become unconditional in all respects at or before that time and the right of termination as described in the section headed "Underwriting — Grounds for Termination" in this prospectus has not been exercised.

SHARES WILL BE ELIGIBLE FOR CCASS

All necessary arrangements have been made enabling the Shares to be admitted into CCASS.

If the Stock Exchange grants the listing of, and permission to deal in, the Shares and our Company complies with the stock admission requirements of HKSCC, the Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the date of commencement of dealings in the Shares on the Stock Exchange or any other date HKSCC chooses. Settlement of transactions between participants of the Stock Exchange is required to take place in CCASS on the second settlement day after any trading day. All activities under CCASS are subject to the General Rules of HKSCC and HKSCC Operational Procedures in effect from time to time.

DEALINGS

Assuming that the Hong Kong Public Offering becomes unconditional at or before 8:00 a.m. in Hong Kong on Friday, May 30, 2025, it is expected that dealings in the Shares on the Stock Exchange will commence at 9:00 a.m. on Friday, May 30, 2025.

The Shares will be traded in board lots of 400 Shares each and the stock code of the Shares will be 2621.

IMPORTANT NOTICE TO INVESTORS OF HONG KONG OFFER SHARES

FULLY ELECTRONIC APPLICATION PROCESS

We have adopted a fully electronic application process for the Hong Kong Public Offering and below are the procedures for application.

This prospectus is available at the website of the Stock Exchange at www.hkexnews.hk under the "HKEXnews > New Listings > New Listing Information" section, and our website at www.shouhui-tech.com.

The contents of this prospectus are identical to the prospectus as registered with the Registrar of Companies in Hong Kong pursuant to Section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

A. APPLICATION FOR HONG KONG OFFER SHARES

1. Who Can Apply

You can apply for Hong Kong Offer Shares if you or the person(s) for whose benefit you are applying for:

- are 18 years of age or older; and
- have a Hong Kong address *(for the **HK eIPO White Form** service only).*

Unless permitted by the Listing Rules or a waiver and/or consent has been granted by the Stock Exchange to us, you cannot apply for any Hong Kong Offer Shares if you or the person(s) for whose benefit you are applying for:

- are an existing Shareholder or close associates; or
- are a Director or any of his/her close associates.

2. Application Channels

The Hong Kong Public Offering period will begin at 9:00 a.m. on Thursday, May 22, 2025 and end at 12:00 noon on Tuesday, May 27, 2025 (Hong Kong time).

To apply for Hong Kong Offer Shares, you may use one of the following application channels:

Application Channel	Platform	Target Investors	Application Time
HK eIPO White Form service	**www.hkeipo.hk**	Investors who would like to receive a physical Share certificate. Hong Kong Offer Shares successfully applied for will be allotted and issued in your own name.	From 9:00 a.m. on Thursday, May 22, 2025 to 11:30 a.m. on Tuesday, May 27, 2025, Hong Kong time. The latest time for completing full payment of application monies will be 12:00 noon on Tuesday, May 27, 2025, Hong Kong time.
HKSCC EIPO channel	Your broker or custodian who is a HKSCC Participant will submit an EIPO application on your behalf through HKSCC's FINI system in accordance with your instruction.	Investors who would not like to receive a physical Share certificate. Hong Kong Offer Shares successfully applied for will be allotted and issued in the name of HKSCC Nominees, deposited directly into CCASS and credited to your designated HKSCC Participant's stock account.	Contact your broker or custodian for the earliest and latest time for giving such instructions, as this may vary by broker or custodian.

The **HK eIPO White Form** service and the HKSCC EIPO channel are facilities subject to capacity limitations and potential service interruptions and you are advised not to wait until the last day of the application period to apply for Hong Kong Offer Shares.

For those applying through the **HK eIPO White Form** service, once you complete payment in respect of any application instructions given by you or for your benefit through the **HK eIPO White Form** service to make an application for Hong Kong Offer Shares, an actual application shall be deemed to have been made. If you are a person for whose benefit the electronic application instructions are given, you shall be deemed to have declared that only one set of electronic application instructions has been given for your benefit. If you are an agent for another person, you shall be deemed to have declared that you have only given one set of electronic application instructions for the benefit of the person for whom you are an agent and that you are duly authorized to give those instructions as an agent.

For the avoidance of doubt, giving an application instruction under the **HK eIPO White Form** service more than once and obtaining different payment reference numbers without effecting full payment in respect of a particular reference number will not constitute an actual application.

If you apply through the **HK eIPO White Form** service, you are deemed to have authorized the **HK eIPO White Form** Service Provider to apply on the terms and conditions in this prospectus, as supplemented and amended by the terms and conditions of the **HK eIPO White Form** service.

By instructing your broker or custodian to apply for the Hong Kong Offer Shares on your behalf through the HKSCC EIPO Channel, you (and, if you are joint applicants, each of you jointly and severally) are deemed to have instructed and authorized HKSCC to cause HKSCC Nominees (acting as nominee for the relevant HKSCC Participants) to apply for Hong Kong Offer Shares on your behalf and to do on your behalf all the things stated in this prospectus and any supplement to it.

For those applying through HKSCC EIPO channel, an actual application will be deemed to have been made for any application instructions given by you or for your benefit to HKSCC (in which case an application will be made by HKSCC Nominees on your behalf) provided such application instruction has not been withdrawn or otherwise invalidated before the closing time of the Hong Kong Public Offering.

HKSCC Nominees will only be acting as a nominee for you and neither HKSCC nor HKSCC Nominees shall be liable to you or any other person in respect of any actions taken by HKSCC or HKSCC Nominees on your behalf to apply for Hong Kong Offer Shares or for any breach of the terms and conditions of this prospectus.

3. Information Required to Apply

You must provide the following information with your application:

For Individual Applicants

- Full name(s)[2] as shown on your identity document
- Identity document's issuing country or jurisdiction
- Identity document type, with order of priority:
  - i. HKID card; or
  - ii. National identification document; or
  - iii. Passport; and
- Identity document number

For Corporate Applicants

- Full name(s)[2] as shown on your identity document
- Identity document's issuing country or jurisdiction
- Identity document type, with order of priority:
  - i. LEI registration document; or
  - ii. Certificate of incorporation; or
  - iii. Business registration certificate; or
  - iv. Other equivalent document; and
- Identity document number

Notes:

(1) If you are applying through the **HK eIPO White Form** service, you are required to provide a valid e-mail address, a contact telephone number and a Hong Kong address. You are also required to declare that the identity information provided by you follows the requirements as described in Note 2 below. In particular, where you cannot provide a HKID number, you must confirm that you do not hold a HKID card. The number of joint applicants may not exceed four. If you are a firm, the applicant must be in the individual members' names.

(2) The applicant's full name as shown on their identity document must be used. If an applicant's identity document contains both an English and Chinese name, both English and Chinese names must be used. Otherwise, either English or Chinese names will be accepted. The order of priority of the applicant's identity document type must be strictly followed and where an individual applicant has a valid HKID card, the HKID number must be used when making an application to subscribe for shares in a public offer. Similarly for corporate applicants, a LEI number must be used if an entity has a LEI certificate.

(3) If the applicant is a trustee, the client identification data ("CID") of the trustee, as set out above, will be required. If the applicant is an investment fund (i.e. a collective investment scheme, or CIS), the CID of the asset management company or the individual fund, as appropriate, which has opened a trading account with the broker will be required, as above.

(4) The maximum number of joint account holders on FINI is capped at 4 in accordance with market practice.

(5) If you are applying as a nominee, you must provide: (i) the full name (as shown on the identity document), the identity document's issuing country or jurisdiction, the identity document type; and (ii), the identity document number, for each of the beneficial owners or, in the case(s) of joint beneficial owners, for each joint beneficial owner. If you do not include this information, the application will be treated as being made for your benefit.

(6) If you are applying as an unlisted company and (i) the principal business of that company is dealing in securities; and (ii) you exercise statutory control over that company, then the application will be treated as being for your benefit and you should provide the required information in your application as stated above.

"Unlisted company" means a company with no equity securities listed on the Stock Exchange or any other stock exchange.

"Statutory control" means you:

- control the composition of the board of directors of the company;
- control more than half of the voting power of the company; or
- hold more than half of the issued share capital of the company (not counting any part of it which carries no right to participate beyond a specified amount in a distribution of either profits or capital).

For those applying through HKSCC EIPO channel, and making an application under a power of attorney, we and the Overall Coordinators, as our agent, have discretion to consider whether to accept it on any conditions we think fit, including evidence of the attorney's authority.

Failing to provide any required information may result in your application being rejected.

4. Permitted Number of Hong Kong Offer Shares for Application Board lot size

Board lot size	:	400
Permitted number of Hong Kong Offer Shares for application and amount payable on application/ successful allotment	:	Hong Kong Offer Shares are available for application in specified board lot sizes only. Please refer to the amount payable associated with each specified board lot size in the table below. The maximum Offer Price is HK$8.08 per Share. If you are applying through the HKSCC EIPO channel, you are required to pre-fund your application based on the amount specified by your broker or custodian, as determined based on the applicable laws and regulations in Hong Kong.

By instructing your broker or custodian to apply for the Hong Kong Offer Shares on your behalf through the HKSCC EIPO Channel, you (and, if you are joint applicants, each of you jointly and severally) are deemed to have instructed and authorized HKSCC to cause HKSCC Nominees (acting as nominee for the relevant HKSCC Participants) to arrange payment of the final Offer Price, brokerage, SFC transaction levy, the Stock Exchange trading fee and the AFRC transaction levy by debiting the relevant nominee bank account at the Designated Bank for your broker or custodian.

If you are applying through the **HK eIPO White Form** service, you may refer to the table below for the amount payable for the number of Offer Shares you have selected. You must pay the respective maximum amount payable on application in full upon application for Hong Kong Offer Shares.

No. of Hong Kong Offer Shares applied for	Maximum Amount payable[2] on application/ successful allotment	No. of Hong Kong Offer Shares applied for	Maximum Amount payable[2] on application/ successful allotment	No. of Hong Kong Offer Shares applied for	Maximum Amount payable[2] on application/ successful allotment	No. of Hong Kong Offer Shares applied for	Maximum Amount payable[2] on application/ successful allotment
	HK$		*HK$*		*HK$*		*HK$*
400	3,264.59	8,000	65,291.90	70,000	571,304.08	900,000	7,345,338.12
800	6,529.19	10,000	81,614.87	80,000	652,918.94	1,000,000	8,161,486.80
1,200	9,793.78	12,000	97,937.85	90,000	734,533.81	1,100,000	8,977,635.48
1,600	13,058.38	14,000	114,260.81	100,000	816,148.68	1,218,000[1]	9,940,690.92
2,000	16,322.97	16,000	130,583.78	200,000	1,632,297.35		
2,400	19,587.57	18,000	146,906.77	300,000	2,448,446.05		
2,800	22,852.16	20,000	163,229.73	400,000	3,264,594.72		
3,200	26,116.76	30,000	244,844.60	500,000	4,080,743.40		
3,600	29,381.35	40,000	326,459.47	600,000	4,896,892.08		
4,000	32,645.95	50,000	408,074.35	700,000	5,713,040.75		
6,000	48,968.92	60,000	489,689.21	800,000	6,529,189.45		

(1) Maximum number of Hong Kong Offer Shares you may apply for and this is 50% of the Hong Kong Offer Shares initially offered.

(2) The amount payable is inclusive of brokerage, SFC transaction levy, the Stock Exchange trading fee and AFRC transaction levy. If your application is successful, brokerage will be paid to the Exchange Participants (as defined in the Listing Rules) or to the **HK eIPO White Form** Service Provider (for applications made through the application channel of the **HK eIPO White Form** service) while the SFC transaction levy, the Stock Exchange trading fee and the AFRC transaction levy will be paid to the SFC, the Stock Exchange and the AFRC, respectively.

5. Multiple Applications Prohibited

You or your joint applicant(s) shall not make more than one application for your own benefit, except where you are a nominee and provide the information of the underlying investor in your application as required under the paragraph headed "*— A. Application for Hong Kong Offer Shares — 3. Information Required to Apply*" in this section. If you are suspected of submitting or cause to submit more than one application, all of your applications will be rejected.

Multiple applications made either through (i) the **HK eIPO White Form** service, (ii) HKSCC EIPO channel, or (iii) both channels concurrently are prohibited and will be rejected. If you have made an application through the **HK eIPO White Form** service or HKSCC EIPO channel, you or the person(s) for whose benefit you have made the application shall not apply further for any Offer Shares in the Global Offering.

The Hong Kong Share Registrar would record all applications into its system and identify suspected multiple applications with identical names and identification document numbers according to the Best Practice Note on Treatment of Multiple/Suspected Multiple Applications ("**Best Practice Note**") issued by the Federation of Hong Kong Share Registrars Limited.

Since applications are subject to personal information collection statements, identification document numbers displayed are redacted.

6. Terms and Conditions of An Application

By applying for Hong Kong Offer Shares through the **HK eIPO White Form** service or HKSCC EIPO channel, you (or as the case may be, HKSCC Nominees will do the following things on your behalf):

(i) undertake to execute all relevant documents and instruct and authorise us and/or the Overall Coordinators, as our agents, to execute any documents for you and to do on your behalf all things necessary to register any Hong Kong Offer Shares allocated to you in your name or in the name of HKSCC Nominees as required by the Articles of Association, and (if you are applying through the HKSCC EIPO channel) to deposit the allotted Hong Kong Offer Shares directly into CCASS for the credit of your designated HKSCC Participant's stock account on your behalf;

(ii) confirm that you have read and understand the terms and conditions and application procedures set out in this prospectus and the designated website of the **HK eIPO White Form** service (or as the case may be, the agreement you entered into with your broker or custodian), and agree to be bound by them;

(iii) (if you are applying through the HKSCC EIPO channel) agree to the arrangements, undertakings and warranties under the participant agreement between your broker or custodian and HKSCC and observe the General Rules of HKSCC and the HKSCC Operational Procedures for giving application instructions to apply for Hong Kong Offer Shares;

(iv) confirm that you are aware of the restrictions on offers and sales of shares set out in this prospectus and they do not apply to you, or the person(s) for whose benefit you have made the application;

(v) confirm that you have read this prospectus and any supplement to it and have relied only on the information and representations contained therein in making your application (or as the case may be, causing your application to be made) and will not rely on any other information or representations;

(vi) agree that the Relevant Persons[1], the Hong Kong Share Registrar and HKSCC will not be liable for any information and representations not in this prospectus and any supplement to it;

(vii) agree to disclose the details of your application and your personal data and any other personal data which may be required about you and the person(s) for whose benefit you have made the application to us, the Relevant Persons, the Hong Kong Share Registrar, HKSCC, HKSCC Nominees, the Stock Exchange, the SFC and any other statutory regulatory or governmental bodies or otherwise as required by laws, rules or regulations, for the purposes under the paragraph headed "— *G. Personal Data — 3. Purposes and 4. Transfer of personal data*" in this section;

(viii) agree (without prejudice to any other rights which you may have once your application (or as the case may be, HKSCC Nominees' application) has been accepted) that you will not rescind it because of an innocent misrepresentation;

(ix) agree that subject to Section 44A(6) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance, any application made by you or HKSCC Nominees on your behalf cannot be revoked once it is accepted, which will be evidenced by the notification of the result of the ballot by the Hong Kong Share Registrar by way of publication of the results at the time and in the manner as specified in the paragraph headed "— B. Publication of Results" in this section;

1 As defined in the Prospectus, Relevant Persons would include the Joint Sponsors, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Underwriters, any of their or the Company's respective directors, officers, employees, partners, agents, advisors and any other parties involved in the Global Offering.

(x) confirm that you are aware of the situations specified in the paragraph headed "*— C. Circumstances In Which You Will Not Be Allocated Hong Kong Offer Shares*" in this section;

(xi) agree that your application or HKSCC Nominees' application, any acceptance of it and the resulting contract will be governed by and construed in accordance with the laws of Hong Kong;

(xii) agree to comply with the Companies Ordinance, the Companies (Winding Up and Miscellaneous Provisions) Ordinance, the Articles of Association and laws of any place outside Hong Kong that apply to your application and that neither we nor the Relevant Persons will breach any law inside and/or outside Hong Kong as a result of the acceptance of your offer to purchase, or any action arising from your rights and obligations under the terms and conditions contained in this prospectus;

(xiii) confirm that (a) your application or HKSCC Nominees' application on your behalf is not financed directly or indirectly by the Company, any of the directors, chief executives, substantial Shareholder(s) or existing shareholder(s) of the Company or any of its subsidiaries or any of their respective close associates; and (b) you are not accustomed or will not be accustomed to taking instructions from the Company, any of the directors, chief executives, substantial shareholder(s) or existing shareholder(s) of the Company or any of its subsidiaries or any of their respective close associates in relation to the acquisition, disposal, voting or other disposition of the Shares registered in your name or otherwise held by you;

(xiv) warrant that the information you have provided is true and accurate;

(xv) confirm that you understand that we and the Overall Coordinators will rely on your declarations and representations in deciding whether or not to allocate any Hong Kong Offer Shares to you and that you may be prosecuted for making a false declaration;

(xvi) agree to accept Hong Kong Offer Shares applied for or any lesser number allocated to you under the application;

(xvii) declare and represent that this is the only application made and the only application intended by you to be made to benefit you or the person for whose benefit you are applying;

(xviii) (if the application is made for your own benefit) warrant that no other application has been or will be made for your benefit by giving electronic application instructions to HKSCC directly or indirectly or through the application channel of the **HK eIPO White Form** service or by any one as your agent or by any other person; and

(xix) (if you are making the application as an agent for the benefit of another person) warrant that (1) no other application has been or will be made by you as agent for or for the benefit of that person or by that person or by any other person as agent for that person by giving electronic application instructions to HKSCC or to the **HK eIPO White Form** Service Provider and (2) you have due authority to give electronic application instructions on behalf of that other person as its agent.

B. PUBLICATION OF RESULTS

Results of Allocation

You can check whether you are successfully allocated any Hong Kong Offer Shares through:

Platform		Date/Time
Applying through the **HK eIPO White Form** service or **HKSCC EIPO** channel:		
Website	From the "Allotment Results" page at **www.tricor.com.hk/ipo/result** or **www.hkeipo.hk/IPOResult** with a "search by ID" function.	24 hours, from 11:00 p.m. on Thursday, May 29, 2025 to 12:00 midnight on Wednesday, June 4, 2025 (Hong Kong time).
	The full list of (i) wholly or partially successful applicants using the **HK eIPO White Form** service and HKSCC EIPO channel, and (ii) the number of Hong Kong Offer Shares conditionally allotted to them, among other things, will be displayed at **www.hkeipo.hk/IPOResult** or **www.tricor.com.hk/ipo/result**.	
	The Stock Exchange's website at **www.hkexnews.hk** and our website at **www.shouhui-tech.com** which will provide links to the above mentioned websites of the Hong Kong Share Registrar.	No later than 11:00 p.m. on Thursday, May 29, 2025 (Hong Kong time).

Platform		Date/Time
Telephone	+852 3691 8488 — the allocation results telephone enquiry line provided by the Hong Kong Share Registrar.	between 9:00 a.m. and 6:00 p.m., from Friday, May 30, 2025 to Wednesday, June 4, 2025 (Hong Kong time) on a business day.

For those applying through HKSCC EIPO channel, you may also check with your broker or custodian from 6:00 p.m. on Wednesday, May 28, 2025 (Hong Kong time).

HKSCC Participants can log into FINI and review the allotment result from 6:00 p.m. on Wednesday, May 28, 2025 (Hong Kong time) on a 24-hour basis and should report any discrepancies on allotments to HKSCC as soon as practicable.

Allocation Announcement

We expect to announce the results of the final Offer Price, the level of indications of interest in the Global Offering, the level of applications in the Hong Kong Public Offering and the basis of allocations of Hong Kong Offer Shares on the Stock Exchange's website at **www.hkexnews.hk** and our website at **www.shouhui-tech.com** by no later than 11:00 p.m. on Thursday, May 29, 2025 (Hong Kong time).

C. CIRCUMSTANCES IN WHICH YOU WILL NOT BE ALLOCATED HONG KONG OFFER SHARES

You should note the following situations in which Hong Kong Offer Shares will not be allocated to you or the person(s) for whose benefit you are applying for:

1. If your application is revoked:

Your application or the application made by HKSCC Nominees on your behalf may be revoked pursuant to Section 44A(6) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

2. If we or our agents exercise our discretion to reject your application:

We, the Overall Coordinators, the Hong Kong Share Registrar and their respective agents and nominees have full discretion to reject or accept any application, or to accept only part of any application, without giving any reasons.

3. If the allocation of Hong Kong Offer Shares is void:

The allocation of Hong Kong Offer Shares will be void if the Stock Exchange does not grant permission to list the Shares either:

- within three weeks from the closing date of the application lists; or
- within a longer period of up to six weeks if the Stock Exchange notifies us of that longer period within three weeks of the closing date of the application lists.

4. If:

- you make multiple applications or suspected multiple applications. You may refer to the paragraph headed "*— A. Applications for Hong Kong Offer Shares — 5. Multiple Applications Prohibited*" in this section on what constitutes multiple applications;
- your application instruction is incomplete;
- your payment (or confirmation of funds, as the case may be) is not made correctly;
- the Underwriting Agreements do not become unconditional or are terminated;
- we or the Overall Coordinators believe that by accepting your application, it or we would violate applicable securities or other laws, rules or regulations.

5. If there is money settlement failure for allotted Shares:

Based on the arrangements between HKSCC Participants and HKSCC, HKSCC Participants will be required to hold sufficient application funds on deposit with their Designated Bank before balloting. After balloting of Hong Kong Offer Shares, the Receiving Bank will collect the portion of these funds required to settle each HKSCC Participant's actual Hong Kong Offer Share allotment from their Designated Bank.

There is a risk of money settlement failure. In the extreme event of money settlement failure by a HKSCC Participant (or its Designated Bank), who is acting on your behalf in settling payment for your allotted Shares, HKSCC will contact the defaulting HKSCC Participant and its Designated Bank to determine the cause of failure and request such defaulting HKSCC Participant to rectify or procure to rectify the failure.

However, if it is determined that such settlement obligation cannot be met, the affected Hong Kong Offer Shares will be reallocated to the Global Offering. Hong Kong Offer Shares applied for by you through the broker or custodian may be affected to the extent of the settlement failure. In the extreme case, you will not be allocated any Hong Kong Offer Shares due to the money settlement failure by such HKSCC Participant. None of us, the Relevant Persons, the Hong Kong Share Registrar and HKSCC is or will be liable if Hong Kong Offer Shares are not allocated to you due to the money settlement failure.

D. DESPATCH/COLLECTION OF SHARE CERTIFICATES AND REFUND OF APPLICATION MONIES

You will receive one Share certificate for all Hong Kong Offer Shares allotted to you under the Hong Kong Public Offering (except pursuant to applications made through the HKSCC EIPO channel where the Share certificates will be deposited into CCASS as described below).

No temporary document of title will be issued in respect of the Shares. No receipt will be issued for sums paid on application.

Share certificates will only become valid at 8:00 a.m. on Friday, May 30, 2025 (Hong Kong time), provided that the Global Offering has become unconditional and the right of termination described in the section headed "Underwriting" has not been exercised. Investors who trade Shares prior to the receipt of Share certificates or the Share certificates becoming valid do so entirely at their own risk.

The right is reserved to retain any Share certificate(s) and (if applicable) any surplus application monies pending clearance of application monies.

The following sets out the relevant procedures and time:

	HK eIPO White Form service	HKSCC EIPO channel
Despatch/collection of Share certificate[1]		
For application of 1,000,000 Hong Kong Offer Shares or more	Collection in person at the Hong Kong Share Registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong **Time**: from 9:00 a.m. to 1:00 p.m. on Friday, May 30, 2025 (Hong Kong time) If you are an individual, you must not authorize any other person to collect for you. If you are a corporate applicant, your authorized representative must bear a letter of authorization from your corporation stamped with your corporation's chop. Both individuals and authorized representatives must produce, at the time of collection, evidence of identity acceptable to the Hong Kong Share Registrar.	Share certificate(s) will be issued in the name of HKSCC Nominees, deposited into CCASS and credited to your designated HKSCC Participant's stock account No action by you is required

1 Except in the event of a No. 8 typhoon warning signal or above, a black rainstorm warning signal and/or an "extreme conditions" announcement issued after a super typhoon in force in Hong Kong in the morning on Thursday, May 29, 2025, rendering it impossible for the relevant Share certificates to be dispatched to HKSCC in a timely manner, the Company shall procure the Hong Kong Share Registrar to arrange for delivery of the supporting documents and Share certificates in accordance with the contingency arrangements as agreed between them. You may refer to "— *E. Bad Weather Arrangements*" in this section.

	HK eIPO White Form service	HKSCC EIPO channel
	Note: If you do not collect your Share certificate(s) personally within the time above, it/they will be sent to the address specified in your application instructions by ordinary post at your own risk.	
For application of less than 1,000,000 Hong Kong Offer Shares	Your Share certificate(s) will be sent to the address specified in your application instructions by ordinary post at your own risk **Date**: Thursday, May 29, 2025	
Refund mechanism for surplus application monies paid by you		
Date	Friday, May 30, 2025	Subject to the arrangement between you and your broker or custodian
Responsible party	Hong Kong Share Registrar	Your broker or custodian
Application monies paid through single bank account	**HK eIPO White Form** e-Auto Refund payment instructions to your designated bank account	Your broker or custodian will arrange refund to your designated bank account subject to the arrangement between you and it
Application monies paid through multiple bank accounts	Refund cheque(s) will be despatched to the address as specified in your application instructions by ordinary post at your own risk	

E. BAD WEATHER ARRANGEMENTS

The Opening and Closing of the Application Lists

The application lists will not open or close on Tuesday, May 27, 2025 if, there is:

- a tropical cyclone warning signal number 8 or above;
- a black rainstorm warning; and/or
- an Extreme Condition,

(collectively, the "**Bad Weather Signals**"), in force in Hong Kong at any time between 9:00 a.m. and 12:00 noon on Tuesday, May 27, 2025.

Instead they will open between 11:45 a.m. and 12:00 noon and/or close at 12:00 noon on the next business day which does not have Bad Weather Signals in force at any time between 9:00 a.m. and 12:00 noon.

Prospective investors should be aware that a postponement of the opening/closing of the application lists may result in a delay in the Listing Date. Should there be any changes to the dates mentioned in the section headed "Expected Timetable" in this Prospectus, an announcement will be made and published on the Stock Exchange's website at **www.hkexnews.hk** and the Company's website at **www.shouhui-tech.com** of the revised timetable.

If a Bad Weather Signal is hoisted on Thursday, May 29, 2025, the Hong Kong Share Registrar will make appropriate arrangements for the delivery of the Share certificates to the CCASS Depository's service counter so that they would be available for trading on Friday, May 30, 2025, and for application of less than 1,000,000 Hong Kong Offer Shares, the despatch of physical Share certificate(s) will be made by ordinary post when the post office reopens after the Bad Weather Signal is lowered or cancelled (e.g. in the afternoon of Thursday, May 29, 2025 or on Friday, May 30, 2025).

If a Bad Weather Signal is hoisted on Friday, May 30, 2025, for application of 1,000,000 Hong Kong Offer Shares or more, physical Share certificate(s) will be available for collection in person from the Hong Kong Share Registrar's office after the Bad Weather Signal is lowered or cancelled (e.g. in the afternoon of Friday, May 30, 2025 or on Monday, June 2, 2025).

Prospective investors should be aware that if they choose to receive physical Share certificates issued in their own name, there may be a delay in receiving the Share certificates.

F. ADMISSION OF THE SHARES INTO CCASS

If the Stock Exchange grants the listing of, and permission to deal in, the Shares on the Stock Exchange and we comply with the stock admission requirements of HKSCC, the Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the date of commencement of dealings in the Shares or any other date HKSCC chooses. Settlement of transactions between Exchange Participants is required to take place in CCASS on the second settlement day after any trading day.

All activities under CCASS are subject to the General Rules of HKSCC and HKSCC Operational Procedures in effect from time to time.

All necessary arrangements have been made enabling the Shares to be admitted into CCASS.

You should seek the advice of your broker or other professional advisor for details of the settlement arrangement as such arrangements may affect your rights and interests.

G. PERSONAL DATA

The following Personal Information Collection Statement applies to any personal data collected and held by the Company, the Hong Kong Share Registrar, the receiving bank and the Relevant Persons about you in the same way as it applies to personal data about applicants other than HKSCC Nominees. This personal data may include client identifier(s) and your identification information. By giving application instructions to HKSCC, you acknowledge that you have read, understood and agree to all of the terms of the Personal Information Collection Statement below.

1. Personal Information Collection Statement

This Personal Information Collection Statement informs the applicant for, and holder of, Hong Kong Offer Shares, of the policies and practices of the Company and the Hong Kong Share Registrar in relation to personal data and the Personal Data (Privacy) Ordinance (Chapter 486 of the Laws of Hong Kong).

2. Reasons for the collection of your personal data

It is necessary for applicants and registered holders of Hong Kong Offer Shares to ensure that personal data supplied to the Company or its agents and the Hong Kong Share Registrar is accurate and up-to-date when applying for Hong Kong Offer Shares or transferring Hong Kong Offer Shares into or out of their names or in procuring the services of the Hong Kong Share Registrar.

Failure to supply the requested data or supplying inaccurate data may result in your application for Hong Kong Offer Shares being rejected, or in the delay or the inability of the Company or the Hong Kong Share Registrar to effect transfers or otherwise render their services. It may also prevent or delay registration or transfers of Hong Kong Offer Shares which you have successfully applied for and/or the despatch of Share certificate(s) to which you are entitled.

It is important that applicants for and holders of Hong Kong Offer Shares inform the Company and the Hong Kong Share Registrar immediately of any inaccuracies in the personal data supplied.

3. Purposes

Your personal data may be used, held, processed, and/or stored (by whatever means) for the following purposes:

- processing your application and refund cheque and **HK eIPO White Form** e-Auto Refund payment instruction(s), where applicable, verification of compliance with the terms and application procedures set out in this prospectus and announcing results of allocation of Hong Kong Offer Shares;
- compliance with applicable laws and regulations in Hong Kong and elsewhere;
- registering new issues or transfers into or out of the names of the holders of the Shares including, where applicable, HKSCC Nominees;
- maintaining or updating the register of members of the Company;
- verifying identities of applicants for and holders of the Shares and identifying any duplicate applications for the Shares;
- facilitating Hong Kong Offer Shares balloting;
- establishing benefit entitlements of holders of the Shares, such as dividends, rights issues, bonus issues, etc.;
- distributing communications from the Company and its subsidiaries;
- compiling statistical information and profiles of the holder of the Shares;
- disclosing relevant information to facilitate claims on entitlements; and

- any other incidental or associated purposes relating to the above and/or to enable the Company and the Hong Kong Share Registrar to discharge their obligations to applicants and holders of the Shares and/or regulators and/or any other purposes to which applicants and holders of the Shares may from time to time agree.

4. Transfer of personal data

Personal data held by the Company and the Hong Kong Share Registrar relating to the applicants for and holders of Hong Kong Offer Shares will be kept confidential but the Company and the Hong Kong Share Registrar may, to the extent necessary for achieving any of the above purposes, disclose, obtain or transfer (whether within or outside Hong Kong) the personal data to, from or with any of the following:

- the Company's appointed agents such as financial advisors, receiving bank and overseas principal share registrar;

- HKSCC or HKSCC Nominees, who will use the personal data and may transfer the personal data to the Hong Kong Share Registrar, in each case for the purposes of providing its services or facilities or performing its functions in accordance with its rules or procedures and operating FINI and CCASS (including where applicants for the Hong Kong Offer Shares request a deposit into CCASS);

- any agents, contractors or third-party service providers who offer administrative, telecommunications, computer, payment or other services to the Company or the Hong Kong Share Registrar in connection with their respective business operation;

- the Stock Exchange, the SFC and any other statutory regulatory or governmental bodies or otherwise as required by laws, rules or regulations, including for the purpose of the Stock Exchange's administration of the Listing Rules and the SFC's performance of its statutory functions; and

- any persons or institutions with which the holders of Hong Kong Offer Shares have or propose to have dealings, such as their bankers, solicitors, accountants or brokers etc.

5. Retention of personal data

The Company and the Hong Kong Share Registrar will keep the personal data of the applicants and holders of Hong Kong Offer Shares for as long as necessary to fulfil the purposes for which the personal data were collected. Personal data which is no longer required will be destroyed or dealt with in accordance with the Personal Data (Privacy) Ordinance (Chapter 486 of the Laws of Hong Kong).

6. Access to and correction of personal data

Applicants for and holders of Hong Kong Offer Shares have the right to ascertain whether the Company or the Hong Kong Share Registrar hold their personal data, to obtain a copy of that data, and to correct any data that is inaccurate. The Company and the Hong Kong Share Registrar have the right to charge a reasonable fee for the processing of such requests. All requests for access to data or correction of data should be addressed to the Company and the Hong Kong Share Registrar, at their registered address disclosed in the section headed "Corporate information" in this prospectus or as notified from time to time, for the attention of the company secretary, or the Hong Kong Share Registrar for the attention of the privacy compliance officer.

The following is the text of a report set out on pages I – 1 to I – 60, received from the Company's reporting accountants, KPMG, Certified Public Accountants, Hong Kong, for the purpose of incorporation in this prospectus.

ACCOUNTANTS' REPORT ON HISTORICAL FINANCIAL INFORMATION TO THE DIRECTORS OF SHOUHUI GROUP LIMITED AND CHINA INTERNATIONAL CAPITAL CORPORATION HONG KONG SECURITIES LIMITED AND HUATAI FINANCIAL HOLDINGS (HONG KONG) LTD.

Introduction

We report on the historical financial information of Shouhui Group Limited (the "Company") and its subsidiaries (together, the "Group") set out on pages I – 4 to I – 60, which comprises the consolidated statements of financial position of the Group as at 31 December 2022, 2023 and 2024, the statements of financial position of the Company as at 31 December 2023 and 2024, and the consolidated statements of profit or loss and other comprehensive income, the consolidated statements of changes in equity and the consolidated statements of cash flows, for each of the years ended 31 December 2022, 2023 and 2024 (the "Track Record Period"), and material accounting policy information and other explanatory information (together, the "Historical Financial Information"). The Historical Financial Information set out on pages I – 4 to I – 60 forms an integral part of this report, which has been prepared for inclusion in the prospectus of the Company dated 22 May 2025 (the "Prospectus") in connection with the initial listing of shares of the Company on the Main Board of The Stock Exchange of Hong Kong Limited.

Directors' responsibility for the Historical Financial Information

The directors of the Company are responsible for the preparation of the Historical Financial Information that gives a true and fair view in accordance with the basis of preparation and presentation set out in *Note 1* to the Historical Financial Information, and for such internal control as the directors of the Company determine is necessary to enable the preparation of the Historical Financial Information that is free from material misstatement, whether due to fraud or error.

Reporting accountants' responsibility

Our responsibility is to express an opinion on the Historical Financial Information and to report our opinion to you. We conducted our work in accordance with Hong Kong Standard on Investment Circular Reporting Engagements 200 "Accountants' Reports on Historical Financial Information in Investment Circulars" issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"). This standard requires that we comply with ethical standards and plan and perform our work to obtain reasonable assurance about whether the Historical Financial Information is free from material misstatement.

Our work involved performing procedures to obtain evidence about the amounts and disclosures in the Historical Financial Information. The procedures selected depend on the reporting accountants' judgement, including the assessment of risks of material misstatement of the Historical Financial Information, whether due to fraud or error. In making those risk assessments, the reporting accountants consider internal control relevant to the entity's preparation of the Historical Financial Information that gives a true and fair view in accordance with the basis of preparation and presentation set out in *Note 1* to the Historical Financial Information in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Our work also included evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the Historical Financial Information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the Historical Financial Information gives, for the purpose of the accountants' report, a true and fair view of the Group's financial position as at 31 December 2022, 2023 and 2024, and the Company's financial position as at 31 December 2023 and 2024, and of the Group's financial performance and cash flows for the Track Record Period in accordance with the basis of preparation and presentation set out in *Note 1* to the Historical Financial Information.

Report on matters under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Companies (Winding Up and Miscellaneous Provisions) Ordinance

Adjustments

In preparing the Historical Financial Information, no adjustments to the Underlying Financial Statements as defined on page I – 4 have been made.

Dividends

We refer to *Note 25(e)* to the Historical Financial Information which states that no dividends have been paid by the Company in respect of the Track Record Period.

No statutory financial statements for the Company

No statutory financial statements have been prepared for the Company since its incorporation.

KPMG
Certified Public Accountants
8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong

22 May 2025

HISTORICAL FINANCIAL INFORMATION

Set out below is the Historical Financial Information which forms an integral part of this accountants' report.

The consolidated financial statements of the Group for the Track Record Period, on which the Historical Financial Information is based, were audited by KPMG Huazhen LLP Shenzhen Branch in accordance with Hong Kong Standards on Auditing issued by the HKICPA (the "Underlying Financial Statements").

Consolidated statements of profit or loss and other comprehensive income
Expressed in Renminbi ("RMB")

	Note	Year ended 31 December 2022	2023	2024
		RMB'000	*RMB'000*	*RMB'000*
Revenue	*4*	806,258	1,634,395	1,387,086
Cost of revenue		(525,840)	(1,082,596)	(858,206)
Gross profit		280,418	551,799	528,880
Other net income	*5*	13,517	12,921	13,682
Sales and marketing expenses		(98,174)	(139,358)	(136,285)
General and administrative expenses		(54,915)	(84,080)	(98,023)
Research and development expenses		(53,508)	(61,078)	(50,955)
Reversal of/(provision for) impairment loss	*6(c)*	111	(1,776)	(962)
Profit from operations		87,449	278,428	256,337
Finance costs	*6(a)*	(464)	(461)	(258)
Changes in carrying amount of financial instruments issued to investors	*24*	61,556	(584,340)	(345,035)
Share of profits/(losses) of associates	*23*	313	75	(1,234)
Profit/(loss) before taxation		148,854	(306,298)	(90,190)
Income tax	*7*	(17,867)	(49,911)	(45,419)
Profit/(loss) for the year		130,987	(356,209)	(135,609)
Other comprehensive income for the year (after tax)				
Exchange differences on translation of financial statements of operations outside the Chinese mainland		–	1	2,886
Other comprehensive income for the year		–	1	2,886
Total comprehensive income for the year		130,987	(356,208)	(132,723)
Profit/(loss) attributable to:				
Equity shareholders of the Company		130,881	(356,164)	(136,116)
Non-controlling interests		106	(45)	507
Profit/(loss) for the year		130,987	(356,209)	(135,609)
Total comprehensive income attributable to:				
Equity shareholders of the Company		130,881	(356,163)	(133,230)
Non-controlling interests		106	(45)	507
Total comprehensive income for the year		130,987	(356,208)	(132,723)
Basic and diluted earnings/(loss) per share (RMB)	*10*	N/A	N/A	N/A

The accompanying notes form part of the Historical Financial Information.

Consolidated statements of financial position

Expressed in Renminbi ("RMB")

	Note	As at 31 December		
		2022	2023	2024
		RMB'000	*RMB'000*	*RMB'000*
Non-current assets				
Property, plant and equipment	*11*	234	217	153
Intangible assets	*12*	40,615	40,607	40,599
Right-of-use assets	*13*	7,013	9,088	6,376
Interests in associates	*23*	3,593	3,668	5,089
Deferred tax assets	*22(b)*	61,193	121,458	140,807
Prepayment, other receivables and other assets	*16*	2,604	2,962	3,179
Contract assets	*15*	92,973	293,297	459,029
Restricted cash	*17(b)*	10,241	10,240	10,242
		218,466	481,537	665,474
Current assets				
Prepayment, other receivables and other assets	*16*	27,426	29,979	26,357
Accounts receivable	*15*	216,866	158,490	96,080
Contract assets	*15*	245,467	338,305	390,555
Financial assets measured at fair value through profit or loss	*14*	240,367	369,522	504,796
Restricted cash	*17(b)*	63,213	49,528	39,564
Cash and cash equivalents	*17(a)*	95,241	130,491	113,368
		888,580	1,076,315	1,170,720
Current liabilities				
Accounts payable	*18*	272,596	331,846	360,886
Borrowings	*20*	8,810	–	–
Other payables, accruals and other liabilities	*21*	119,842	163,234	126,840
Lease liabilities	*19*	3,621	5,343	4,329
Financial instruments issued to investors	*24*	899,907	1,357,136	1,702,171
Current taxation	*22*	157,104	237,093	277,653
		1,461,880	2,094,652	2,471,879
Net current liabilities		(573,300)	(1,018,337)	(1,301,159)
Total assets less current liabilities		(354,834)	(536,800)	(635,685)

The accompanying notes form part of the Historical Financial Information.

	Note	As at 31 December		
		2022	2023	2024
		RMB'000	*RMB'000*	*RMB'000*
Non-current liabilities				
Accounts payable	*18*	15,923	85,907	102,730
Lease liabilities	*19*	3,348	3,458	1,388
		19,271	89,365	104,118
NET LIABILITIES		(374,105)	(626,165)	(739,803)
EQUITY				
Paid-in capital/share capital	*25(b)*	6,191	6,053	*
Reserves	*25(c)*	(380,789)	(632,666)	(740,758)
Total deficit attributable to Equity shareholders of the Company		(374,598)	(626,613)	(740,758)
Non-controlling interests		493	448	955
TOTAL DEFICIT		(374,105)	(626,165)	(739,803)

* The balance represents amount less than RMB500.

The accompanying notes form part of the Historical Financial Information.

Statements of financial position of the Company
Expressed in Renminbi ("RMB")

	Note	As at 31 December	
		2023	**2024**
		RMB'000	*RMB'000*
Non-current assets			
Investment in subsidiaries	*29(a)*	1,118	15,742
Prepayment, other receivable and other assets	*29(b)*	–	119,352
		1,118	135,094
Current assets			
Cash and cash equivalents		*	29,092
Financial assets at fair value through profit or loss	*29(c)*	–	98,193
		*	127,285
Current liabilities			
Other payables, accruals and other liabilities	*29(d)*	142	1,654
Financial instruments issued to investors	*24*	–	1,702,171
		142	1,703,825
Net current liabilities		(142)	(1,576,540)
Total assets less current liabilities		976	(1,441,446)
NET ASSETS/(LIABILITIES)		976	(1,441,446)
EQUITY			
Share capital	*25(a)*	*	*
Reserves	*25(a)*	976	(1,441,446)
TOTAL EQUITY/(DEFICIT)		976	(1,441,446)

* The balances represent amounts less than RMB500.

The accompanying notes form part of the Historical Financial Information.

Consolidated statements of changes in equity

Expressed in Renminbi ("RMB")

	Attributable to equity shareholders of the Company									
		Reserves								
	Paid-in capital *(note 25(b))*	Capital reserve *(note 25(c)(i))*	Shares held for employee shareholding platforms *(note 25(c)(ii))*	Share-based compensation reserve *(note 25(c)(iii))*	Other reserve *(note 25(c)(iv))*	Foreign exchange reserve *(note 25(c)(v))*	Accumulated losses	Total	Non-controlling interests	Total deficit
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Balance as at 1 January 2022	6,191	(274,747)	(40)	5,238	5,138	–	(254,489)	(512,709)	25	(512,684)
Profit and other comprehensive income for the year	–	–	–	–	–	–	130,881	130,881	106	130,987
Capital contribution by non-controlling shareholder of a subsidiary	–	1,614	–	–	–	–	–	1,614	386	2,000
Repurchase of shares from non-controlling shareholders	–	24	–	–	–	–	–	24	(24)	–
Share-based compensation	–	–	–	5,592	–	–	–	5,592	–	5,592
Balance as at 31 December 2022 and 1 January 2023	6,191	(273,109)	(40)	10,830	5,138	–	(123,608)	(374,598)	493	(374,105)
Loss and other comprehensive income for the year	–	–	–	–	–	1	(356,164)	(356,163)	(45)	(356,208)
Repurchase of financial instruments issued to investors	(817)	96,928	–	–	–	–	–	96,111	–	96,111
Capital injection from shareholders	679	–	(562)	–	–	–	–	117	–	117
Share-based compensation	–	–	–	7,920	–	–	–	7,920	–	7,920
Balance as at 31 December 2023	6,053	(176,181)	(602)	18,750	5,138	1	(479,772)	(626,613)	448	(626,165)

The accompanying notes form part of the Historical Financial Information.

	Attributable to equity shareholders of the Company										
		Reserves									
	Paid-in capital/Share capital *(note 25(b))*	Share premium *(note 25(d))*	Capital reserve *(note 25(c)(i))*	Shares held for employee shareholding platforms *(note 25(c)(ii))*	Share-based compensation reserve *(note 25(c)(iii))*	Other reserve *(note 25(c)(iv))*	Foreign exchange reserve *(note 25(c)(v))*	Accumulated losses	Total	Non-controlling interests	Total deficit
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Balance as at 1 January											
2024	6,053	–	(176,181)	(602)	18,750	5,138	1	(479,772)	(626,613)	448	(626,165)
Profit/(loss) and other comprehensive income for the year	–	–	–	–	–	–	2,886	(136,116)	(133,230)	507	(132,723)
Arising from Reorganisation	(6,053)	–	6,053	602	–	(5,138)	–	5,138	602	–	602
Issuance of ordinary shares	*	3,931	–	(*)	–	–	–	–	3,931	–	3,931
Share-based compensation	–	9,015	–	*	5,537	–	–	–	14,552	–	14,552
Balance as at 31 December											
2024	*	12,946	(170,128)	(*)	24,287	–	2,887	(610,750)	(740,758)	955	(739,803)

* The balances represent amounts less than RMB500.

The accompanying notes form part of the Historical Financial Information.

Consolidated statements of cash flows

Expressed in Renminbi ("RMB")

	Note	Year ended 31 December 2022	2023	2024
		RMB'000	*RMB'000*	*RMB'000*
Operating activities				
Cash (used in)/generated from operations	*17(c)*	(42,485)	231,083	135,607
Income tax paid		(11,776)	(26,015)	(25,507)
Net cash (used in)/generated from operating activities		(54,261)	205,068	110,100
Investing activities				
Proceeds from redemption of wealth management products		680,436	1,134,769	2,461,142
Payment for purchase of wealth management products		(760,317)	(1,257,562)	(2,584,627)
Proceeds from disposal of property, plant and equipment and intangible assets		35	–	–
Payment for the purchase of property, plant and equipment and intangible assets		(72)	(52)	(5)
Disposal of a subsidiary		–	(242)	–
Payment for acquisition of a subsidiary, net of cash acquired		–	–	–
Payment for the investment in an associate		(1,500)	–	–
Repayment from a related party		–	26	–
Net cash used in investing activities		(81,418)	(123,061)	(123,490)
Financing activities				
Capital contribution from shareholders		2,000	679	3,931
Advances to shareholders during Reorganisation		–	(206,000)	–
Repayment from shareholders during Reorganisation		–	206,000	–
Issuance of preferred shares by the Company		–	–	235,627
Repurchase of financial instruments issued to investors		–	(31,000)	(235,627)
Proceeds from borrowings	*17(d)*	10,000	–	–
Repayment for borrowings	*17(d)*	(9,100)	(8,800)	–
Interest paid	*17(d)*	(257)	(163)	–
Capital element of lease rentals paid	*17(d)*	(4,507)	(5,429)	(6,681)
Interest element of lease rentals paid	*17(d)*	(207)	(308)	(258)
Listing expenses paid as financing activities		–	(1,736)	(1,117)
Net cash used in financing activities		(2,071)	(46,757)	(4,125)
Net (decrease)/increase in cash and cash equivalents		(137,750)	35,250	(17,515)
Cash and cash equivalents at the beginning of the year		232,991	95,241	130,491
Effect of foreign exchange rate changes		–	*	392
Cash and cash equivalents at the end of the year	*17(a)*	95,241	130,491	113,368

* The balance represents amount less than RMB500.

The accompanying notes form part of the Historical Financial Information.

NOTES TO THE HISTORICAL FINANCIAL INFORMATION

1 BASIS OF PREPARATION AND PRESENTATION OF HISTORICAL FINANCIAL INFORMATION

Shouhui Group Limited (the "Company") was incorporated in Cayman Islands on 3 August 2023 as an exempted company with limited liability under the Companies Law (as consolidated and revised) of the Cayman Islands.

The Company is an investment holding company. The Company and its subsidiaries (collectively, the "Group") are principally engaged in providing insurance transaction services and insurance technology services in the People's Republic of China (the "PRC") (the "Listing Businesses").

Prior to the incorporation of the Company, the above-mentioned principal activities were carried out by Shenzhen Shouhui Technology Group Co., Ltd. ("Shenzhen Shouhui") and its subsidiaries (collectively, the "PRC Operating Entities"). According to the PRC laws and regulations, the value-added telecommunication business, the insurance brokerage, insurance agency and claim adjustment business (the "Restricted Business") are subject to foreign investment restrictions and compliance with foreign investor requirements while the rest of the Listing Businesses (the "Unrestricted Business") are not subject to such restrictions. To rationalise the corporate structure in preparation of the listing of the Company's shares on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange"), the Group underwent a corporate reorganisation ("Reorganisation"), as detailed in the section headed "History, Reorganization and Corporate Structure" of the Prospectus.

As part of the Reorganisation, the Unrestricted Business was transferred to and owned by Shenzhen Shouhui Chuangxiang Technology Co., Ltd. (formerly known as Shouhui Chuangxiang Investment Consulting Co., Ltd.) ("Shouhui Chuangxiang"), a subsidiary of Tianjin Shouhui Investment Co., Ltd. ("Tianjin Shouhui Investment", the "WFOE") which is an indirectly wholly-owned subsidiary of the Company. For the Restricted Business, Shouhui Chuangxiang entered into a series of contracts (the "Contractual Arrangements") with Shenzhen Shouhui and its respective registered shareholders, details of which are set out in the section headed "Contractual Arrangements" of the Prospectus. As a result of the Contractual Arrangements, through the WFOE and Shouhui Chuangxiang, the Group has rights to exercise power over the Restricted Business, receive variable returns from its involvement in the Restricted Business and has the ability to affect the returns through its power over the Restricted Business. Consequently, the Group has control over the Restricted Business and regard the entities operating the Restricted Business as controlled entities. The directors of the Company have determined that the Contractual Arrangements are in compliance with the PRC laws and regulations and are legally enforceable. Upon completion of the Reorganisation on 10 January 2024, the Company became the holding company of the companies now comprising the Group.

The Reorganisation principally involved inserting several newly formed entities with no substantive operations as the new holding companies of the PRC Operating Entities. There were no changes in the economic substance of the ownership and the business of the Group before and after the Reorganisation. Accordingly, the Historical Financial Information has been prepared and presented as a continuation of the financial information of the Listing Businesses with the assets and liabilities recognised and measured at their historical carrying amounts prior to the Reorganisation. Intra-group balances, transactions and unrealised gains/losses on intra-group transactions are eliminated in full in preparing the Historical Financial Information.

The consolidated statements of profit or loss and other comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows of the Group for the Track Record Period as set out in this report include the financial performance and cash flows of the companies now comprising the Group as if the current group structure had been in existence throughout the Track Record Period, or where the companies were incorporated/established at a date later than 1 January 2022, for the period from the date of incorporation/establishment to 31 December 2024. The consolidated statements of financial position of the Group as at 31 December 2022, 2023 and 2024 as set out in this report have been prepared to present the financial position of the companies now comprising the Group as of those dates as if the current group structure had been in existence as of the respective dates taking into account the respective dates of incorporation/establishment, where applicable.

As at the date of this report, the Company has direct or indirect interests in the following principal subsidiaries, all of which are private companies:

Company name	Place and date of incorporation/ establishment	Particulars of issued/paid-up capital	Proportion of ownership interest	Principal activities and place of operation	Name of statutory auditor
Directly held by the Company					
Shouhui Holding Limited *(a)*	British Virgin Islands/ 10 August 2023	Issued: USD1 Paid-up: nil	100.00%	Investment holding/ British Virgin Islands	N/A
StarSong Tech Limited *(a)*	British Virgin Islands/ 24 October 2023	Issued: USD1 Paid-up: nil	100.00%	Investment holding/ British Virgin Islands	N/A
Indirectly held by the Company					
Shouhui Tech H.K. Limited	Hong Kong/ 21 August 2023	Issued: USD1 Paid-up: USD1	100.00%	Investment holding/ Hong Kong	2023: MILLION TRUSTFUL CPA LIMITED
StarSpark Tech H.K. Limited	Hong Kong/ 7 November 2023	Issued: USD1 Paid-up: USD1	100.00%	Investment holding/ Hong Kong	2023: MILLION TRUSTFUL CPA LIMITED
Tianjin Shouhui Investment Co., Ltd. *(a) (b)* (天津手回投資有限公司).	The PRC/ 13 November 2023	Issued: USD100,000,000 Paid-up: USD13,903,433	100.00%	Investment holding/ The PRC	N/A
Shenzhen Shouhui Chuangxiang Technology Co., Ltd. *(a) (b)* (深圳手回創想科技有限公司) ("Shouhui Chuangxiang") . . .	The PRC/ 6 December 2017	Issued and paid-up: RMB2,020,202	100.00%	Investing/ The PRC	N/A
Shenzhen Picus Technology Co., Ltd *(b)* (深圳派氪司科技有限公司)	The PRC/ 12 March 2020	Issued and paid-up: RMB1,111,100	90.00%	IT services/ The PRC	2022: 北京東審會計師事務所(特殊普通合夥)深圳市分所 2023: 北京東審會計師事務所(特殊普通合夥)深圳分所
Held through Contractual Arrangements					
Shenzhen Shouhui Technology Group Co., Ltd. *(b)* (深圳手回科技集團有限公司) ("Shenzhen Shouhui")	The PRC/ 26 January 2015	Issued: RMB4,887,067 Paid-up: RMB2,237,088	100.00%	IT services and software/ The PRC	2022: 北京東審會計師事務所(特殊普通合夥)深圳市分所 2023: 北京東審會計師事務所(特殊普通合夥)深圳分所

Company name	Place and date of incorporation/ establishment	Particulars of issued/paid-up capital	Proportion of ownership interest	Principal activities and place of operation	Name of statutory auditor
Small Umbrella Insurance Brokerage Co., Ltd. *(b)* (小雨傘保險經紀有限公司) ("Small Umbrella Insurance Brokerage")	The PRC/ 13 November 2013	Issued and paid-up: RMB50,000,000	100.00%	Insurance brokerage services/ The PRC	2022: 北京東審會計師事務所(特殊普通合夥)深圳市分所 2023: 北京東審會計師事務所(特殊普通合夥)深圳分所
Chuangxin Insurance Sales Co., Ltd. *(b)* (創信保險銷售有限公司) ("Chuangxin Insurance Sales") . .	The PRC/ 21 September 2006	Issued and paid-up: RMB50,000,000	100.00%	Insurance agency services/ The PRC	2022: 北京東審會計師事務所(特殊普通合夥)深圳市分所 2023: 北京東審會計師事務所(特殊普通合夥)深圳分所
Shouhui Health Technology (Chengdu) Co., Ltd. *(a)(b)* (手回健康科技(成都)有限公司) .	The PRC/ 27 May 2021	Issued and paid-up: RMB10,000,000	100.00%	IT services and software/ The PRC	N/A
Shaoguan Baihong Insurance Appraisal Co., Ltd. *(b)* (韶關市百泓保險公估有限公司)) ("Baihong Insurance Appraisal")	The PRC/ 23 August 2010	Issued and paid-up: RMB2,000,000	99.80%	Claim adjustment services/ The PRC	2022: 北京東審會計師事務所(特殊普通合夥)深圳市分所 2023: 北京東審會計師事務所(特殊普通合夥)深圳分所

(a) As the date of this report, no audited financial statements have been prepared for these entities during the Track Record Period.

(b) These entities were registered as limited liability companies under the laws and regulations in the PRC. The official names of these entities are in Chinese. The English translation of names is for identification purpose only.

As at the date of this report, the financial statements of the subsidiaries of the Company for which there are statutory requirements were prepared in accordance with the relevant accounting rules and regulations applicable to entities in the jurisdictions in which they were incorporated or established.

All companies comprising the Group have adopted 31 December as their financial year end date.

The Historical Financial Information has been prepared in accordance with all applicable Hong Kong Financial Reporting Standards ("HKFRSs") which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations issued by Hong Kong Institute of Certified Public Accountants ("HKICPA"). Further details of the material accounting policy information adopted are set out in *Note 2*.

The HKICPA has issued a number of new and revised HKFRSs. For the purpose of preparing this Historical Financial Information, the Group has adopted all applicable new and revised HKFRSs to the Track Record Period, except for any new standards or interpretations that are not yet effective for the accounting period beginning on 1 January 2024. The revised and new accounting standards and interpretations issued but not yet effective for the accounting period beginning on 1 January 2024 are set out in *Note 30*.

The Historical Financial Information also complies with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The accounting policies set out below have been applied consistently to all periods presented in the Historical Financial Information.

The Historical Financial Information is presented in Renminbi ("RMB") and all values are rounded to the nearest thousand (RMB'000) except when otherwise indicated.

The Historical Financial Information has been prepared under the going concern basis notwithstanding the fact that during the Track Record Period, total liabilities exceed the total assets by approximately RMB374 million, RMB626 million and RMB740 million as at 31 December 2022, 2023 and 2024, respectively, and total current liabilities exceed the total current assets by approximately RMB573 million, RMB1,018 million and RMB1,301 million as at 31 December 2022, 2023 and 2024, respectively.

As at 31 December 2022, 2023 and 2024, the Group recorded a financial liability resulting from financial instruments issued to investors amounting to RMB900 million, RMB1,357 million and RMB1,702 million respectively. The directors and management of the Company have considered that the preferential rights of these financial instruments/Preferred Shares would be terminated upon listing and the financial liability would then be reclassified to equity, resulting in the change from a net current liabilities position to a net current assets position. Taken the above into consideration, the directors and management of the Company are of the opinion that the Group has sufficient financial resources to continue as a going concern for the next twelve months and it is appropriate for the Historical Financial Information to be prepared on a going concern basis.

2 MATERIAL ACCOUNTING POLICY INFORMATION

(a) Basis of measurement

The measurement basis used in the preparation of the Historical Financial Information is the historical cost basis except that the financial assets measured at fair value through profit or loss are stated at their fair value as explained in the accounting policies set out *in Note 2(e).*

(b) Use of estimates and judgements

The preparation of the Historical Financial Information in conformity with HKFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements made by management in the application of HKFRSs that have significant effect on the Historical Financial Information, and major sources of estimation uncertainty are discussed in *Note 3*.

(c) Subsidiaries and non-controlling interests

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Intra-group balances, transactions and cash flows, and any unrealised income and expenses (except for foreign currency transaction gains or losses) arising from intra-group transactions are eliminated in full in preparing the consolidated financial statements. Unrealised losses resulting from intra-group transactions are eliminated in the same way as unrealised gains but only to the extent that there is no evidence of impairment.

For each business combination, the Group can elect to measure any non-controlling interests ("NCI") either at fair value or at the NCI's proportionate share of the subsidiary's net identifiable assets. NCI are presented in the consolidated statement of financial position within equity, separately from equity attributable to the equity shareholders of the Company.

NCI in the results of the Group are presented on the face of the consolidated statement of profit or loss and other comprehensive income as an allocation of the total profit or loss and total comprehensive income for the year between NCI and the equity shareholders of the Company. Loans from holders of non-controlling interests and other contractual obligations towards these holders are presented as financial liabilities in the consolidated statement of financial position depending on the nature of the liability.

Changes in the Group's interests in a subsidiary that do not result in a loss of control are accounted for as equity transactions, whereby adjustments are made to the amounts of controlling and non-controlling interests within consolidated equity to reflect the change in relative interests, but no adjustments are made to goodwill and no gain or loss is recognised.

When the Group loses control of a subsidiary, it derecognises the assets and liabilities of the subsidiary and any related NCI and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in that former subsidiary is measured at fair value when control is lost.

(d) Associates

An associate is an entity in which the Group or the Company has significant influence, but not control or joint control, over the financial and operating policies.

An interest in an associate is accounted for using the equity method, unless it is classified as held for sale (or included in a disposal group classified as held for sale). They are initially recognised at cost, which includes transaction costs. Subsequently, the consolidated financial statements include the Group's share of the profit or loss and other comprehensive income ("OCI") of those investees, until the date on which significant influence ceases.

When the Group's share of losses exceeds its interest in the associate, the Group's interest is reduced to nil and recognition of further losses is discontinued except to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the investee. For this purpose, the Group's interest is the carrying amount of the investment under the equity method, together with any other long-term interests that in substance form part of the Group's net investment in the associate, after applying the ECL model to such other long-term interests where applicable (see *Note 23*).

Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent there is no evidence of impairment.

(e) Other investments in debt and equity securities

The Group's policies for investments in debt and equity securities, other than investments in subsidiaries and associates, are set out below.

Investments in debt and equity securities are recognised/derecognised on the date the Group commits to purchase/sell the investment. The investments are initially stated at fair value plus directly attributable transaction costs, except for those investments measured at fair value through profit or loss (FVTPL) for which transaction costs are recognised directly in profit or loss. For an explanation of how the Group determines fair value of financial instruments, see *Note 27(e)*. These investments are subsequently accounted for as follows, depending on their classification.

(i) Non-equity investments

Non-equity investments held by the Group are classified into one of the following measurement categories:

- amortised cost, if the investment is held for the collection of contractual cash flows which represent solely payments of principal and interest. Expected credit losses, interest income calculated using the effective interest method (see *Note 2(q)(ii)*), foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

- fair value through other comprehensive income (FVOCI) — recycling, if the contractual cashflows of the investment comprise solely payments of principal and interest and the investment is held within a business model whose objective is achieved by both the collection of contractual cash flows and sale. Expected credit losses, interest income (calculated using the effective interest method) and foreign exchange gains and losses are recognised in profit or loss and computed in the same manner as if the financial asset was measured at amortised cost. The difference between the fair value and the amortised cost is recognised in OCI. When the investment is derecognised, the amount accumulated in OCI is recycled from equity to profit or loss.

- fair value through profit or loss (FVTPL), if the investment does not meet the criteria for being measured at amortised cost or FVOCI (recycling). Changes in the fair value of the investment (including interest) are recognised in profit or loss.

(ii) Equity investments

An investment in equity securities is classified as FVTPL unless the equity investment is not held for trading purposes and on initial recognition of the investment the Group makes an irrevocable election to designate the investment at FVOCI (non-recycling) such that subsequent changes in fair value are recognised in other comprehensive income. Such elections are made on an instrument-by-instrument basis, but may only be made if the investment meets the definition of equity from the issuer's perspective. If such election is made for a particular investment, at the time of disposal, the amount accumulated in the fair value reserve (non-recycling) is transferred to retained earnings and not recycled through profit or loss. Dividends from an investment in equity securities, irrespective of whether classified as at FVTPL or FVOCI, are recognised in profit or loss as other net income.

(f) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses (see *Note 2(i)(ii)*).

Gains or losses arising from the retirement or disposal of an item of property, plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the item and are recognised in profit or loss on the date of retirement or disposal.

Depreciation is calculated to write off the cost or valuation of items of property, plant and equipment, less their estimated residual value, if any, using the straight line method over their estimated useful lives as follows:

- Electronic equipment 5 years

- Office and other equipment 5 years

Depreciation methods, the useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

(g) Intangible assets

Intangible assets that are acquired by the Group and have finite useful lives are stated at cost less accumulated amortisation and any accumulated impairment losses (see *Note 2(i)(ii)*).

Amortisation of intangible assets with finite useful lives is charged to profit or loss on a straight-line basis over the assets' estimated useful lives. The useful lives of intangible assets are determined based on factors such as technological and commercial obsolescence. The following intangible assets with finite useful lives are amortised from the date they are available for use and their estimated useful lives are as follows:

- Software and copyright 10 years
- Trademark 50 years

Amortisation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

Intangible assets are not amortised while their useful lives are assessed to be indefinite. Any conclusion that the useful life of an intangible asset is indefinite is reviewed annually to determine whether events and circumstances continue to support the indefinite useful life assessment for that asset. If they do not, the change in the useful life assessment from indefinite to finite is accounted for prospectively from the date of change and in accordance with the policy for amortisation of intangible assets with finite lives as set out above. The insurance brokerage licence, insurance sales licence and claims adjusting licence purchased by the Group were assessed to have indefinite lives during the Track Record Period.

Research expenditures are recognised as expenses as incurred. Development expenditures are capitalised when recognition criteria are met, including, (a) it is technically feasible to complete the intangible asset so that it will be available for use or sale; (b) management intends to complete the intangible asset and use or sell it; (c) there is an ability to use or sell the intangible asset; (d) it can be demonstrated how the intangible asset will generate probable future economic benefits; (e) adequate technical, financial and other resources to complete the development and to use or sell the intangible asset are available; and (f) the expenditure attributable to the intangible asset during its development can be reliably measured. Otherwise, it is recognised in profit or loss as incurred. Capitalised development expenditure is subsequently measured at cost less accumulated amortisation and any accumulated impairment losses.

(h) Leased assets

At inception of a contract, the Group assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Control is conveyed where the customer has both the right to direct the use of the identified asset and to obtain substantially all of the economic benefits from that use.

Where the contract contains lease component(s) and non-lease component(s), the Group has elected not to separate non-lease components and accounts for each lease component and any associated non-lease components as a single lease component for all leases.

At the lease commencement date, the Group recognises a right-of-use asset and a lease liability, except for leases of low-value. When the Group enters into a lease in respect of a low-value asset, the Group decides whether to capitalise the lease on a lease-by-lease basis. The lease payments associated with those leases which are not capitalised are recognised as an expense on a systematic basis over the lease term.

Where the lease is capitalised, the lease liability is initially recognised at the present value of the lease payments payable over the lease term, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, using a relevant incremental borrowing rate. After initial recognition, the lease liability is measured at amortised cost and interest expense is calculated using the effective interest method. Variable lease payments that do not depend on an index or rate are not included in the measurement of the lease liability and hence are charged to profit or loss in the accounting period in which they are incurred.

The right-of-use asset recognised when a lease is capitalised is initially measured at cost, which comprises the initial amount of the lease liability plus any lease payments made at or before the commencement date, and any initial direct costs incurred. Where applicable, the cost of the right-of-use assets also includes an estimate of costs to

dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, discounted to their present value, less any lease incentives received. The right-of-use asset is subsequently stated at cost less accumulated depreciation and impairment losses (see *Note 2(i)(ii)*).

The lease liability is remeasured when there is a change in future lease payments arising from a change in an index or rate, or there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or there is a change arising from the reassessment of whether the Group will be reasonably certain to exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The lease liability is also remeasured when there is a change in the scope of a lease or the consideration for a lease that is not originally provided for in the lease contract ("lease modification") that is not accounted for as a separate lease. In this case the lease liability is remeasured based on the revised lease payments and lease term using a revised discount rate at the effective date of the modification.

The Group has applied COVID-19-Related Rent Concessions — Amendment to HKFRS 16. The Group applies the practical expedient allowing it not to assess whether eligible rent concessions that are a direct consequence of the COVID-19 pandemic are lease modifications. The Group applies the practical expedient consistently to contracts with similar characteristics and in similar circumstances. For rent concessions in leases to which the Group chooses not to apply the practical expedient, or that do not qualify for the practical expedient, the Group assesses whether there is a lease modification.

In the consolidated statement of financial position, the current portion of long-term lease liabilities is determined as the present value of contractual payments that are due to be settled within twelve months after the reporting period.

(i) Credit losses and impairment of assets

(i) Credit losses from financial instruments and contract assets

The Group recognises a loss allowance for expected credit losses (ECLs) on financial assets measured at amortised cost (including cash and cash equivalents, accounts receivable and other receivables) and contract assets.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all expected cash shortfalls between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive.

For fixed-rate financial assets, account and other receivables and contract assets, the expected cash shortfalls are discounted using the effective interest rate determined at initial recognition or an approximation thereof.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

In measuring ECLs, the Group takes into account reasonable and supportable information that is available without undue cost or effort. This includes information about past events, current conditions and forecasts of future economic conditions.

ECLs are measured on either of the following bases:

- 12-month ECLs: these are losses that are expected to result from possible default events within the 12 months after the reporting date; and

- lifetime ECLs: these are losses that are expected to result from all possible default events over the expected lives of the items to which the ECL model applies.

The Group measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-months ECLs:

- financial instruments that are determined to have low credit risk at the reporting date; and
- other financial instruments for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for account and other receivables and contract assets are always measured at an amount equal to lifetime ECLs.

Significant increases in credit risk

When determining whether the credit risk of a financial instrument has increased significantly since initial recognition and when measuring ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment, that includes forward-looking information.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Group considers a financial asset to be in default when:

– the debtor is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or

– the financial asset is 90 days past due.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- failure to make payments of principal or interest on their contractually due dates;
- an actual or expected significant deterioration in a financial instrument's external or internal credit rating (if available);
- an actual or expected significant deterioration in the operating results of the debtor; and
- existing or forecast changes in the technological, market, economic or legal environment that have a significant adverse effect on the debtor's ability to meet its obligation to the Group.

Depending on the nature of the financial instruments, the assessment of a significant increase in credit risk is performed on either an individual basis or a collective basis. When the assessment is performed on a collective basis, the financial instruments are grouped based on shared credit risk characteristics, such as past due status and credit risk ratings.

ECLs are remeasured at each reporting date to reflect changes in the financial instrument's credit risk since initial recognition. Any change in the ECL amount is recognised as an impairment gain or loss in profit or loss. The Group recognises an impairment gain or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt securities that are measured at FVOCI (recycling), for which the loss allowance is recognised in OCI and accumulated in the fair value reserve (recycling).

Credit-impaired financial assets

At each reporting date, the Group assesses whether a financial asset is credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable events:

- significant financial difficulties of the debtor;
- a breach of contract, such as a default or past due event;
- it becoming probable that the borrower will enter into bankruptcy or other financial reorganisation;
- significant changes in the technological, market, economic or legal environment that have an adverse effect on the debtor; or
- the disappearance of an active market for a security because of financial difficulties of the issuer.

Write-off policy

The gross carrying amount of a financial asset or contract asset is written off to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off.

Subsequent recoveries of an asset that was previously written off are recognised as a reversal of impairment in profit or loss in the period in which the recovery occurs.

(ii) Impairment of other non-financial assets

At each reporting date, the Group reviews the carrying amounts of the following non-financial assets to determine whether there is any indication of impairment:

- property, plant and equipment;
- right-of-use assets;
- intangible assets; and
- investments in subsidiaries and associates in the Company's statement of financial position.

If any such indication exists, the asset's recoverable amount is estimated. In addition, for intangible assets that are not yet available for use and intangible assets that have indefinite useful lives, the recoverable amount is estimated annually whether or not there is any indication of impairment.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets of cash-generating units ("CGUs"). A portion of the carrying amount of a corporate asset (for example, head office building) is allocated to an individual CGU if the allocation can be done on a reasonable and consistent basis, or to the smallest group of CGUs if otherwise. Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset of CGU is the greater of its value in use and its fair value less costs of disposal. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognised in profit or loss if the carrying amount of an asset or CGU exceeds its recoverable amount. Impairment losses recognised are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amount of the other assets in the CGU on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the resulting carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(j) Contract assets

A contract asset is recognised when the Group recognises revenue (see *Note 2(q)(i)*) before being unconditionally entitled to the consideration under the payment terms set out in the contract. Contract assets are assessed for ECL in accordance with the policy set out in *Note 2(i)(i)* and are reclassified to receivables when the right to the consideration has become unconditional (see *Note 2(k)*).

When the contract includes a significant financing component, the contract balance includes interest accrued under the effective interest method (see *Note 2(q)(ii)*).

(k) Accounts receivable and other receivables

A receivable is recognised when the Group has an unconditional right to receive consideration and only the passage of time is required before payment of that consideration is due.

Accounts receivable that do not contain a significant financing component are initially measured at their transaction price. Accounts receivable that contain a significant financing component and other receivables are initially measured at fair value plus transaction costs. All receivables are subsequently stated at amortised cost, using the effective interest method and including an allowance for credit losses (see *Note 2(i)(i)*).

(l) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition. Cash and cash equivalents are assessed for ECL in accordance with the policy set out in *Note 2(i)(i)*.

(m) Accounts payable and other payables

Account and other payables are initially recognised at fair value. Subsequent to initial recognition, account and other payables are stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at invoice amounts.

(n) Financial instruments issued to investors

The Group issued several series of shares with preferential rights/Preferred Shares to investors. The investors shall have the right to require the Group to redeem their shares at a predetermined redemption price upon occurrence of particular redemption events, and shall have the right to receive, in priority, the liquidation preference amounts upon occurrence of change in control events, which are not within the control of the Group. The Group's contractual obligations to purchase its own shares/redeem the Preferred Shares for cash and to distribute the liquidation preference amounts upon occurrence of events that are beyond the control of the Group give rise to financial liabilities.

The financial liabilities are initially measured at the highest amount, on a present value basis, that could become payable to the investors to redeem the shares upon occurrence of events that are not within the Group's control. Subsequently, any changes in the carrying amount of the financial liabilities are recorded in "changes in the carrying amount of financial instruments issued to investors" in profit or loss. When the preferential rights are expired or terminated without delivery, the carrying amount of the financial liabilities are reclassified to equity. If the Preferred Shares are converted into ordinary shares, the carrying amount of the financial liabilities is transferred to equity.

(o) Employee benefits

(i) Short-term employee benefits and contributions to defined contribution retirement plans

Short-term employee benefits are expensed as the related service is provided.

A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Salaries, annual bonuses, paid annual leave, social security contributions such as medical insurance, work injury insurance, maternity insurance and housing fund, and the other cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees. Where payment or settlement is deferred and the effect would be material, these amounts are stated at their present values.

Pursuant to the relevant laws and regulations of the PRC, the Group participated in a defined contribution basic pension insurance and unemployment insurance in the social insurance system established and managed by government organisations. The Group makes contributions to basic pension insurance plans and unemployment insurance based on the applicable benchmarks and rates stipulated by the government.

Obligations for contributions to defined contribution retirement plans are expensed as the related service is provided.

(ii) Share-based compensation

A share-based compensation is classified as either an equity-settled share-based compensation or a cash-settled share-based compensation. The term "equity-settled share-based compensation" refers to a transaction in which the Group grants share options or awarded shares (collectively the "equity instruments") as a consideration in return for services rendered or a transaction in which the Group has no obligation to settle the share-based compensation or the awards granted are self-owned share options of its' shareholder.

The fair value of the equity instruments granted to employees is recognised as an employee cost with a corresponding increase in the share-based compensation reserve in within equity. The fair value is measured at grant date, taking into account the terms and conditions upon which the equity instruments were granted. Where the employees have to meet vesting conditions before becoming unconditionally entitled to the equity instruments, the total estimated fair value of the equity instruments is spread over the vesting period, taking into account the probability that the equity instruments will vest.

During the vesting period, the number of equity instruments that is expected to vest is reviewed. Any resulting adjustment to the cumulative fair value recognised in prior years is charged/credited to the profit or loss for the year of the review, unless the original employee expenses qualify for recognition as an asset, with a corresponding adjustment to the capital reserve. On vesting date, the amount recognised as an expense is adjusted to reflect the actual number of equity instruments that vest (with a corresponding adjustment to the share-based compensation reserve) except where forfeiture is only due to not achieving vesting conditions that relate to the market price of the Company's shares. The equity amount is recognised in the share-based compensation reserve until either the equity instruments are exercised (when it is included in the amount recognised in paid-in capital/share capital for the shares issued) or the equity instruments expire (when it is released directly to retained profits).

Modifications of an equity-settled share-based compensation arrangement are accounted for only if they are beneficial to the employee. If the Group modifies the terms or conditions of the equity instruments granted in a manner that reduces the fair value of the equity instruments granted, or is not otherwise beneficial to the employee, the Group continues to recognise the services received measured at the grant date fair value of the equity instruments granted, unless those equity instruments do not vest because of failure to satisfy a vesting condition (other than a market condition) that was specified at grant date.

(p) Income tax

Income tax expense comprises current tax and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax comprises the estimated tax payable or receivable on the taxable income or loss for the year and any adjustments to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects any uncertainty related to income taxes. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is not recognised for:

— temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences;

— temporary differences related to investment in subsidiaries, associates and joint venture to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future;

— taxable temporary differences arising on the initial recognition of goodwill; and

— those related to the income taxes arising from tax laws enacted or substantively enacted to implement the Pillar Two model rules published by the Organisation for Economic Co-operation and Development.

The Group recognised deferred tax assets and deferred tax liabilities separately in relation to its lease liabilities and right-of-use assets.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Current tax balances and deferred tax balances, and movements therein, are presented separately from each other and are not offset. Current tax assets are offset against current tax liabilities, and deferred tax assets against deferred tax liabilities, if the Company and the Group has the legally enforceable right to set off current tax assets against current tax liabilities and the following additional conditions are met:

— in the case of current tax assets and liabilities, the Company and the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously; or

— in the case of deferred tax assets and liabilities, if they relate to income taxes levied by the same taxation authority on either:

  — the same taxable entity; or

  — different taxable entities, which, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered, intend to realise the current tax assets and settle the current tax liabilities on a net basis or realise and settle simultaneously.

(q) Revenue recognition

(i) Revenue from contracts with customers

Income is classified by the Group as revenue when it arises from the provision of services in the ordinary course of the Group's business.

Revenue is recognised when the Group satisfies the performance obligation in a contract by transferring control over promised services to the customers. Control of the service refers to the ability to direct the use of, and obtain substantially all of the remaining benefits from, the service. Depending on the terms of the contract and the laws that apply to the contract, control of the services may be transferred over time or at a point in time.

The Group satisfies a performance obligation over time if one of the following criteria is met; otherwise, the performance obligation is satisfied at a point in time:

— the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;

— the customer can control the asset created or enhanced during the Group's performance; or

— the Group's performance does not create an asset with an alternative use to it and the Group has an enforceable right to payment for performance completed to date.

For a performance obligation satisfied over time, the Group recognises revenue over time by measuring the progress towards complete satisfaction of that performance obligation. Otherwise, revenue is recognised at a point in time when the customer obtains control of the relevant services.

Where a contract has two or more performance obligations, the Group determines the stand-alone selling price at contract inception of the distinct service underlying each performance obligation in the contract and allocates the transaction price in proportion to those stand-alone selling prices. The Group recognises as revenue the amount of the transaction price that is allocated to each performance obligation. The stand-alone selling price is the price at which the Group would sell a promised service separately to a customer. If a stand-alone selling price is not directly observable, the Group considers all information that is reasonably available to the Group and maximises the use of observable inputs to estimate the stand-alone selling price.

The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised services to a customer, excluding amounts collected on behalf of third parties. The Group recognises the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

The Group determines whether it is a principal or an agent, based on whether it obtains control of the specified goods or service before that good or service is transferred to a customer. The Group is a principal if it controls the specified good or service before that good or service is transferred to a customer and recognises revenue in the gross amount of consideration which it has received (or which is receivable). Otherwise, the Group is an agent, and recognises revenue in the amount of any fee or commission to which it expects to be entitled. The fee or commission is the net amount of consideration that the Group retains after paying the other party the consideration or is determined according to the established amount or proportion.

The Group is engaged in the online insurance intermediary business and derives revenue primarily from commissions paid by the insurance company partners for successfully selling of insurance products underwritten by them through the Group. The commissions are generally determined based on a percentage of premiums of the insurance policies paid by the policy holder. The brokerage fee rate is based on the terms specified in the service contract with the insurance company for each product sold through the Group. The Group determined that the insurance company, or the insurer, is its customer in this agreement. Revenue from insurance transaction services is recognised when the signed insurance policy is in place since the Group has fulfilled its performance obligation to sell an insurance policy on behalf of the insurance company.

The Group also derives revenue from insurance technology services by providing claim adjustment, risk management consulting and other services to insurance companies.

(ii) Revenue from other sources and other net income

— *Interest income*

Interest income is recognised as it accrues under the effective interest method using the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of the financial asset. For financial assets measured at amortised cost or FVOCI (recycling) that are not credit-impaired, the effective interest rate is applied to the gross carrying amount of the asset. For credit-impaired financial assets, the effective interest rate is applied to the amortised cost (i.e. gross carrying amount net of loss allowance) of the asset (see *Note 2(i)(i)*).

— *Government grants*

Government grants are recognised in the statement of financial position initially when there is reasonable assurance that they will be received and that the Group will comply with the conditions attaching to them. Grants that compensate the Group for expenses incurred are recognised as income in profit or loss on a systematic basis in the same periods in which the expenses are incurred. Grants that compensate the Group for the cost of an asset are deducted from the carrying amount of the asset and consequently are effectively recognised in profit or loss over the useful life of the asset by way of reduced depreciation expense.

(r) Provisions and contingent liabilities

Provisions are recognised when the Group has a legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, a separate asset is recognised for any expected reimbursement that would be virtually certain. The amount recognised for the reimbursement is limited to the carrying amount of the provision.

(s) Held for sale

A non-current asset (or disposal group) is classified as held for sale if it is highly probable that its carrying amount will be recovered through a sale transaction rather than through continuing use and the asset (or disposal group) is available for sale in its present condition. A disposal group is a group of assets to be disposed of together as a group in a single transaction, and liabilities directly associated with those assets that will be transferred in the transaction.

When the Group is committed to a sale plan involving loss of control of a subsidiary, all the assets and liabilities of that subsidiary are classified as held for sale when the above criteria for classification as held for sale are met, regardless of whether the Group will retain a non-controlling interest in the subsidiary after the sale.

(t) Translation of foreign currencies

The results of foreign operations are translated into RMB at the exchange rates approximating the foreign exchange rates ruling at the dates of the transactions. Statement of financial position items are translated into RMB at the closing foreign exchange rates at the end of the reporting period. The resulting exchange differences are recognised in other comprehensive income and accumulated separately in equity in the foreign exchange reserve.

(u) Asset acquisition

Groups of assets acquired and liabilities assumed are assessed to determine if they are business or asset acquisitions. On an acquisition-by-acquisition basis, the Group chooses to apply a simplified assessment of whether an acquired set of activities and assets is an asset rather than business acquisition, when substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

When a group of assets acquired and liabilities assumed do not constitute a business, the overall acquisition cost is allocated to the individual identifiable assets and liabilities based on their relative fair values at the date of acquisition. An exception is when the sum of the individual fair values of the identifiable assets and liabilities differs from the overall acquisition cost. In such case, any identifiable assets and liabilities that are initially measured at an amount other than cost in accordance with the Group's policies are measured accordingly, and the residual acquisition cost is allocated to the remaining identifiable assets and liabilities based on their relative fair values at the date of acquisition.

(v) Related parties

(a) A person, or a close member of that person's family, is related to the Group if that person:

(i) has control or joint control over the Group;

(ii) has significant influence over the Group; or

(iii) is a member of the key management personnel of the Group or the Group's parent.

(b) An entity is related to the Group if any of the following conditions applies:

(i) The entity and the Group are members of the same Group (which means that each parent, subsidiary and fellow subsidiary is related to the others).

(ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).

(iii) Both entities are joint ventures of the same third party.

(iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.

(v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group.

(vi) The entity is controlled or jointly controlled by a person identified in (a).

(vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

(viii) The entity, or any member of a Group of which it is a part, provides key management personnel services to the Group or to the Group's parent.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

(w) Segment reporting

Operating segments, and the amounts of each segment item reported in the financial statements, are identified from the financial information provided regularly to the Group's most senior executive management for the purposes of allocating resources to, and assessing the performance of, the Group's various lines of business and geographical locations.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

3 ACCOUNTING JUDGEMENTS AND ESTIMATES

Estimates and judgements are continually evaluated and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The principal accounting policies are set forth in *Note 2*. The Group believes the following critical accounting policy involves the most significant judgements and estimates used in the preparation of the Historical Financial Information.

(a) Critical accounting judgements in applying the Group's accounting policies

Consolidation of affiliated entities

The Group obtained control over certain PRC domestic companies as detailed in *Note 1* by entering into a series of the Contractual Arrangements with the PRC domestic companies and its shareholders.

Nevertheless, the Contractual Arrangements and other measures may not be as effective as direct legal ownership in providing the Group with direct control over the PRC domestic companies and uncertainties could impede the Group's beneficiary rights of the results, assets and liabilities of the PRC domestic company. The directors of the Company, based on the advice of its legal counsel, consider that the Contractual Arrangements among Shouhui Chuangxiang and PRC domestic companies and its shareholders are in compliance with the relevant PRC laws and are legally enforceable.

(b) Sources of estimation uncertainty

Notes 12, 24 and *26* contain information about the assumptions and their risk factors relating to the impairment test of other intangible assets (purchased licenses), valuation of financial instruments issued to investors, and fair value of the share options granted to employees under the share-based compensation arrangement.

Revenue recognition

In determining the amount and timing of revenue recognition, the revenue recognition process as described in *Note 2(q)* is used, which requires judgments and estimates. These judgments and estimates include determining the transaction price of contracts and determining the standalone selling price for each distinct performance obligation.

The Group recognises the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

The Group derives agency revenue by serving as a sales agent to distribute various life insurance and property and casualty insurance products on behalf of the insurance companies by which the Group is entitled to receive initial commission from the insurance companies based on the premium paid by the policyholders for the related insurance policy sold. For long-term insurance products, the Group is also entitled to subsequent renewal commission and compensation, and renewal performance bonus (collectively referred to as "renewal commissions") which represent variable considerations and are contingent on future renewals of initial policies or the Group achieves its performance target. The Group estimates the variable consideration based on accumulated historical data and experiences. For long-term insurance products, when estimating the commissions contingent upon future premium payments, the Group uses the expected value method based on historical data and experience. Factors to be considered include but not limited to insurance product mix, the renewal terms of various products, the persistency rates and commission rates for subsequent years of the policy period.

4 REVENUE AND SEGMENT REPORTING

The principal activities of the Group are the provision of insurance transaction services and insurance technology services in the PRC.

(a) Disaggregation of revenue

The amount of each significant category of revenue is as follows:

	Year ended 31 December		
	2022	2023	2024
	RMB'000	*RMB'000*	*RMB'000*
Revenue from contracts with customers within the scope of HKFRS 15			
Disaggregated by business segment			
Insurance transaction services	801,670	1,628,618	1,377,751
Insurance technology services	4,588	5,777	9,335
Total	806,258	1,634,395	1,387,086

Out of the Group's revenue from contracts with customers, RMB806,258,000, RMB1,634,395,000 and RMB1,387,086,000 were recognised at a point in time during the Track Record Period respectively.

Revenue from major customers which accounted for 10% or more of the Group's revenue in each year during the Track Record Period are set out below:

	Year ended 31 December		
	2022	2023	2024
	RMB'000	*RMB'000*	*RMB'000*
A	138,237	207,407	*
B	169,014	170,559	*
C	148,419	*	*
D	89,673	*	*
E	*	263,287	*
F	*	278,081	325,611
G	*	*	301,080

Note: * Revenue was less than 10% for the respective year.

Remaining performance obligation

As at the end of each reporting period, the aggregate amount of the transaction price allocated to the remaining performance obligation is insignificant.

(b) Segment reporting

The Group manages its business by business lines. In a manner consistent with the way in which information is reported to the Group's most senior executive management for the purposes of resource allocation and performance assessment, the Group has presented the following two reportable segments.

— *Insurance transaction services*

The Group acts as the agent in distributing insurance products on behalf of the insurance companies.

— *Insurance technology services*

The Group provides consulting and other services to certain insurance companies and other customers.

(i) Segment results

For the purposes of assessing segment performance and allocating between segments, the Group's most senior executive management monitors the results attributable to each reportable segment on the following bases:

Revenue and expenses are allocated to the reportable segments with reference to revenue generated by those segments and the cost of sales incurred by those segments. The measure used for reporting segment result is gross profit. Assistance provided by one segment to another, including sharing of assets and technical know-how, is not measured.

The Group's segment expenses, such as staff costs, depreciation and other operating expenses, and segment assets and liabilities are not regularly provided to the Group's most senior executive management. In addition, other operating expenses are not included in the measure of segment results. As such, this information is not disclosed in the Historical Financial Information.

Information regarding the Group's reportable segments as provided to the Group's most senior executive management for the purposes of resource allocation and assessment of segment performance for the Track Record Period is set out below.

	Insurance transaction services	Insurance technology services	Total
	RMB'000	*RMB'000*	*RMB'000*
Year ended 31 December 2022			
Revenue	801,670	4,588	806,258
Cost of revenue	(523,597)	(2,243)	(525,840)
Gross profit	278,073	2,345	280,418
Year ended 31 December 2023			
Revenue	1,628,618	5,777	1,634,395
Cost of revenue	(1,079,676)	(2,920)	(1,082,596)
Gross profit	548,942	2,857	551,799
Year ended 31 December 2024			
Revenue	1,377,751	9,335	1,387,086
Cost of revenue	(853,704)	(4,502)	(858,206)
Gross profit	524,047	4,833	528,880

(ii) Geographic information

Most of the Group's operating assets are located in China, and all of the Company's revenue and operating profits was derived from the PRC during the Track Record Period. Accordingly, no segment analysis based on geographical locations is provided.

5 OTHER NET INCOME

	Year ended 31 December		
	2022	2023	2024
	RMB'000	*RMB'000*	*RMB'000*
Government grants	1,925	596	49
Realised gains from financial assets measured at fair value through profit or loss	5,496	6,362	11,789
Interest income	2,230	2,279	1,762
Super-deduction of input value-added tax ("VAT")	3,403	3,094	(903)
Foreign exchange differences	–	–	(2,911)
Gain on disposal of a subsidiary	–	501	–
Dilution gains from interests in associates	–	–	2,655
Others	463	89	1,241
Total	13,517	12,921	13,682

6 PROFIT/(LOSS) BEFORE TAXATION

Profit/(loss) before taxation is arrived at after charging/(crediting):

(a) Finance costs

	Year ended 31 December		
	2022	2023	2024
	RMB'000	*RMB'000*	*RMB'000*
Interest expense on bank borrowings	257	153	–
Interest expense on lease liabilities	207	308	258
Total	464	461	258

(b) Staff costs

	Note	Year ended 31 December		
		2022	2023	2024
		RMB'000	*RMB'000*	*RMB'000*
Salaries, wages and other benefits		123,788	150,651	135,251
Contributions to defined contribution retirement plan	*(i)*	7,134	8,799	6,663
Share-based compensation		5,592	7,920	14,552
Total		136,514	167,370	156,466

Note:

(i) Pursuant to the relevant laws and regulations of the PRC, the Group participated in a defined contribution basic pension insurance in the social insurance system established and managed by government organisations. The Group makes contributions to basic pension insurance plans based on the applicable benchmarks and rates stipulated by the government.

(c) Other items

	Year ended 31 December		
	2022	2023	2024
	RMB'000	*RMB'000*	*RMB'000*
Depreciation and amortisation charges			
– Depreciation of property, plant and equipment	71	69	61
– Amortisation of intangible assets	8	8	8
– Depreciation of right-of-use assets	4,737	5,186	6,309
(Reversal of)/provision for impairment loss			
– accounts receivable	(48)	9	(123)
– contract assets	(63)	1,767	901
– other receivables	–	–	184
Professional service fees	3,809	4,195	4,785
Auditors' remuneration	131	144	104
Listing expenses	–	17,285	17,585

7 INCOME TAX IN THE CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Pursuant to the rules and regulations of the Cayman Islands, the Group is not subject to any income tax in the Cayman Islands during the Track Record Period.

The provision for Hong Kong profits tax during the Track Record Period is calculated at 16.5%. No provision has been made for Hong Kong profits tax as the Group did not have assessable profits during the Track Record Period.

Pursuant to the Enterprise Income Tax Law of the PRC and the respective regulations, the subsidiaries which operate in Chinese mainland are subject to income tax at a rate of 25% on the taxable income, except for Shenzhen Shouhui, one of the subsidiaries of the Group which was recognised as a high and new technology enterprise ("HNTE") in December 2020, and successfully renewed its HNTE status in October 2023. Accordingly, Shenzhen Shouhui was entitled to a preferential income tax rate of 15% during the Track Record Period.

(a) Taxation in the consolidated statements of profit or loss and other comprehensive income:

	Year ended 31 December		
	2022	2023	2024
	RMB'000	*RMB'000*	*RMB'000*
Current tax			
– PRC Enterprise Income Tax	50,094	110,176	64,768
Deferred tax			
– Reversal of temporary differences	(32,227)	(60,265)	(19,349)
Total	17,867	49,911	45,419

(b) Reconciliation between income tax expense and accounting profit or loss at applicable tax rates:

	Year ended 31 December		
	2022	2023	2024
	RMB'000	*RMB'000*	*RMB'000*
Profit/(loss) before taxation	148,854	(306,298)	(90,190)
Notional tax on profit/(loss) before taxation, calculated at the rates applicable to the jurisdictions concerned	37,214	(76,575)	(23,032)
Tax effect of preferential tax rate	(9,289)	45,288	(14,247)
Super-deduction of research and development expense	(5,771)	(8,321)	(7,614)
Tax effect of changes in carrying amount of financial instruments issued to investors	(9,233)	87,651	86,815
Tax effect of share-based compensation expense	820	1,447	3,452
Tax effect of share of (profits)/losses of associates	(47)	145	309
Tax effect of dilution gains from interests in associates	–	–	(664)
Tax effect of non-deductible expenses	3,822	188	396
Tax effect of tax losses and temporary differences not recognised	351	88	4
Actual tax expenses	17,867	49,911	45,419

8 DIRECTORS' EMOLUMENTS

Directors' emoluments during the Track Record Period are as follows:

	Year ended 31 December 2022					
	Directors' fees	Salaries, allowances and benefits in kind	Discretionary bonuses	Retirement scheme contributions	Share-based compensation	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Executive directors						
Mr. Yao Guang[(1)]	–	868	140	40	–	1,048
Mr. Liwei Han[(2)]	–	868	140	40	–	1,048
Ms. Li Liu[(2)]	–	895	110	40	–	1,045
Mr. Jianting Li[(2)]	–	609	90	40	14	753
Non-executive director						
Mr. Byron Ye[(3)]	–	–	–	–	–	–
Total	–	3,240	480	160	14	3,894

	Year ended 31 December 2023					
	Directors' fees	Salaries, allowances and benefits in kind	Discretionary bonuses	Retirement scheme contributions	Share-based compensation	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Executive directors						
Mr. Yao Guang[(1)]	–	882	280	43	–	1,205
Mr. Liwei Han[(2)]	–	882	280	43	–	1,205
Ms. Li Liu[(2)]	–	760	220	43	–	1,023
Mr. Jianting Li[(2)]	–	665	180	43	9	897
Non-executive director						
Mr. Byron Ye[(3)]	–	–	–	–	–	–
Total	–	3,189	960	172	9	4,330

	Year ended 31 December 2024					
	Directors' fees	Salaries, allowances and benefits in kind	Discretionary bonuses	Retirement scheme contributions	Share-based compensation	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Executive directors						
Mr. Yao Guang[(1)]	–	1,358	213	46	–	1,617
Mr. Liwei Han[(2)]	–	1,376	142	47	–	1,565
Ms. Li Liu[(2)]	–	704	75	47	–	826
Mr. Jianting Li[(2)]	–	664	62	35	10	771
Non-executive directors						
Mr. Byron Ye[(3)]	–	–	–	–	–	–
Mr. Sirui Li[(4)]	–	–	–	–	–	–
Total	–	4,102	492	175	10	4,779

Notes:

(1) Mr. Yao Guang joined the Group in 2015 and was appointed as director of the Company on 3 August 2023.

(2) Mr. Liwei Han, Ms. Li Liu and Mr. Jianting Li joined the Group in 2015 and were appointed as directors of the Company on 9 January 2024.

(3) Mr. Byron Ye joined the Group in 2021 and was appointed as director of the Company on 9 January 2024. No emoluments were paid by the Company to him during the Track Record Period. Mr. Byron Ye received the emoluments from one of the Group's pre-IPO investors. No apportionment has been made.

(4) Mr. Sirui Li was appointed as non-executive director on 9 January 2024. No emoluments were paid by the Company to him during the Track Record Period. Mr. Sirui Li received the emoluments from one of the Group's pre-IPO investors. No apportionment has been made.

(5) Mr. Gang Shen, Mr. Haiquan Wu and Mr. Yuanxin Zhang were appointed as independent non-executive directors of the Company on 13 May 2025.

During the Track Record Period, no amounts were paid or payable by the Group to the above directors as an inducement to join or upon joining the Group or as compensation for loss of any office in connection with the management of the affairs of any member of the Group.

9 INDIVIDUALS WITH HIGHEST EMOLUMENTS

The number of directors and others included in the five highest paid individuals during the Track Record Period are set forth below:

	Year ended 31 December		
	2022	2023	2024
	Number of individuals	*Number of individuals*	*Number of individuals*
Directors	3	2	2
Other employees	2	3	3
Total	5	5	5

The emoluments of the directors are disclosed in *Note 8*. The aggregate of the emoluments in respect of the remaining highest paid individuals are as follows:

		Year ended 31 December		
	Note	2022	2023	2024
		RMB'000	*RMB'000*	*RMB'000*
Salaries and other emoluments		1,890	2,378	3,020
Discretionary bonuses		235	690	332
Retirement scheme contributions		80	122	140
Share-based compensation	*(i)*	860	3,360	11,677
Total		3,065	6,550	15,169

(i) These represent the estimated value of share options or awarded shares granted to the highest paid individuals under the Group's share option scheme. The value of these share options or awarded shares is measured according to the Group's accounting policies for share-based compensation transactions as set out in *Note 2(o)(ii)*. The details of share-based compensation, including the principal terms and number of share options or awarded shares granted, are disclosed in *Note 26*.

The emoluments of the above remaining highest paid individuals are all within the following band:

	Year ended 31 December		
	2022	2023	2024
	Number of individuals	*Number of individuals*	*Number of individuals*
Nil – HKD1,000,000	–	–	–
HKD1,000,001 – HKD1,500,000	–	–	1
HKD1,500,001 – HKD2,000,000	2	2	1
HKD2,000,001 – HKD2,500,000	–	–	–
HKD2,500,001 – HKD3,000,000	–	–	–
HKD3,000,001 – HKD3,500,000	–	–	–
HKD3,500,001 – HKD4,000,000	–	1	–
HKD4,000,001 – HKD4,500,000	–	–	–
HKD13,500,001 – HKD140,000,000	–	–	1

During the Track Record Period, no amounts were paid or payable by the Group to the above remaining highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of any office in connection with the management of the affairs of any member of the Group.

10 EARNINGS/(LOSS) PER SHARE

No (loss)/earnings per share information is presented as its inclusion, for the purpose of this report, is not considered meaningful in view of that the proposed capitalisation issue has not been effected as of the date of this report.

11 PROPERTY, PLANT AND EQUIPMENT

	Electronic equipment	Office and other equipment	Total
	RMB'000	*RMB'000*	*RMB'000*
Cost			
As at 1 January 2022	722	255	977
Additions	72	–	72
Disposals	(157)	(191)	(348)
As at 31 December 2022 and 1 January 2023	637	64	701
Additions	52	–	52
As at 31 December 2023 and 1 January 2024	689	64	753
Additions	5	–	5
Disposals	(217)	(29)	(246)
As at 31 December 2024	477	35	512
Accumulated depreciation:			
As at 1 January 2022	(452)	(107)	(559)
Charge for the year	(61)	(10)	(71)
Disposal for the year	98	65	163
As at 31 December 2022 and 1 January 2023	(415)	(52)	(467)
Charge for the year	(68)	(1)	(69)
As at 31 December 2023 and 1 January 2024	(483)	(53)	(536)
Charge for the year	(61)	–	(61)
Disposal for the year	217	21	238
As at 31 December 2024	(327)	(32)	(359)
Net book value:			
As at 31 December 2022	222	12	234
As at 31 December 2023	206	11	217
As at 31 December 2024	150	3	153

12 INTANGIBLE ASSETS

	Software, copyright and trademark	Licenses	Total
	RMB'000	*RMB'000*	*RMB'000*
Cost			
As at 1 January 2022	220	40,551	40,771
Additions	–	–	–
As at 31 December 2022 and 1 January 2023	220	40,551	40,771
Additions	–	–	–
As at 31 December 2023 and 1 January 2024	220	40,551	40,771
Additions	–	–	–
As at 31 December 2024	220	40,551	40,771
Accumulated amortisation:			
As at 1 January 2022	(148)	–	(148)
Charge for the year	(8)	–	(8)
As at 31 December 2022 and 1 January 2023	(156)	–	(156)
Charge for the year	(8)	–	(8)
As at 31 December 2023 and 1 January 2024	(164)	–	(164)
Charge for the year	(8)	–	(8)
As at 31 December 2024	(172)	–	(172)
Net book value:			
As at 31 December 2022	64	40,551	40,615
As at 31 December 2023	56	40,551	40,607
As at 31 December 2024	48	40,551	40,599

On 20 April 2017, 19 October 2020 and 12 August 2021, the Group entered into sale and purchase agreements to acquire 100%, 100% and 99.80% equity interests in Small Umbrella Insurance Brokerage, Chuangxin Insurance Sales and Baihong Insurance Appraisal respectively. The principal activities of Small Umbrella Insurance Brokerage and Chuangxin Insurance Sales are insurance intermediary services and the principal activities of Baihong Insurance Appraisal is claims adjusting. Their identifiable assets are principally the insurance brokerage licence, the insurance sales licence and the insurance claims adjusting licence (collectively, "the Operating Licenses"). The transactions were recognised as acquisitions of assets, rather than business combinations, given that substantially all of the fair value of the gross assets were concentrated on the Operating Licenses.

Had Baihong Insurance Appraisal been acquired from 1 January 2021, the consolidated statement of profit or loss and other comprehensive income would have included revenue of RMB585,000 and net profit of RMB66,000.

Pursuant to Regulatory Provisions on Insurance Agents ("保險代理人監管規定") and Regulatory Provisions on Insurance Public Adjusters ("保險公估人監管規定") which became effective on 1 January 2021 and 1 May 2018 respectively, there are no definite expiration dates for the insurance sales and claims adjusting licenses.

Pursuant to the Regulatory Provisions on Insurance Brokerages ("保險經紀人監管規定") which became effective on 1 May 2018, the legal term of the insurance brokerage licence is 3 years. During the Track Record Period, the management concluded that the insurance brokerage licence has indefinite useful lives because the licence can be easily renewed upon expiry at an insignificant cost.

The Group evaluates the Operating Licences each financial year end to determine whether events and circumstances continue to support the indefinite useful lives.

Impairment test on the Operating Licenses of the Group has been conducted by the management as of 31 December 2022, 2023 and 2024. For the purposes of the impairment test, each of the Operating Licences were allocated to Small Umbrella Insurance Brokerage, Chuangxin Insurance Sales and Baihong Insurance Appraisal respectively, which were considered as separate cash generating units (the "CGUs"). The recoverable amounts of the Operating Licenses are determined based on the value-in-use calculations using the discounted cash flow method. These calculations use cash flow projections based on financial budgets approved by management covering a five-year period. The key assumptions used in the estimation of value-in-use were as follows.

	As at 31 December		
	2022	2023	2024
Small Umbrella Insurance Brokerage			
Pre-tax discount rate	20.07%	20.67%	18.48%
Revenue growth rate (average of next five years)	11.00%	6.00%	2.80%
Terminal value growth rate	2.00%	2.00%	2.00%
Chuangxin Insurance Sales			
Pre-tax discount rate	20.29%	20.81%	18.57%
Revenue growth rate (average of next five years)	11.00%	6.00%	2.80%
Terminal value growth rate	2.00%	2.00%	2.00%
Baihong Insurance Appraisal			
Pre-tax discount rate	19.27%	19.76%	18.62%
Revenue growth rate (average of next five years)	10.00%	17.00%	6.20%
Terminal value growth rate	2.00%	2.00%	2.00%

Details of the headroom calculated based on the recoverable amounts deducting the carrying amount allocated for the significant CGUs as at 31 December 2022, 2023 and 2024 are set out as follows:

	As at 31 December		
	2022	2023	2024
	RMB'000	*RMB'000*	*RMB'000*
Small Umbrella Insurance Brokerage	833,774	823,461	838,733
Chuangxin Insurance Sales	808,889	1,754,341	1,759,483
Baihong Insurance Appraisal	389	665	1,237

The Group performed the sensitivity analysis based on the assumption that pre-tax discount rate, revenue growth rate and terminal value growth rate have been changed. Had the estimated key assumption during the forecast period been changed as below, the headroom would have decreased to the following.

	As at 31 December		
	2022	2023	2024
	RMB'000	*RMB'000*	*RMB'000*
Small Umbrella Insurance Brokerage			
Pre-tax discount rate increase by 1%	792,723	783,858	796,071
Revenue growth rate (average of next five years) decrease by 1%	805,183	791,271	805,506
Terminal value growth rate decrease by 1%	796,177	790,366	800,588
Chuangxin Insurance Sales			
Pre-tax discount rate increase by 1%	763,949	1,662,367	1,659,497
Revenue growth rate (average of next five years) decrease by 1%	784,160	1,686,226	1,690,088
Terminal value growth rate decrease by 1%	772,161	1,678,897	1,672,381
Baihong Insurance Appraisal			
Pre-tax discount rate increase by 1%	305	548	1,127
Revenue growth rate (average of next five years) decrease by 1%	192	436	1,158
Terminal value growth rate decrease by 1%	320	578	1,138

The directors of the Company determined no impairment on the Operating Licences was required as at 31 December 2022, 2023 and 2024 with reference to the recoverable amounts. With regard to the assessment of the value-in-use of the CGUs, the directors of the Company believe that any reasonably possible change in any of the above key assumptions would not cause the carrying value of the two significant CGUs, namely Small Umbrella Insurance Brokerage and Chuangxin Insurance Sales, to exceed the recoverable amounts.

13 RIGHT-OF-USE ASSETS

	Year ended 31 December		
	2022	2023	2024
	RMB'000	*RMB'000*	*RMB'000*
Cost:			
At 1 January	12,310	10,023	14,055
Inception of leases	7,303	7,261	3,597
Expiration of leases	(9,590)	(3,229)	(1,050)
At 31 December	10,023	14,055	16,602
Accumulated depreciation:			
At 1 January	(7,863)	(3,010)	(4,967)
Charge for the year	(4,737)	(5,186)	(6,309)
Expiration of leases	9,590	3,229	1,050
At 31 December	(3,010)	(4,967)	(10,226)
Net book value:			
At 31 December	7,013	9,088	6,376

The Group has obtained the right to use other properties as its place of business through tenancy agreements. The leases typically run for an initial period of 1 to 4 years.

14 FINANCIAL ASSETS MEASURED AT FAIR VALUE THROUGH PROFIT OR LOSS

	Note	As at 31 December 2022	2023	2024
		RMB'000	*RMB'000*	*RMB'000*
Current asset:				
Wealth management products	*(i)*	240,367	369,522	504,796

(i) The Group's wealth management products were financial products issued by commercial banks or their wholly-owned asset management subsidiaries. These products, including structured deposits, were mainly short-term investments with no fixed returns, whose underlying investments were linked to deposits, bonds and other debt instruments, and market prices of gold or foreign exchange rates.

15 ACCOUNTS RECEIVABLE AND CONTRACT ASSETS

	As at 31 December 2022	2023	2024
	RMB'000	*RMB'000*	*RMB'000*
Accounts receivable			
Accounts receivable	217,128	158,761	96,228
Less: loss allowance	(262)	(271)	(148)
Accounts receivable, net	216,866	158,490	96,080
Contract assets			
Contract assets	339,101	634,030	852,913
Less: loss allowance	(661)	(2,428)	(3,329)
Contract assets, net	338,440	631,602	849,584
Current	245,467	338,305	390,555
Non-current	92,973	293,297	459,029

Ageing analysis

As of the end of each reporting period, the ageing analysis of accounts receivable, based on the invoice date and net of loss allowance, is as follows:

	As at 31 December 2022	2023	2024
	RMB'000	*RMB'000*	*RMB'000*
Within 3 months	7,707	7,772	3,716
3 months to 6 months	11	549	–
6 months to 12 months	–	–	7
Over 12 months	–	–	6
Unbilled	209,148	150,169	92,351
Accounts receivable, net	216,866	158,490	96,080

Further details on the Group's credit risk arising from accounts receivable and contract assets are set out in *Note 27(a)*.

16 PREPAYMENTS, OTHER RECEIVABLES AND OTHER ASSETS

	As at 31 December		
	2022	2023	2024
	RMB'000	*RMB'000*	*RMB'000*
Non-current assets			
Rental deposits	2,128	2,459	2,754
Others	476	503	425
Sub-total	2,604	2,962	3,179
Current assets			
Other receivables from third parties	3,340	3,223	4,731
Prepayments for listing expenses	–	5,111	2,098
Prepayments to suppliers	7,470	6,682	13,187
Amounts due from related parties	26	–	8
Value-added tax and income tax recoverable	16,590	14,963	6,333
Sub-total	27,426	29,979	26,357
Total	30,030	32,941	29,536

17 CASH AND CASH EQUIVALENTS AND RESTRICTED CASH

(a) Cash and cash equivalents:

		As at 31 December		
	Note	2022	2023	2024
		RMB'000	*RMB'000*	*RMB'000*
Cash on hand		51	–	–
Cash at banks		90,124	126,002	107,338
Cash at other financial institutions	*(i)*	5,066	4,489	6,030
Total		95,241	130,491	113,368

(i) Cash at other financial institutions represent cash balances kept in third-party payment platforms, which can be withdrawn by the Group at any time.

(b) Restricted cash:

		As at 31 December		
	Notes	2022	2023	2024
		RMB'000	*RMB'000*	*RMB'000*
Non-current asset				
Guarantee deposits	*(i)*	10,241	10,240	10,242
Current assets				
Cash collected on behalf of other parties	*(ii)*	35,047	49,528	39,562
Frozen funds	*(iii)*	28,166	–	–
Restricted bank deposit in capital account		–	–	2
Sub-total		63,213	49,528	39,564
Total		73,454	59,768	49,806

(i) As the insurance intermediaries with license issued by China Banking and Insurance Regulatory Commission, the predecessor of the National Financial Regulatory Administration, Small Umbrella Insurance Brokerage, Chuangxin Insurance Sales and Baihong Insurance Appraisal are required to set reserves at the rate of 10% of the registered capital, which are all placed as deposits in PRC commercial banks.

(ii) Cash collected on behalf of other parties mainly includes insurance premiums collected on behalf of insurance companies but not yet remitted as of the end of each of the reporting period.

(iii) The frozen funds were in relation to the legal proceedings with a supplier, and were released in November 2023 with the closure of the legal proceedings.

(c) Reconciliation of profit/(loss) before taxation to cash (used in)/generated from operations:

		Year ended 31 December		
	Note	**2022**	**2023**	**2024**
		RMB'000	*RMB'000*	*RMB'000*
Operating activities				
Profit/(loss) before taxation		148,854	(306,298)	(90,190)
Adjustments for				
Depreciation of property, plant and equipment	*6(c)*	71	69	61
Amortisation of intangible assets	*6(c)*	8	8	8
Depreciation of right-of-use assets	*6(c)*	4,737	5,186	6,309
Reversal of/(provision for) impairment loss	*6(c)*	(111)	1,776	962
Interest expense on lease liabilities	*6(a)*	207	308	258
Interest expense on bank borrowings	*6(a)*	257	153	–
Expense on share-based compensation	*6(b)*	5,592	7,920	14,552
Changes in carrying amount of financial instruments issued to investors		(61,556)	584,340	345,035
Realised gains from financial assets measured at fair value through profit or loss	*5*	(5,496)	(6,362)	(11,789)
Share of profits/(losses) of associates		(313)	(75)	1,234
Losses from disposal of property, plant and equipment and intangible assets		150	–	8
Disposal of a subsidiary		–	(501)	–
Dilution gains from interests in associates		–	–	(2,655)
Foreign exchange gain		–	–	(392)
Operating profit before changes in working capital		92,400	286,524	263,401
Changes in working capital				
Decrease in amounts due from restricted cash		104,856	13,686	9,962
Decrease/(increase) in accounts receivable and contract assets		69,688	(236,562)	(156,350)
Decrease/(increase) in prepayment, other receivable and other assets		1,539	(5,373)	5,637
(Decrease)/increase in accounts payable		(172,746)	129,234	45,863
(Decrease)/increase in other payables, accruals and other liabilities		(138,222)	43,574	(32,906)
Cash (used in)/generated from operating activities		(42,485)	231,083	135,607

(d) Reconciliation of liabilities arising from financing activities:

The table below details changes in the Group's liabilities from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are liabilities for which cash flows were, or future cash flows will be, classified in the Group's consolidated statements of cash flows as cash flows from financing activities.

	Financial instruments issued to investors	Borrowings	Lease liabilities	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
As at 1 January 2022	961,463	7,910	4,173	973,546
Changes from financing cash flows:				
Proceeds from borrowings	–	10,000	–	10,000
Repayment for borrowings	–	(9,100)	–	(9,100)
Interest of borrowings paid	–	(257)	–	(257)
Capital element of lease rentals paid	–	–	(4,507)	(4,507)
Interest element of lease rentals paid	–	–	(207)	(207)
Sub-total	–	643	(4,714)	(4,071)
Other changes:				
Increase in lease liabilities from entering into new leases	–	–	7,303	7,303
Interest expenses	–	257	207	464
Changes in carrying amount of financial instruments issued to investors	(61,556)	–	–	(61,556)
Sub-total	(61,556)	257	7,510	(53,789)
As at 31 December 2022 and 1 January 2023	899,907	8,810	6,969	915,686
Changes from financing cash flows:				
Repayment for borrowings	–	(8,800)	–	(8,800)
Interest of borrowings paid	–	(163)	–	(163)
Capital element of lease rentals paid	–	–	(5,429)	(5,429)
Interest element of lease rentals paid	–	–	(308)	(308)
Sub-total	–	(8,963)	(5,737)	(14,700)
Other changes:				
Increase in lease liabilities from entering into new leases	–	–	7,261	7,261
Interest expenses	–	153	308	461
Changes in carrying amount of financial instruments issued to investors	584,340	–	–	584,340
Repurchase of financial instruments issued to investors	(127,111)	–	–	(127,111)
Sub-total	457,229	153	7,569	464,951
As at 31 December 2023 and 1 January 2024	1,357,136	–	8,801	1,365,937
As at 1 January 2024	1,357,136	–	8,801	1,365,937

	Financial instruments issued to investors	Borrowings	Lease liabilities	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Changes from financing cash flows:				
Capital element of lease rentals paid	–	–	(6,681)	(6,681)
Interest element of lease rentals paid	–	–	(258)	(258)
Sub-total	–	–	(6,939)	(6,939)
Other changes:				
Increase in lease liabilities from entering into new leases	–	–	3,597	3,597
Interest expenses	–	–	258	258
Changes in carrying amount of financial instruments issued to investors	345,035	–	–	345,035
Sub-total	345,035	–	3,855	348,890
As at 31 December 2024	1,702,171	–	5,717	1,707,888

18 ACCOUNTS PAYABLE

	As at 31 December		
	2022	2023	2024
	RMB'000	*RMB'000*	*RMB'000*
Non-current liability			
Amounts payable to suppliers	15,923	85,907	102,730
Current liability			
Amounts payable to suppliers	272,596	331,846	360,886
Total	288,519	417,753	463,616

Ageing analysis

As of the end of each reporting period, the ageing analysis of amounts payable to suppliers, based on the invoice date, is as follows:

	As at 31 December		
	2022	2023	2024
	RMB'000	*RMB'000*	*RMB'000*
Within 3 months	180	70	–
3 months to 6 months	–	–	–
6 months to 12 months	25,012	1	–
Over 12 months	50	52	–
Unbilled	263,277	417,630	463,616
Total	288,519	417,753	463,616

19 LEASE LIABILITIES

At the end of each of the reporting periods, the lease liabilities were repayable as follows:

	As at 31 December		
	2022	2023	2024
	RMB'000	*RMB'000*	*RMB'000*
Within 1 year	3,621	5,343	4,329
After 1 year but within 2 years	2,318	2,986	1,253
After 2 years but within 5 years	1,030	472	135
Total	6,969	8,801	5,717

20 BORROWINGS

	As at 31 December					
	2022		2023		2024	
	Effective interest rate	*RMB'000*	*Effective interest rate*	*RMB'000*	*Effective interest rate*	*RMB'000*
Bank borrowings						
– Guaranteed	3.80%	8,810	N/A	–	N/A	–

The bank borrowings as at 31 December 2022 were guaranteed by the Company's executive director, Mr. Yao Guang and Shenzhen High-tech Investment and Financing Guarantee Co., Ltd. (深圳市高新投融資擔保有限公司), an unrelated party of the Group.

21 OTHER PAYABLES, ACCRUALS AND OTHER LIABILITIES

	As at 31 December		
	2022	2023	2024
	RMB'000	*RMB'000*	*RMB'000*
Current liabilities			
Insurance premiums payable on behalf of insurance policy holders	47,250	54,217	37,378
Salary and welfare payables	60,718	80,093	70,331
Payables to service providers	8,877	8,445	8,462
Payables for VAT and surcharges	532	1,811	1,527
Payables for listing expenses	–	14,812	8,687
Others	2,465	3,856	455
Total	119,842	163,234	126,840

22 INCOME TAX IN THE CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(a) Current taxation in the consolidated statements of financial position represent:

	As at 31 December		
	2022	2023	2024
	RMB'000	*RMB'000*	*RMB'000*
As at 1 January	114,614	152,932	237,093
Provision for PRC enterprise income tax for the year	50,094	110,176	64,768
Income tax paid, net of tax refund	(11,776)	(26,015)	(25,507)
As at 31 December	152,932	237,093	276,354
In the consolidated statements of financial position:			
Current taxation	157,104	237,093	277,653
Prepaid income tax	(4,172)	–	(1,299)
	152,932	237,093	276,354

(b) Deferred tax assets and liabilities recognised

(i) Movement of each component of deferred tax assets and liabilities

The components of deferred tax assets/(liabilities) recognised in the consolidated statements of financial position and their movements during the year are as follows:

Deferred tax arising from:	Accrued costs and expenses	Right-of-use assets	Lease liabilities	Impairment loss	Deductible accumulative losses	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
At 1 January 2022	28,802	(1,000)	948	199	17	28,966
Credit/(Charged) to profit or loss *(Note 7(a))*	31,739	(236)	264	(29)	489	32,227
At 31 December 2022 and 1 January 2023	60,541	(1,236)	1,212	170	506	61,193
Credit/(Charged) to profit or loss *(Note 7(a))*	58,936	(721)	667	444	939	60,265
At 31 December 2023 and 1 January 2024	119,477	(1,957)	1,879	614	1,445	121,458
Credit/(Charged) to profit or loss *(Note 7(a))*	19,658	483	(556)	241	(477)	19,349
At 31 December 2024	139,135	(1,474)	1,323	855	968	140,807

23 INTERESTS IN ASSOCIATES

Set out below is the information of the Group's associates, both of which are unlisted corporate entities whose quoted market price are not available:

Name of associate	Form of business structure	Place of incorporation and business	Particulars of issued and paid-up capital	Effective interest held by the Group			Principal activities
				As at 31 December			
				2022	2023	2024	
Dahe Shenzhen Information Co., Limited ("Dahe Shenzhen", 大河(深圳) 信息有限公司) *(Note (i) (ii))*	Incorporated	PRC	RMB1,214,285/ RMB308,403	41.00%	41.00%	69.48%	Digital information services
Mianmiao Information Technology (Shanghai) Co., Ltd. ("Mianmiao", 棉苗信息科技(上海)有限公司) *(Note (i)(iii))*	Incorporated	PRC	RMB5,477,308/ RMB3,500,000	30.00%	30.00%	23.10%	Digital information services

Note (i) The official names of these companies are in Chinese. The English translation of the companies' names is for identification purpose only.

Note (ii) In 2019, the Group acquired 15% of Dahe Shenzhen's equity interests with a consideration of RMB1,019,000. During 2022 to 2023, the Group's effective interests in Dahe Shenzhen was 41%, which was calculated by the proportion of investors' paid-in capital. In 2024, two shareholders withdrew their interests from Dahe Shenzhen, resulting in the increase of the Group's effective interest to 69.48%, while the proportion of voting right was calculated based on the registered capital, which was 17.65%. The Group was able to exercise significant influence over Dahe Shenzhen, and therefore Dahe Shenzhen was accounted for as an associate of the Group during the Track Record Period.

Note (iii) In October 2022, the Group invested in Mianmiao with a consideration of RMB1.5 million. As part of Mianmiao's overseas reorganisation, the Group withdrew its initial investment of Mianmiao in September 2023 and then reinvested in Mianmiao and its overseas parent company Xcotton Group Holding Limited (collectively the "Xcotton Group") in February 2024. After Mianmiao's reorganisation, the Group's effective interests in the Xcotton Group was diluted to 23.1%. According to shareholders' agreement, the Group maintains its significant influence throughout Mianmiao's reorganisation process. Therefore, Mianmiao was accounted for as an associate of the Group during the Track Record Period.

Both of the above associates are accounted for using the equity method in the consolidated financial statements.

	As at 31 December		
	2022	2023	2024
	RMB'000	*RMB'000*	*RMB'000*
Aggregate carrying amounts of individually immaterial associates in the consolidated financial statements	3,593	3,668	5,089
Aggregate amounts of the Group's share of those associates' profit/(loss) from continuing operations and total comprehensive income	313	75	(1,234)

24 FINANCIAL INSTRUMENTS ISSUED TO INVESTORS

During 2015 to 2020, Shenzhen Shouhui conducted several rounds of financing (the "Onshore Financing") by issuing registered capital to investors and granting them certain preferential rights.

Pursuant to the investment agreements and share transfer agreements, the Series Angel, Series A, Series B and Series C investors (collectively the "Onshore Financing Investors"), were granted with preferential rights as follows:

Redemption right

The Onshore Financing Investors shall have the right to require the Group to redeem their shares upon the occurrence of particular redemption events, including but not limited to the failure to complete a qualified IPO by 31 December 2023 (the "IPO Redemption Event"), any breach or violation of undertakings in transaction documents by any contracting parties and failure to take timely remediation, and any material dishonesty of the founders.

For the Series Angel investors, the redemption price shall be the original investment amount paid by the investors, plus an annual compound interest rate of 8% or 30% calculated from the payment date of the investment amount to the payment date of the redemption price, depending on different redemption events.

For the Series A investors, the redemption price shall be the higher of: (i) the original investment amount paid by investors, plus an annual compound interest of 12% or 30%, depending on different redemption events, calculated from the payment date of the investment amount to the payment date of the redemption amount, and a pro-rata share of Shenzhen Shouhui's undistributed profits; and (ii) the fair market value of such shares.

For the Series B investors, the redemption price shall be the highest of: (i) the original investment amount paid by investors, plus an annual compound interest of 30% calculated from the payment date of the investment amount to the payment date of the redemption amount, and a pro-rata share of Shenzhen Shouhui's undistributed profits; (ii) 150% of the original investment amount paid by investors, plus a pro-rata share of Shenzhen Shouhui's undistributed profits; and (iii) the fair market value of such shares, depending on different redemption events.

For the Series C investors, the redemption price shall be the highest of: (i) the original investment amount paid by investors, plus an annual compound interest of 10% or 30%, depending on different redemption events, calculated from the payment date of the investment amount to the payment date of the redemption amount, and a pro-rata share of Shenzhen Shouhui's undistributed profits; (ii) 150% of the original investment amount paid by investors, plus a pro-rata share of Shenzhen Shouhui's undistributed profits; and (iii) the fair market value of such shares.

The above-mentioned redemption right had been suspended from 12 January 2024, the date on which the Company's listing application was first filed with the Stock Exchange (the "First Filing"), until 30 September 2025 or 18 months after the First Filing, pursuant to a shareholders' agreement entered into by, among others, the Company and the pre-IPO Investors on 2 January 2024. If the listing application is withdrawn, rejected or returned, the above-mentioned redemption right shall be automatically restored and the pre-IPO investors may exercise the redemption right in accordance with their terms.

Liquidation preference

Upon the occurrence of any liquidation events, including but not limited to the liquidation, dissolution or winding up of Shenzhen Shouhui, and change in control events, the Onshore Financing Investors shall be entitled to be paid out of the funds and assets available for distribution in priority, an amount up to 150% of the original investment amount, plus a pro-rata share of any undistributed profits of the Shenzhen Shouhui in the sequence as follows: (1) Series C investor; (2) Series B investors; and (3) Series A investor. If the above investors are fully paid, Series Angel investor shall receive the amount up to 150% of the original investment amount. Any remaining assets shall be distributed among all shareholders on a pro-rata basis.

Anti-dilution right

If Shenzhen Shouhui issues new shares at a price per share which is lower than the respective issue price of Series Angel, A, B and C shares, the Onshore Financing Investors shall have the right to choose any of the following ways to be compensated for the difference between the original subscription price and the new issue price:

(i) to acquire further new shares issued by Shenzhen Shouhui at nil consideration or at minimum consideration permitted by law;

(ii) to require the founders and/or the employee shareholding platform to transfer their shares at nil consideration or at minimum consideration permitted by law; or

(iii) to require Shenzhen Shouhui, the founders or the employee shareholding platform to deliver cash to compensate the difference.

Transfer of certain Series Angel shares to a new pre-IPO investor

On 7 May 2021, the Series Angel investor transferred 3% of equity interest in Shenzhen Shouhui to one of the pre-IPO investors, as detailed in the section headed "History, Reorganization and Corporate Structure" of the Prospectus. Upon the transfer of such equity interest, the preferential rights granted to the Series Angel investor expired and hence the carrying amount of the financial liabilities amounted to RMB18,662,000 were reclassified to equity. The financial liabilities arising from the preferential rights granted to the new pre-IPO investor amounting to RMB69,452,000 were reclassified from equity at initial recognition, which were accounted for in accordance with the accounting policy set out in *Note 2(n)*.

Repurchase of shares in 2023

On 17 July 2023, Shenzhen Shouhui repurchased its equity interest of RMB395,000 held by a Series A investor at a consideration of RMB15,000,000, and repurchased its equity interest of RMB422,000 held by a Series B investor at a consideration of RMB16,000,000, pursuant to the share repurchase agreements. The difference between the consideration paid by Shenzhen Shouhui and the carrying amounts of the financial liabilities that represent such investors' preferential rights was recognised in equity, resulting a decrease of RMB817,000 in paid-in capital and an increase of RMB96,928,000 in capital reserves. The considerations were fully settled on 11 August 2023.

Issuance of preferred shares by the Company in 2024

On 2 January 2024, to reflect the pro rata interest of each of the Onshore Financing Investors in Shenzhen Shouhui, the Company allotted and issued 894,847 Series Angel Preferred Shares, 1,432,333 Series A Preferred Shares, 1,572,430 Series B Preferred Shares, and 1,420,570 Series C Preferred Shares at the aggregate consideration of RMB235,627,000. The consideration had been fully settled by February 2024. On 4 January 2024, pursuant to a capital reduction agreement dated 17 November 2023, the Onshore Financing Investors retrieved their registered share capital of Shenzhen Shouhui with the aggregate consideration of RMB235,627,000. Immediately after the capital reduction, the Onshore Financing Investors ceased to be the shareholders of Shenzhen Shouhui.

The terms of the Preferred Shares substantially mirrored those of the preferential rights granted to the Onshore Financing Investors of Shenzhen Shouhui, except that the following conversion right was granted to holders of the Preferred Shares. Each Preferred Share shall be convertible, at the option of the holder, at any time after the respective issue date into such number of Ordinary Shares as determined by dividing the applicable Preferred Share issue price by the conversion price then in effect at the date of the conversion. The initial conversion ratio for Preferred Shares to Ordinary Shares is 1:1, which will be subject to adjustments to reflect share subdivision, share combination and other events. Upon the closing of a qualified public offering, each of the then outstanding Preferred Shares issued by the Company shall be converted into one or more Ordinary Shares automatically at the conversion price as then in effect.

Presentation and classification

The movements of the financial instruments issued to investors during the Track Record Period are set out below:

	As at 31 December		
	2022	2023	2024
	RMB'000	*RMB'000*	*RMB'000*
At beginning of the year	961,463	899,907	1,357,136
Remeasurement due to changes in the amount that could be payable	(61,556)	584,340	345,035
Discharged	–	(127,111)	–
At ending of the year	899,907	1,357,136	1,702,171

Measurement of the amount that could be payable involves the valuation of the Group's equity value which were determined by the directors of the Company with reference to valuation reports issued by an independent qualified professional valuer. The Group used a discounted cash flow method to derive the Group's equity value as of the dates of issuance and at the end of each reporting period.

Key valuation assumptions used to determine the Group's equity value are as follows:

	As at 31 December		
	2022	2023	2024
Volatility	61.66%	52.50%	59.21%-65.81%
Risk-free interest rate	2.33%	2.04%	0.92%-0.96%

25 CAPITAL AND RESERVES

(a) Movements in components of equity

The reconciliation between the opening and closing balances of each component of Group's consolidated equity is set out in the consolidated statements of changes in equity. Details of the changes in the Company's individual components of equity between the beginning and the end of the period are set out below:

The Company	*Note*	Share capital	Share premium	Capital reserve	Shares held for employee shareholding platforms	Share-based compensation reserve	Accumulated losses	Total equity/ (deficit)
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Balance as at 3 August 2023 (date of incorporation)		–	–	–	–	–	–	–
Loss and other comprehensive income for the year		–	–	–	–	–	(142)	(142)
Issuance of ordinary shares	*25(b)*	*	–	–	(*)	–	–	*
Share-based compensation		–	–	–	–	1,118	–	1,118
Balance as at 31 December 2023 and 1 January 2024		*	–	–	(*)	1,118	(142)	976
Loss and other comprehensive income for the year		–	–	–	–	–	(339,468)	(339,468)
Arising from Reorganisation	*(i)*	–	–	(1,121,509)	–	–	–	(1,121,509)
Issuance of ordinary shares	*25(b)(d)*	*	3,931	–	–	–	–	3,931
Share-based compensation		–	5,251	–	*	9,373	–	14,624
Balance as at 31 December 2024		*	9,182	(1,121,509)	(*)	10,491	(339,610)	(1,441,446)

* The balances represent amounts less than RMB500.

Note (i) As part of the Reorganisation, the Company issued preferred shares to offshore investors mentioned in *Note 24*. The difference between the consideration received and the liability components of the preferred shares, which was accounted for in accordance with the accounting policy set out in *Note 2(n)*, was reflected in the capital reserve.

(b) Paid-in capital/share capital

As discussed in *Note 1*, the Reorganisation was not completed until 10 January 2024. The paid-in capital in the consolidated statements of changes in equity as at 1 January 2022 and 31 December 2022 represented the paid-in capital of Shenzhen Shouhui.

As part of the Reorganisation, the Company was incorporated on 3 August 2023, with an authorised share capital of US$50,000 divided into 50,000 shares with a par value of US$1 each. On the same date, the Company issued 3 shares with a consideration of US$3.

On 16 October 2023, the ordinary shares of US$1.00 each was subdivided into 100,000 shares of US$0.00001 each and the authorised share capital of the Company became US$50,000 divided into 5,000,000,000 ordinary shares with a par value of US$0.00001 each. On the same date, the Company further allotted and issued a total of 4,379,820 shares at the consideration of US$44.

On 21 December 2023, some of the shareholders injected US$47 in share capital of the Company.

On 31 December 2023, the paid-in capital/share capital in the consolidated statement of changes in equity represented the aggregate amount of the paid-in capital of Shenzhen Shouhui and the share capital of the Company.

On 10 January 2024, the Company allotted and issued an aggregate of 101,010 Shares at par to StarReach Tech Limited, with a consideration of RMB3,931,000.

On 16 December 2024, all shareholding employees of Xiaoyusan Limited exercised 401,660 shares.

Upon the completion of Reorganisation, the share capital in the consolidated statements of changes in equity represented the share capital of the Company.

(c) Reserves

(i) Capital reserve

The capital reserve mainly comprises: (i) the difference between consideration received and the financial liabilities arising from the preferential rights granted to the investors; (ii) the changes arising from share transfer of certain Series Angel shares to a new pre-IPO investor and the repurchase of shares in 2023, as detailed in *Note 24*; (iii) the difference between the proportionate net assets of the subsidiary and the consideration received from the non-controlling shareholder; and (iv) the difference between the paid-in capital of Shenzhen Shouhui and the share capital of the Company, taking into account/adjusted for the impact of shares held for the onshore employee shareholding platforms.

(ii) Shares held for employee shareholding platforms

In January 2016 and November 2020, Shenzhen Small Umbrella Investment Management Limited Partnership ("Small Umbrella (ESOP)") and Shenzhen Zhengshu Zhilin Investment Partnership (Limited Partnership) ("Zhengshu Zhilin (ESOP)") were established as the onshore employee shareholding platforms for Shenzhen Shouhui. As of 1 January 2021, total considerations received from the two onshore employee shareholding platforms were RMB40,000.

As Shenzhen Shouhui has the power to govern the relevant activities of the two onshore platforms and can derive benefits from the contributions of the employees who were awarded with the shares under the onshore employee share award scheme, the two onshore platforms were consolidated in the Historical Financial Information.

In November 2023, Shenzhen Shouhui received a capital injection of RMB562,000 from the two onshore employee shareholding platforms.

During the Reorganisation, Vitality Innovations Limited was established as the offshore employee shareholding platform for the Group and Xiaoyusan Limited was set up by a group of existing and former employees of the Company, as a result of grant of employee share awards under the Group's onshore employee share award scheme. In December 2024, the vesting of 401,660 shares of Xiaoyusan Limited was accelerated.

As of 31 December 2024, the Vitality Innovations held an aggregate of 329,920 shares of the Company, with a par value of US$0.00001 each. As the Company has the power to govern the relevant activities of the offshore platform and can derive benefits from the contributions of the employees who were awarded with the shares under the offshore employee share award scheme, the offshore platform was consolidated in the Historical Financial Information.

(iii) Share-based compensation reserve

The share-based compensation reserve represents the portion of the grant date fair value of equity instruments award granted to the key management personnel and employees of the Group that has been recognised in accordance with the accounting policy adopted for share-based compensation in *Note 26*.

(iv) Other reserve

PRC statutory reserve is established in accordance with the relevant PRC rules and regulations and the articles of association of the companies comprising the Group incorporated in the PRC.

In accordance with PRC Company Law, the Group are required to allocate 10% of their profit after taxation, as determined in accordance with the relevant PRC accounting standards, to their respective statutory reserves until the reserves reach 50% of their respective registered capital. For the entity concerned, statutory reserves can be used to make good previous years' losses, if any, and may be converted into capital in proportion to the existing equity interests of investors, provided that the balance of the reserve after such conversion is not less than 25% of the entity's registered capital.

(v) Foreign exchange reserve

The foreign exchange reserve comprises all foreign exchange differences arising from the translation of financial statements of foreign operations. The foreign exchange reserve is dealt with in accordance with the accounting policy set out in *Note 2(t)*.

(d) Share premium

Under the Companies Law of the Cayman Islands, the share premium of the Company may be applied for payment of distributions or dividends to shareholders provided that immediately following the date on which the distribution or dividend is proposed to be paid, the Company is able to pay its debts as they fall due in the ordinary course of business.

(e) Dividends

No dividends have been paid by the Company during the Track Record Period.

26 SHARE-BASED COMPENSATION

With the purpose of attracting, motivating, retaining and rewarding certain employees and directors, from May 2015 to December 2023, the equity instruments to subscribe for 884,655 shares of Shenzhen Shouhui were granted to eligible participants with an exercise price of RMB1 per share. Unless the board determines otherwise, the equity instruments granted to the eligible employees shall be vested according to the following schedule: (i) 50% of such equity instruments shall be vested on the second anniversary of the grant date; (ii) 25% of such equity instruments shall be vested on the third anniversary of the grant date; and (iii) 25% of such equity instruments shall be vested on the fourth anniversary of the grant date. For employees who have not been employed by the Group for three years on the first vesting date, 75% of such equity instruments shall be vested on the second vesting date, upon the fulfilment of the vesting conditions. The vesting performance conditions include the Qualified IPO shall be completed.

On 30 November 2023, the pre-IPO share award scheme was adopted and treated as a successor to the Group's onshore employee share award scheme. All the terms and conditions of the pre-IPO share award scheme remained unchanged, except for the modification for certain equity instruments granted before 2020 whose expiration dates have been changed from 4 years to 10 years from the original grant date. The Group assessed that the incremental fair value was minimal, and did not recognise such incremental fair value.

In December 2024, the vesting of the total 401,660 shares of Xiaoyusan Limited was accelerated.

The details of equity instruments granted during the Track Record Period are set out as below.

(a) The terms and conditions of the grants are as follows:

	Number of instruments	Vesting conditions years from the date of grant
The 2022 grant	9,041	the longer of 3 years or IPO completion
	3,013	the longer of 4 years or IPO completion
Total equity instruments granted	12,054	
The 2023 grant	41,108	IPO completion
	76,428	the longer of 3 years or IPO completion
	39,178	the longer of 4 years or IPO completion
Total equity instruments granted	156,714	
The 2024 grant	2,752	the longer of 3 years or IPO completion
	917	the longer of 4 years or IPO completion
Total equity instruments granted	3,669	

(b) The movements in the number of equity instruments are as follows:

	Year ended 31 December		
	2022	2023	2024
Outstanding at the beginning of the year	508,570	520,624	662,279
Granted during the year	12,054	156,714	3,669
Forfeited during the year	–	(15,059)	(8,004)
Vested during the year	–	–	(401,660)
Outstanding at the end of the year	520,624	662,279	256,284
Exercisable at the end of the year	–	–	–

The equity instruments outstanding at 31 December 2022, 2023 and 2024 had an exercise price of RMB1, RMB1 and RMB0.98, respectively.

(c) Fair value of equity instruments and assumptions:

The Group has applied Binomial Option Pricing Model to determine the fair value of the equity instruments granted. The key assumptions used in determining the fair value of equity instruments are as follows:

	As at 31 December		
	2022	2023	2024
Fair value at grant date (per share)	RMB100-RMB106	RMB149-RMB222	RMB223
Exercise price	RMB1	RMB1	RMB0.98
Expected volatility	55%-56%	57%-70%	57%
Expected multiples	2.2	2.2-2.8	2.2
Expected dividends	0%	0%	0%
Risk-free interest rate	2.47%-2.50%	2.32%-2.62%	2.31%

The expected volatility is based on the historical volatility of selected comparable companies in the period of the expected life of the equity instruments. Expected dividend yield is estimated based on the Company's expected dividend policy over the expected life of the equity instruments.

27 FINANCIAL RISK MANAGEMENT AND FAIR VALUE OF FINANCIAL INSTRUMENTS

(a) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. The Group's credit risk is primarily attributable to accounts receivable and contract assets. The Group's exposure to credit risk arising from cash and cash equivalents and restricted cash is limited because the counterparties are banks and financial institutions, which the Group considers to represent low credit risk.

The Group's exposure to credit risk arising from refundable rental deposits is considered to be low, taking into account (i) the landlords' credit rating and (ii) the remaining lease term and the period covered by the rental deposits.

The Group does not provide any guarantees which would expose the Group to credit risk.

Accounts receivable and contract assets

In respect of accounts receivable, individual credit evaluations are performed on all customers requiring credit over a certain amount. These evaluations focus on the customer's past history of making payments when due and current ability to pay, and take into account information specific to the customer as well as pertaining to the economic environment in which the customer operates. Accounts receivable and contract assets are non-interest bearing. The Group does not have any off-balance-sheet credit exposure related to its customers.

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer rather than the industry or country in which the customers operate, and therefore no significant concentrations of credit risk primarily arise when the Group has significant exposure to individual customers.

The Group measures loss allowances for accounts receivable at an amount equal to lifetime ECLs. As the Group's historical credit loss experience does not indicate significantly different loss patterns for different customer segments, the loss allowance based on past due status is not further distinguished between the Group's different customer bases.

The expected credit loss rates for the accounts receivable and contract assets are listed as follows:

	As at 31 December		
	2022	2023	2024
Accounts receivable	0.1207%	0.1707%	0.1247%
Contract assets	0.1952%	0.3829%	0.3903%

Movement in the loss allowance account in respect of accounts receivable and contract assets during the Track Record Period is as follows:

	Year ended 31 December		
	2022	2023	2024
	RMB'000	*RMB'000*	*RMB'000*
Accounts receivables:			
Balance at 1 January	310	262	271
Loss allowance (reversed)/recognised during the year	(48)	9	(123)
Balance at 31 December	262	271	148
Contract assets:			
Balance at 1 January	724	661	2,428
Loss allowance (reversed)/recognised during the year	(63)	1,767	901
Balance at 31 December	661	2,428	3,329

(b) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they become due. The Group's approach to managing liquidity is to ensure, as far as possible, that it has sufficient cash to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group's policy is to regularly monitor current and expected liquidity requirements, and to ensure that it maintains sufficient reserves of cash to meet its liquidity requirements in the short and longer term.

The following tables show the remaining contractual maturities at the end of the reporting period of the Group's non-derivative financial liabilities, which are based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates current at the end of the reporting period) and the earliest date the Group can be required to pay:

	Contractual undiscounted cash outflow as at 31 December 2022				
	Within 1 year or on demand	More than 1 year but less than 2 years	More than 2 years but less than 5 years	Total	Carrying amount in consolidated statement of financial position
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Accounts payable	272,596	14,103	1,820	288,519	288,519
Borrowings	9,006	–	–	9,006	8,810
Lease Liabilities	4,048	2,528	1,096	7,672	6,969
Other payables, accruals and other liabilities	119,842	–	–	119,842	119,842
Financial instruments issued to investors	899,907	–	–	899,907	899,907
Total	1,305,399	16,631	2,916	1,324,946	1,324,047

	Contractual undiscounted cash outflow as at 31 December 2023					
	Within 1 year or on demand	More than 1 year but less than 2 years	More than 2 years but less than 5 years	More than 5 years	Total	Carrying amount in consolidated statement of financial position
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Accounts payable	331,846	66,185	19,246	476	417,753	417,753
Lease Liabilities	5,939	3,227	559	–	9,725	8,801
Other payables, accruals and other liabilities	163,234	–	–	–	163,234	163,234
Financial instruments issued to investors	1,357,136	–	–	–	1,357,136	1,357,136
Total	1,858,155	69,412	19,805	476	1,947,848	1,946,924

	Contractual undiscounted cash outflow as at 31 December 2024					
	Within 1 year or on demand	More than 1 year but less than 2 years	More than 2 years but less than 5 years	More than 5 years	Total	Carrying amount in consolidated statement of financial position
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Accounts payable	360,886	64,500	36,075	2,155	463,616	463,616
Lease Liabilities	4,446	1,277	137	–	5,860	5,717
Other payables, accruals and other liabilities	126,840	–	–	–	126,840	126,840
Financial instruments issued to investors	1,702,171	–	–	–	1,702,171	1,702,171
Total	2,194,343	65,777	36,212	2,155	2,298,487	2,298,344

(c) Currency risk

Foreign exchange risk arises when future commercial transactions or recognised assets and liabilities are denominated in a currency that is not the Group entities' functional currency. The Company's functional currency is USD. The Company's primary subsidiaries were incorporated or set up in the PRC and these subsidiaries considered RMB as their functional currency.

The Group operates mainly in the PRC with most of the transactions settled in RMB. The management considers that the business is not exposed to significant foreign exchange risk as there are no significant financial assets or liabilities of the Group are denominated in the currencies other than the respective functional currencies of the Group's entities.

(d) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's interest rate risk arises primarily financial instruments with variable rates, such as cash and cash equivalent and restricted cash and financial instruments with fixed rates such as interest-bearing borrowings and lease liabilities. Interest-bearing financial instruments at variable rates and at fixed rates expose the Group to cash flow interest rate risk and fair value interest rate risk, respectively.

The following table presents the projected impact on the Group's profit/(loss) for the reporting year, assuming a 25 basis point increase/decrease in interest rates while keeping all other variables constant.

	As at 31 December		
	2022	2023	2024
	RMB'000	*RMB'000*	*RMB'000*
Increase of 25 basis points	297	338	289
Decrease of 25 basis points	(297)	(338)	(289)

(e) Fair value measurement

Fair value hierarchy

The following table presents the fair value of the Group's financial instruments measured at the end of each reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in HKFRS 13, Fair value measurement. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date.
- Level 2 valuations: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available.
- Level 3 valuations: Fair value measured using significant unobservable inputs.

		As at 31 December 2022			
	Note	Level 1	Level 2	Level 3	Total
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Financial assets measured at fair value through profit or loss					
Wealth management products	*14*	–	240,367	–	240,367

		As at 31 December 2023			
	Note	Level 1	Level 2	Level 3	Total
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Financial assets measured at fair value through profit or loss					
Wealth management products	*14*	–	369,522	–	369,522

		As at 31 December 2024			
	Note	Level 1	Level 2	Level 3	Total
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Financial assets measured at fair value through profit or loss					
Wealth management products	*14*	–	504,796	–	504,796

The Group estimated that the fair value of wealth management products by using the discounted cash flow valuation model based on the market interest rates of instrument with similar terms and risks.

During the Track Record Period, there were no transfers between Level 1 and Level 2, or transfers into or out of Level 3.

28 MATERIAL RELATED PARTY TRANSACTIONS

(a) Name and relationship with related parties

Name of entity	Relationship
Dahe Shenzhen Information Co., Limited (大河(深圳)信息有限公司, "Dahe Shenzhen")	Associate of the Group
Mianmiao Information Technology (Shanghai) Co., Ltd. (棉苗信息科技(上海)有限公司, "Mianmiao")	Associate of the Group
Xiaomianhua Digital Technology (Shanghai) Co., Ltd. (小棉花數字科技(上海)有限公司, "Xiao Mian Hua")	A subsidiary of the associate
Ningbo Dacai Xiaohong Enterprise Management Partnership (Limited Partnership) (寧波大彩小虹企業管理合夥企業(有限合夥), "Ningbo Dacai Xiaohong")	An investor who has significant influence over the Group
Shenzhen Muchenglin Investment Development Co., Limited.(深圳木成林投資發展有限公司, "Muchenglin Investment")	Entity under the control of the directors
Tianjin Gopher Nuochen Enterprise Management Partnership (Limited Partnership) (天津歌斐諾辰企業管理合夥企業(有限合夥), "Gopher SPV")	Shareholder of the Group
Tibet Juzhi Venture Capital Limited Liability Company (西藏聚智創業投資有限公司, "Tibet Juzhi")	Shareholder of the Group
Tianjin Juxin Technology Development Partnership (Limited Partnership) (天津聚新科技發展合夥企業(有限合夥), "Tianjin Juxin")	Shareholder of the Group
Mr. Yao Guang	Director of the Group
Mr. Liwei Han	Director of the Group
Mr. Jianting Li	Director of the Group

(b) Key management personnel remuneration

Remuneration for key management personnel of the Group, including amounts paid to the Company's directors as disclosed in *Note 8* and certain of the highest paid employees as disclosed in *Note 9*, is as follows:

	Year ended 31 December		
	2022	2023	2024
	RMB'000	*RMB'000*	*RMB'000*
Salaries, allowances and benefits in kind	3,240	3,557	5,688
Discretionary bonuses	480	1,180	713
Retirement scheme contributions	160	208	268
Share-based compensation	14	2,582	11,338
Total	3,894	7,527	18,007

Total remuneration is included in staff costs (see *Note 6(b)*).

(c) Related party transactions:

	Year ended 31 December		
	2022	2023	2024
	RMB'000	*RMB'000*	*RMB'000*
Cost of revenue			
Channel promotion and commission expenses			
– Dahe Shenzhen	2,375	31,713	12,936
– Xiao Mian Hua	–	4,615	39,621
– Others	*	*	–
Technical service	–	–	40
Sales and marketing expenses	–	180	–
Advances to related parties			
– Gopher SPV	–	150,000	–
– Tianjin Juxin	–	36,000	–
– Tibet Juzhi	–	20,000	–
Repayments from related parties			
– Gopher SPV	–	150,000	–
– Tianjin Juxin	–	36,000	–
– Tibet Juzhi	–	20,000	–
– Muchenglin Investment	–	26	–
Gain from a subsidiary disposal to a related party	–	501	–
Borrowings guaranteed by director	10,000	–	–

* The balances represent amounts less than RMB500.

(d) Balance with related parties:

	As at 31 December		
	2022	2023	2024
	RMB'000	*RMB'000*	*RMB'000*
Trade related:			
Accounts payable			
– Dahe Shenzhen	3,547	8,448	2,629
– Xiao Mian Hua	–	237	24,775
Prepayment, other receivable and other assets			
– Xiao Mian Hua	–	–	3,310
Non-trade related:			
Prepayment, other receivable and other assets	26	–	–

29 FINANCIAL POSITION OF THE COMPANY

(a) Investment in subsidiaries

	Note	As at 31 December 2023	As at 31 December 2024
		RMB'000	*RMB'000*
Deemed investment arising from share-based compensation	*(i)*	1,118	15,742
Investment in subsidiaries		*	*
Total		1,118	15,742

* The balances represent amounts less than RMB500.

(i) The amount represents share-based compensation expenses arising from the grant of equity instruments of the Company to employees of subsidiaries in exchange for their services provided to the subsidiaries, which were deemed to be investments made by the Company into these subsidiaries.

(ii) At the end of each reporting period, the Company assessed the recoverable amounts and there was no impairment in relation to to investment in subsidiaries on the Company level.

(b) Prepayment, other receivables and other assets

	Note	As at 31 December 2023	As at 31 December 2024
		RMB'000	*RMB'000*
Advances to related parties	*(i)*	–	106,977
Advances on behalf of a subsidiary		–	10,865
Prepayments for listing expense		–	1,510
Total		–	119,352

(i) Advances to related parties were borrowings from the Company to StarSong Tech Limited, Shouhui Tech H.K. Limited, Shouhui Holding Limited, which were unsecured, interest free and have no fixed repayment terms.

(c) Financial assets at fair value through profit or loss

	As at 31 December 2023	As at 31 December 2024
	RMB'000	*RMB'000*
Wealth management product	–	98,193

The wealth management product as at 31 December 2024 was issued by the asset management subsidiary of a commercial bank, with no fixed or determinable returns. The investment account held a time deposit and certain cash as at 31 December 2024. The fair value of the investment portfolio was determined by the net asset value provided by the account manager at the end of each reporting period.

(d) Other payables, accruals and other liabilities

	As at 31 December 2023	As at 31 December 2024
	RMB'000	*RMB'000*
Payables for listing expenses	–	1,510
Payables for organisation expenses	142	144
Total	142	1,654

30 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS, AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE TRACK RECORD PERIOD

Up to the date of issue of the Historical Financial Information, the HKICPA has issued a number of amendments, new standards, and interpretations which are not yet effective for the periods beginning on or after 1 January 2024 and which have not been adopted in the Historical Financial Information. These include the following which may be relevant to the Group:

	Effective for accounting periods beginning on or after
Amendments to HKAS 21, *The effects of changes in foreign exchange rates – Lack of exchangeability*	1 January 2025
Amendments to HKFRS 9, *Financial instruments and HKFRS 7, Financial instruments: disclosures – Amendments to the classification and measurement of financial instruments*	1 January 2026
Annual improvements to HKFRS Accounting Standards – Volume 11	1 January 2026
HKFRS 18, *Presentation and disclosure in financial statements*	1 January 2027
HKFRS 19, *Subsidiaries without public accountability: disclosures*	1 January 2027

The Group is in the process of making an assessment of what the impact of these amendments, new standards, and interpretations in the period of initial application. So far the Group has concluded that the adoption is unlikely to have a significant impact on the Group's consolidated financial statements.

31 SUBSEQUENT EVENTS

Pursuant to the resolutions of the shareholders passed on 13 May 2025, the Company will be authorized to capitalize the amount of US$1,919.1919 of the balance of the share premium account and applying such sum in paying up in full at nominal value and issue Shares, all or a portion, as the case may be, a total of 191,919,190 Shares for allotment and issue to the holders of Shares whose names are entered on the principal register of members of the Company maintained in the Cayman Islands at the close of business on the date immediately preceding the date on which the listing of the Company's shares becomes unconditional.

SUBSEQUENT FINANCIAL STATEMENTS

No audited financial statements have been prepared by the Company and its subsidiaries comprising the Group in respect of any period subsequent to 31 December 2024.

The information set forth in this appendix does not form part of the Accountants' Report from KPMG, Certified Public Accountants, Hong Kong, the Company's reporting accountants, as set forth in Appendix I to this prospectus, and is included herein for illustrative purpose only.

The unaudited pro forma financial information should be read in conjunction with the section headed "Financial Information" in this prospectus and the Accountants' Report set forth in Appendix I to this prospectus.

A. UNAUDITED PRO FORMA STATEMENT OF ADJUSTED NET TANGIBLE ASSETS

The following unaudited pro forma statement of adjusted net tangible assets of Shouhui Group Limited ("the Company") and its subsidiaries (collectively "the Group") is prepared in accordance with Rule 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and is set out below for the purpose of illustrating the effect of the Global Offering on the consolidated net tangible liabilities of the Group attributable to equity shareholders of the Company as if it had taken place on 31 December 2024.

This unaudited pro forma statement of adjusted net tangible assets has been prepared for illustrative purposes only and because of its hypothetical nature, it may not give a true picture of the financial position of the Group had the Global Offering been completed as at 31 December 2024 or at any future dates.

	Consolidated net tangible liabilities attributable to equity shareholders of the Company as at 31 December 2024	**Estimated net proceeds from the Global Offering**	**Estimated impact upon reclassification of financial instruments issued to investors**	**Unaudited pro forma adjusted net tangible assets attributable to equity shareholders of the Company**	**Unaudited pro forma adjusted net tangible assets attributable to equity shareholders of the Company per Share** *Note (4)(5)*	
	RMB'000 *Note (1)*	*RMB'000* *Note (2)*	*RMB'000* *Note (3)*	*RMB'000*	*RMB*	*HKD*
Based on an Offer Price of HK$5.84 per Offer Share, after a Downward Offer Price Adjustment of 10%	(781,356)	111,353	1,702,171	1,032,168	4.70	5.07

	Consolidated net tangible liabilities attributable to equity shareholders of the Company as at 31 December 2024	Estimated net proceeds from the Global Offering	Estimated impact upon reclassification of financial instruments issued to investors	Unaudited pro forma adjusted net tangible assets attributable to equity shareholders of the Company	Unaudited pro forma adjusted net tangible assets attributable to equity shareholders of the Company per Share *Note (4)(5)*	
	RMB'000 *Note (1)*	*RMB'000* *Note (2)*	*RMB'000* *Note (3)*	*RMB'000*	*RMB*	*HKD*
Based on an Offer Price of HK$6.48 per Offer Share	(781,356)	125,288	1,702,171	1,046,103	4.76	5.14
Based on an Offer Price of HK$8.08 per Offer Share	(781,356)	160,126	1,702,171	1,080,941	4.92	5.31

Notes:

(1) The consolidated net tangible liabilities attributable to equity shareholders of the Company as of 31 December 2024 is based on the consolidated net liabilities attributable to equity shareholders of the Company of RMB740,757,521 after deducting intangible assets of RMB40,598,669 as of 31 December 2024, as shown in the Accountants' Report as set out in Appendix I to the Prospectus.

(2) The estimated net proceeds from the Global Offering are based on 24,358,400 Shares expected to be issued under the Global Offering and the indicative Offer Prices of HKD6.48 per Share and HKD8.08 per share, being the low end and high end of the indicative Offer Price range respectively, and also based on an Offer Price of HK$5.84 per Offer Share after making a Downward Offer Price Adjustment of 10%, after deduction of the estimated underwriting fees and other estimated related expenses relating to the Global Offering paid or payable by the Group (excluding the listing expenses charged to profit or loss during the Track Record Period) and do not take into account of any Shares which may be issued upon the exercise of the Over-allotment Option or any Shares which may be issued under the Pre-IPO Share Award Scheme.

The estimated net proceeds from the Global Offering have been converted into Renminbi ("RMB") at an exchange rate of RMB0.9264 to HK$1.00 published by PBOC prevailing on 12 May 2025. No representation is made that Hong Kong dollar amounts have been, could have been or may be converted to Renminbi, or vice versa, at that rate or at any other rate.

(3) As of 31 December 2024, the carrying amount of financial instruments issued to investors amounted to RMB1,702,170,891, which was related to the Preferred Shares granted to the offshore investors (as set out in *Note 24* of Appendix I). Upon qualified initial public offering, the Preferred Shares will automatically expire and the financial instruments issued to investors will be reclassified from liabilities to equity accordingly.

(4) The unaudited pro forma adjusted net tangible assets attributable to equity shareholders of the Company per Share is arrived at after adjustments referred to in the preceding paragraphs and on the basis that 219,780,200 Shares were in issue assuming that the Global Offering and the expiration of Preferred Shares granted to the offshore investors had been completed on 31 December 2024, but do not take into account of 6,598,400 shares held by the employee shareholding platforms which are consolidated by the Company, any shares which may be issued upon the exercise of the Over-allotment Option or any Shares which may be issued under the Pre-IPO Share Award Scheme.

The unaudited pro forma adjusted net tangible assets attributable to equity shareholders of the Company per Share amounts in RMB are converted into Hong Kong dollars at an exchange rate of RMB0.9264 to HK$1.00 published by PBOC prevailing on 12 May 2025. No representation is made that Renminbi amounts have been, could have been or may be converted to Hong Kong dollars, or vice versa, at that rate or at any other rate.

(5) No adjustment has been made to the unaudited pro forma adjusted net tangible assets attributable to equity shareholders of the Company to reflect any trading results or other transactions of the Group subsequent to 31 December 2024.

B. REPORT ON THE UNAUDITED PRO FORMA FINANCIAL INFORMATION

The following is the text of a report received from the reporting accountants, KPMG, Certified Public Accountants, Hong Kong, in respect of the Group's pro forma financial information for the purpose in this prospectus.

INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE COMPILATION OF PRO FORMA FINANCIAL INFORMATION

TO THE DIRECTORS OF SHOUHUI GROUP LIMITED

We have completed our assurance engagement to report on the compilation of pro forma financial information of Shouhui Group Limited (the "Company") and its subsidiaries (collectively the "Group") by the directors of the Company (the "Directors") for illustrative purposes only. The unaudited pro forma financial information consists of the unaudited pro forma statement of adjusted net tangible assets as at 31 December 2024 and related notes as set out in Part A of Appendix II to the prospectus dated 22 May 2025 (the "Prospectus") issued by the Company. The applicable criteria on the basis of which the Directors have compiled the pro forma financial information are described in Part A of Appendix II to the Prospectus.

The pro forma financial information has been compiled by the Directors to illustrate the impact of the proposed offering of the ordinary shares of the Company (the "Global Offering") on the Group's financial position as at 31 December 2024 as if the Global Offering had taken place at 31 December 2024. As part of this process, information about the Group's financial position as at 31 December 2024 has been extracted by the Directors from the Group's historical financial information included in the Accountants' Report as set out in Appendix I to the Prospectus.

Directors' Responsibilities for the Pro Forma Financial Information

The Directors are responsible for compiling the pro forma financial information in accordance with paragraph 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and with reference to Accounting Guideline 7 "Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars" ("AG 7") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

Our Independence and Quality Management

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the HKICPA, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies Hong Kong Standard on Quality Management 1 "Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements", which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Reporting Accountants' Responsibilities

Our responsibility is to express an opinion, as required by paragraph 4.29(7) of the Listing Rules, on the pro forma financial information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the pro forma financial information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements ("HKSAE") 3420 "Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus" issued by the HKICPA. This standard requires that the reporting accountants plan and perform procedures to obtain reasonable assurance about whether the Directors have compiled the pro forma financial information in accordance with paragraph 4.29 of the Listing Rules, and with reference to AG 7 issued by the HKICPA.

For purpose of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the pro forma financial information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the pro forma financial information.

The purpose of pro forma financial information included in an investment circular is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the Group as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of events or transactions as at 31 December 2024 would have been as presented.

A reasonable assurance engagement to report on whether the pro forma financial information has been properly compiled on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the Directors in the compilation of the pro forma financial information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- the related pro forma adjustments give appropriate effect to those criteria; and
- the pro forma financial information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountants' judgement, having regard to the reporting accountants' understanding of the nature of the Group, the event or transaction in respect of which the pro forma financial information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the pro forma financial information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our procedures on the pro forma financial information have not been carried out in accordance with attestation standards or other standards and practices generally accepted in the United States of America, auditing standards of the Public Company Accounting Oversight Board (United States) or any overseas standards and accordingly should not be relied upon as if they had been carried out in accordance with those standards and practices.

We make no comments regarding the reasonableness of the amount of net proceeds from the issuance of the Company's shares, the application of those net proceeds, or whether such use will actually take place as described in the section headed "Future Plans and Use of Proceeds" in the Prospectus.

Opinion

In our opinion:

(a) the pro forma financial information has been properly compiled on the basis stated;

(b) such basis is consistent with the accounting policies of the Group, and

(c) the adjustments are appropriate for the purposes of the pro forma financial information as disclosed pursuant to paragraph 4.29(1) of the Listing Rules.

KPMG
Certified Public Accountants
Hong Kong
22 May 2025

Set out below is a summary of certain provisions of the Memorandum and Articles of Association of our Company and of certain aspects of the Cayman Companies Act.

Our Company was incorporated in the Cayman Islands as an exempted company with limited liability on August 3, 2023 under the Cayman Companies Act. Our Company's constitutional documents consist of its Memorandum of Association and its Articles of Association.

1. MEMORANDUM OF ASSOCIATION

(a) The Memorandum states, inter alia, that the liability of members of our Company is limited to the amount, if any, for the time being unpaid on the shares respectively held by them and that the objects for which our Company is established are unrestricted (including acting as an investment company), and that our Company shall have and be capable of exercising all the functions of a natural person of full capacity irrespective of any question of corporate benefit, as provided in section 27(2) of the Cayman Companies Act and in view of the fact that our Company is an exempted company that our Company will not trade in the Cayman Islands with any person, firm or corporation except in furtherance of the business of our Company carried on outside the Cayman Islands.

(b) Our Company may by special resolution alter its Memorandum with respect to any objects, powers or other matters specified therein.

2. ARTICLES OF ASSOCIATION

The Articles were conditionally adopted on May 13, 2025 with effect from the Listing Date. The following is a summary of certain provisions of the Articles:

(a) Shares

(i) Classes of shares

The share capital of our Company consists of ordinary shares.

(ii) Variation of rights of existing shares or classes of shares

Subject to the Cayman Companies Act, if at any time the share capital of our Company is divided into different classes of shares, all or any of the special rights attached to the shares or any class of shares may (unless otherwise provided for by the terms of issue of that class) be varied, modified or abrogated either with the consent in writing of the holders of not less than three-fourths of the voting rights of the holders of that class or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of that class. To every such separate general meeting the provisions of the Articles relating to general

meetings will mutatis mutandis apply, but so that the necessary quorum (other than at an adjourned meeting) shall be two persons holding (or, in the case of a member being a corporation, by its duly authorised representative) or representing by proxy holding not less than one-third of the issued shares of that class and at any adjourned meeting two holders present in person (or, in the case of a member being a corporation, by its duly authorised representative) or by proxy (whatever the number of shares held by them) shall be a quorum. Every holder of shares of the class shall be entitled to one vote for every such share held by him.

Any special rights conferred upon the holders of any shares or class of shares shall not, unless otherwise expressly provided in the rights attaching to the terms of issue of such shares, be deemed to be varied by the creation or issue of further shares ranking pari passu therewith.

(iii) Alteration of capital

Our Company may by ordinary resolution of its members:

(aa) increase its share capital by the creation of new shares;

(bb) consolidate or divide all or any of its capital into shares of larger or smaller amount than its existing shares;

(cc) divide its shares into several classes and attach to such shares any preferential, deferred, qualified or special rights, privileges, conditions or restrictions as our Company in general meeting or as the directors may determine;

(dd) subdivide its shares or any of them into shares of smaller amount than is fixed by the Memorandum;

(ee) cancel any shares which, at the date of passing of the resolution, have not been taken or agreed to be taken by any person and diminish the amount of its capital by the amount of the shares so cancelled;

(ff) make provision for the issue and allotment of shares which do not carry any voting rights;

(gg) change the currency of denomination of its share capital; and

(hh) reduce its share premium account in any manner authorised, and subject to any conditions prescribed by law.

Our Company may reduce its share capital or any capital redemption reserve or other undistributable reserve in any way by special resolution.

(iv) Transfer of shares

All transfers of shares may be effected by an instrument of transfer in the usual or common form or in such other form as the Board may approve provided always that it shall be in such a form prescribed by the Hong Kong Stock Exchange and which may be under hand or, if the transferor or transferee is a clearing house or its nominee(s), by hand or by machine imprinted signature or by such other manner of execution as the Board may approve from time to time.

Notwithstanding the foregoing, for so long as any shares are listed on the Hong Kong Stock Exchange, titles to such listed shares may be evidenced and transferred in accordance with the laws applicable to and the rules and regulations of the Hong Kong Stock Exchange that are or shall be applicable to such listed shares. The register of members in respect of its listed shares (whether the principal register or a branch register) may be kept in Hong Kong by recording the particulars required by Section 40 of the Cayman Companies Act in a form otherwise than legible if such recording otherwise complies with the laws applicable to and the rules and regulations of the Hong Kong Stock Exchange that are or shall be applicable to such listed shares.

The instrument of transfer shall be executed by or on behalf of the transferor and the transferee provided that the Board may dispense with the execution of the instrument of transfer by the transferee. The transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the register of members in respect of that share.

The Board may, in its absolute discretion, at any time transfer any share upon the principal register to any branch register or any share on any branch register to the principal register or any other branch register.

The Board may decline to recognise any instrument of transfer unless a fee (not exceeding the maximum sum as the Hong Kong Stock Exchange may determine to be payable) determined by the Directors is paid to our Company, the instrument of transfer is properly stamped (if applicable), it is in respect of only one class of share and is lodged at the relevant registration office or registered office or such other place at which the principal register is kept accompanied by the relevant share certificate(s) and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer (and if the instrument of transfer is executed by some other person on his behalf, the authority of that person so to do), and the shares concerned are free of any lien in favour of the Company.

The registration of transfers may be suspended and the register closed on giving notice by advertisement in any newspaper or by any other means in accordance with the requirements of the Hong Kong Stock Exchange, at such times and for such periods as the Board may determine. The register of members must not be closed for periods exceeding in the whole

thirty (30) days in any year as the Board may determine. The period of thirty (30) days may be extended for a further period or periods not exceeding thirty (30) days in respect of any year if approved by members by ordinary resolution.

Subject to the above, fully paid shares are free from any restriction on transfer and free of all liens in favour of our Company.

(v) Power of our Company to purchase its own shares

Our Company is empowered by the Cayman Companies Act and the Articles to purchase its own shares subject to certain restrictions and the Board may only exercise this power on behalf of our Company subject to any applicable requirements imposed from time to time by the Hong Kong Stock Exchange and/or any competent regulatory authority.

Where our Company purchases for redemption a redeemable share, purchases not made through the market or by tender must be limited to a maximum price determined by our Company in general meeting. If purchases are by tender, tenders must be made available to all members alike.

The Board may accept the surrender for no consideration of any fully paid share.

(vi) Power of any subsidiary of our Company to own shares in our Company

There are no provisions in the Articles relating to ownership of shares in our Company by a subsidiary.

(vii) Calls on shares and forfeiture of shares

The Board may from time to time make such calls upon the members in respect of any monies unpaid on the shares held by them respectively (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at a fixed time. A call may be made payable either in one lump sum or by instalments. If the sum payable in respect of any call or instalment is not paid on or before the day appointed for payment thereof, the person or persons from whom the sum is due shall pay interest on the same at such rate not exceeding twenty per cent. (20%) per annum as the Board may agree to accept from the day appointed for the payment thereof to the time of actual payment, but the Board may waive payment of such interest wholly or in part. The Board may, if it thinks fit, receive from any member willing to advance the same, either in money or money's worth, all or any part of the monies uncalled and unpaid or instalments payable upon any shares held by him, and upon all or any of the monies so advanced our Company may pay interest at such rate (if any) as the Board may decide.

If a member fails to pay any call on the day appointed for payment thereof, the Board may serve not less than fourteen (14) days' notice on him requiring payment of so much of the call as is unpaid, together with any interest which may have accrued and which may still accrue up to the date of actual payment and stating that, in the event of non-payment at or before the time appointed, the shares in respect of which the call was made will be liable to be forfeited.

If the requirements of any such notice are not complied with, any share in respect of which the notice has been given may at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect. Such forfeiture will include all dividends and bonuses declared in respect of the forfeited share and not actually paid before the forfeiture.

A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares but shall, notwithstanding, remain liable to pay to our Company all monies which, at the date of forfeiture, were payable by him to our Company in respect of the forfeited shares, together with (if the Board shall in its discretion so require) interest thereon from the date of forfeiture until the date of actual payment at such rate not exceeding twenty per cent. (20%) per annum as the Board determines.

(b) Directors

(i) Appointment, retirement and removal

At each annual general meeting, one third of the Directors for the time being (or if their number is not a multiple of three, then the number nearest to but not less than one third) shall retire from office by rotation provided that every Director (including those appointed for a specific term) shall be subject to retirement at an annual general meeting at least once every three years. The Directors to retire by rotation shall include any Director who wishes to retire and not offer himself for re-election. Any further Directors so to retire shall be those who have been longest in office since their last re- election or appointment but as between persons who became or were last re-elected Directors on the same day those to retire will (unless they otherwise agree among themselves) be determined by lot.

Neither a Director nor an alternate Director is required to hold any shares in our Company by way of qualification. Further, there are no provisions in the Articles relating to retirement of Directors upon reaching any age limit.

The Directors have the power to appoint any person as a Director either to fill a casual vacancy on the Board or as an addition to the existing Board. Any Director appointed to fill a casual vacancy shall hold office only until the first annual general meeting of members after his appointment and be subject to re-election at such meeting and any Director appointed as an addition to the existing Board shall hold office only until the first annual general meeting of our Company after his appointment and shall then be eligible for re-election.

A Director may be removed by an ordinary resolution of our Company's members before the expiration of his term of office (including a managing director or other executive director, but without prejudice to any claim for damages under any contract) and members of our Company may by ordinary resolution appoint another person in his stead. Unless otherwise determined by our Company in general meeting, the number of Directors shall not be less than two. There is no maximum number of Directors.

The office of director shall be vacated if:

(aa) he becomes bankrupt or has a receiving order made against him or suspends payment or compounds with his creditors generally; or

(bb) he dies or is declared to be of unsound mind pursuant to an order made by any competent court or official and the Board resolves that his office be vacated; or

(cc) without special leave, he is absent from meetings of the Board for six (6) consecutive months, and the Board resolves that his office is vacated; or

(dd) he is prohibited by law from acting as a director or he ceases to be a director by operation of law; or

(ee) he has been validly required by the stock exchange of the Relevant Territory (as defined in the Articles) to cease to be a Director; or

(ff) by notice in writing delivered to our Company at its registered office or at the Head Office (as defined in the Articles) or tendered at a meeting of the Board he resigns his office; or

(gg) he is removed from office by an ordinary resolution of the Company or otherwise pursuant to the Articles; or

(hh) he is removed from office by notice in writing served on him signed by not less than three-fourths in number (or if that is not a round number, the nearest lower round number) of the Directors (including himself) then in office.

The Board may appoint one or more of its body to be managing director, joint managing director, or deputy managing director or to hold any other employment or executive office in the management of the business of our Company for such period and upon such terms as the Board may determine and the Board may revoke or terminate any of such appointments. The Board may delegate any of its powers, authorities and discretions to committees consisting of such Director or Directors and other persons as the Board thinks fit, and it may from time to time revoke such delegation or revoke the appointment of and discharge any such committees either wholly or in part, and either as to persons or purposes, but every committee so formed

must, in the exercise of the powers, authorities and discretions so delegated, conform to any regulations that may from time to time be imposed upon it by the Board.

(ii) Power to allot and issue shares and warrants

Subject to the provisions of the Cayman Companies Act, the rules of the Hong Kong Stock Exchange and the Memorandum and Articles and to any special rights conferred on the holders of any shares or attaching to any class of shares, any share may be issued (a) with or have attached thereto such rights, or such restrictions, whether with regard to dividend, voting, return of capital, or otherwise, as the Directors may determine, or (b) on terms that, at the option of our Company or the holder thereof, it is liable to be redeemed.

The Board may issue warrants to subscribe for any class of shares or other securities of similar nature conferring the right upon the holders thereof to subscribe for any class of shares or securities in the capital of our Company on such terms as it may determine.

Subject to the provisions of the Cayman Companies Act and the Articles and, where applicable, the rules of the Hong Kong Stock Exchange and without prejudice to any special rights or restrictions for the time being attached to any shares or any class of shares, all unissued shares and other securities in our Company are at the disposal of the Board, which may offer, allot, grant options over or otherwise dispose of them to such persons, at such times, for such consideration and on such terms and conditions as it in its absolute discretion thinks fit, but so that no shares shall be issued at a discount to their nominal value.

Neither our Company nor the Board is obliged, when making or granting any allotment of, offer of, option over or disposal of shares or other securities, to make, or make available, any such allotment, offer, option or shares or other securities to members or others with registered addresses in any particular territory or territories being a territory or territories where, in the absence of a registration statement or other special formalities, this would or might, in the opinion of the Board, be unlawful or impracticable. Members affected as a result of the foregoing sentence shall not be, or be deemed to be, a separate class of members for any purpose whatsoever.

(iii) Power to dispose of the assets of our Company or any of its subsidiaries

There are no specific provisions in the Articles relating to the disposal of the assets of our Company or any of its subsidiaries. The Directors may, however, exercise all powers and do all acts and things which may be exercised or done or approved by our Company and which are not required by the Articles or the Cayman Companies Act to be exercised or done by our Company in general meeting.

(iv) Borrowing powers

The Board may exercise all the powers of our Company to raise or borrow money, to mortgage or charge all or any part of the undertaking, property and assets and uncalled capital of our Company and, subject to the Cayman Companies Act, to issue debentures, bonds and other securities of our Company, whether outright or as collateral security for any debt, liability or obligation of our Company or of any third party.

(v) Remuneration

The ordinary remuneration of the Directors is to be determined by our Company in a general meeting or by the Board, such sum (unless otherwise directed by the resolution by which it is voted) to be divided amongst the Directors in such proportions and in such manner as the Board may agree or, failing agreement, equally, except that any Director holding office for part only of the period in respect of which the remuneration is payable shall only rank in such division in proportion to the time during such period for which he held office. The Directors are also entitled to be prepaid or repaid all travelling, hotel and incidental expenses reasonably expected to be incurred or incurred by them in attending any Board meetings, committee meetings or general meetings or separate meetings of any class of shares or of debentures of our Company or otherwise in connection with the discharge of their duties as Directors.

Any Director who, by request, goes or resides abroad for any purpose of our Company or who performs services which in the opinion of the Board go beyond the ordinary duties of a Director may be paid such extra remuneration as the Board may determine and such extra remuneration shall be in addition to or in substitution for any ordinary remuneration as a Director. An executive director or a director appointed to be a managing director, joint managing director, deputy managing director or other executive officer shall receive such remuneration and such other benefits and allowances as the Board may from time to time decide. Such remuneration may be either in addition to or in lieu of his remuneration as a Director.

The Board may establish and maintain or procure the establishment and maintenance of any contributory or non-contributory pension or superannuation funds or personal pension plans for the benefit of, or give or procure the giving of donations, gratuities, pensions, allowances or emoluments to, any persons who are or were at any time in the employment or service of our Company, or of any company which is a subsidiary of our Company, or is allied or associated with our Company or with any such subsidiary company, or who are or were at any time directors or officers of our Company or of any such other company as aforesaid, and holding or who have held any salaried employment or office in the Company or such other company, and the spouses, widows, widowers, families and dependants of any such persons.

The Board may also establish and subsidise or subscribe to any institutions, associations, clubs or funds calculated to be for the benefit of or to advance the interests and well-being of our Company or of any such other company as aforesaid or of any such persons as aforesaid, and may make payments for or towards the insurance of any such persons as aforesaid, and subscribe or guarantee money for charitable or benevolent objects or for any exhibition or for any public, general or useful object. The Board may do any of the matters aforesaid, either alone or in conjunction with any such other company as aforesaid. Any Director holding any such employment or office shall be entitled to participate in and retain for his own benefit any such donation, gratuity, pension, allowance or employment.

Our Company in general meeting may, upon the recommendation of the Board, resolve to capitalise any sum standing to the credit of any of the Company's reserve accounts which are available for distribution (including its share premium account and capital redemption reserve fund, subject to the Companies Act) and to appropriate such sums to the holders of shares on the principal register and any branch register of members of the Company to be maintained at such place within or outside the Cayman Islands as the Board shall determine from time to time at the close of business on the date of the relevant resolution (or such other date as may be specified therein or determined as provided therein) in the proportions in which such sum would have been divisible amongst them had the same been a distribution of profits by way of dividends, distributions in specie or in kind, capital distributions and capitalisation issues and to apply such sum on their behalf in paying up in full unissued shares for allotment and distribution credited as fully paid-up to and amongst them in the proportion aforesaid.

(vi) Compensation or payments for loss of office

Pursuant to the Articles, payments to any Director or past Director of any sum by way of compensation for loss of office or as consideration for or in connection with his retirement from office (not being a payment to which the Director or past Director is contractually or statutorily entitled) must be approved by our Company in general meeting.

(vii) Loans and provision of security for loans to Directors

Our Company must not make any loan, directly or indirectly, to a Director or his close associate(s) if and to the extent it would be prohibited by the Companies Ordinance as if our Company were a company incorporated in Hong Kong.

(viii) Disclosure of interests in contracts with our Company or any of its subsidiaries

A Director may hold any other office or place of profit with our Company (except that of the auditor of our Company) in conjunction with his office of Director for such period and upon such terms as the Board may determine, and may be paid such extra remuneration therefor in addition to any remuneration provided for by or pursuant to the Articles. A Director may be or become a director or other officer of, or otherwise interested in, any company promoted by our Company or any other company in which our Company may be interested, and shall not be

liable to account to our Company or the members for any remuneration, profits or other benefits received by him as a director, officer or member of, or from his interest in, such other company. The Board may also cause the voting power conferred by the shares in any other company held or owned by our Company to be exercised in such manner in all respects as it thinks fit, including the exercise thereof in favour of any resolution appointing the Directors or any of them to be directors or officers of such other company, or voting or providing for the payment of remuneration to the directors or officers of such other company.

No Director or proposed or intended Director shall be disqualified by his office from contracting with our Company, either with regard to his tenure of any office or place of profit or as vendor, purchaser or in any other manner whatsoever, nor shall any such contract or any other contract or arrangement in which any Director is in any way interested be liable to be avoided, nor shall any Director so contracting or being so interested be liable to account to our Company or the members for any remuneration, profit or other benefits realised by any such contract or arrangement by reason of such Director holding that office or the fiduciary relationship thereby established. A Director who to his knowledge is materially, whether directly or indirectly, interested in a contract or arrangement or proposed contract or arrangement with our Company must declare the nature of his interest at the earliest meeting of the Board at which it is practicable for him to do so.

A Director shall not vote (nor be counted in the quorum) on any resolution of the Board approving any contract or arrangement or other proposal in which he or any of his close associates is materially interested, but this prohibition does not apply to any of the following matters, namely:

(aa) any contract or arrangement for giving to such Director or his close associate(s) any security or indemnity in respect of money lent by him or any of his close associates or obligations incurred or undertaken by him or any of his close associates at the request of or for the benefit of our Company or any of its subsidiaries;

(bb) any contract or arrangement for the giving of any security or indemnity to a third party in respect of a debt or obligation of our Company or any of its subsidiaries for which the Director or his close associate(s) has himself/themselves assumed responsibility in whole or in part whether alone or jointly under a guarantee or indemnity or by the giving of security;

(cc) any proposal or contract or arrangement concerning an offer of shares or debentures or other securities of or by our Company or any other company which our Company may promote or be interested in for subscription or purchase, where the Director or his close associate(s) is/are or is/are to be interested as a participant in the underwriting or sub-underwriting of the offer;

(dd) any contract or arrangement in which the Director or his close associate(s) is/are interested in the same manner as other holders of shares or debentures or other securities of our Company by virtue only of his/their interest in shares or debentures or other securities of our Company; or

(ee) any proposal or arrangement concerning the adoption, modification or operation of any employees' share scheme or any share incentive or share option scheme, a pension fund or retirement, death, or disability benefits scheme or other arrangement which relates to the Directors, his close associates and employees of our Company or of any of its subsidiaries and does not provide in respect of any Director, or his close associate(s), as such any privilege or advantage not accorded generally to the class of persons to which such scheme or fund relates.

(c) Proceedings of the Board

The Board may meet for the despatch of business, adjourn and otherwise regulate its meetings and proceedings as it considers appropriate. Questions arising at any meeting shall be determined by a majority of votes. In the case of an equality of votes, the chairman of the meeting shall have an additional or casting vote.

(d) Alterations to constitutional documents and our Company's name

The Articles may be rescinded, altered or amended by our Company in general meeting by special resolution. The Articles state that a special resolution shall be required to alter the provisions of the Memorandum, to amend the Articles or to change the name of our Company.

(e) Meetings of members

(i) Special and ordinary resolutions

A special resolution of our Company must be passed by a majority of not less than three-fourths of the votes cast by such members as, being entitled so to do, vote in person or, in the case of such members as are corporations, by their duly authorised representatives or, where proxies are allowed, by proxy at a general meeting of which notice has been duly given in accordance with the Articles.

Under the Cayman Companies Act, a copy of any special resolution must be forwarded to the Registrar of Companies in the Cayman Islands within fifteen (15) days of being passed.

An ordinary resolution is defined in the Articles to mean a resolution passed by a simple majority of the votes of such members of our Company as, being entitled to do so, vote in person or, in the case of members which are corporations, by their duly authorised representatives or, where proxies are allowed, by proxy at a general meeting of which notice has been duly given in accordance with the Articles.

A resolution in writing signed by or on behalf of all members shall be treated as an ordinary resolution duly passed at a general meeting of the Company duly convened and held, and where relevant as a special resolution so passed.

(ii) Voting rights and right to demand a poll

Subject to any special rights, privileges or restrictions as to voting for the time being attached to any shares, at any general meeting on a poll every member present in person (or, in the case of a member being a corporation, by its duly authorised representative) or by proxy shall have one vote for every fully paid share of which he is the holder but so that no amount paid up or credited as paid up on a share in advance of calls or instalments is treated for the foregoing purposes as paid up on the share. A member entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way.

At any general meeting a resolution put to the vote of the meeting is to be decided by way of a poll save that the chairman of the meeting may pursuant to the rules of the Hong Kong Stock Exchange, allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands in which case every member present in person (or, in the case of a member being a corporation, is present by a duly authorised representative), or by proxy(ies) shall have one vote provided that where more than one proxy is appointed by a member which is a clearing house (or its nominee(s)), each such proxy shall have one vote on a show of hands. Votes (whether on a show of hands or by way of poll) may be cast by such means, electronic or otherwise, as the Directors or the chairman of the meeting may determine.

Any corporation which is a member may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at any general meeting of the Company or at any meeting of any class of members.

The person so authorised shall be entitled to exercise the same powers on behalf of such corporation as the corporation could exercise if it were an individual shareholder and such corporation shall for the purposes of the Articles be deemed to be present in person at any such meeting if a person so authorised is present thereat.

If a recognised clearing house (or its nominee(s)) is a member of our Company it may authorise such person or persons as it thinks fit to act as its representative(s) or proxy(ies) at any meeting of our Company or at any meeting of any class of members of our Company provided that, if more than one person is so authorised, the authorisation shall specify the number and class of shares in respect of which each such person is so authorised. A person authorised pursuant to this provision shall be deemed to have been duly authorised without further evidence of the facts and be entitled to exercise the same powers on behalf of the recognised clearing house (or its nominee(s)) as if such person was the registered holder of the shares of our Company held by that clearing house (or its nominee(s)) including, the right to speak and vote, and where a show of hands is allowed, the right to vote individually on a show of hands.

Members must have the right to: (a) speak at general meetings of our Company; and (b) vote at a general meeting except whether a member is required, by the rules of the Hong Kong Stock Exchange, to abstain from voting to approve the matter under consideration.

Where our Company has any knowledge that any member is, under the rules of the Hong Kong Stock Exchange, required to abstain from voting on any particular resolution of our Company or restricted to voting only for or only against any particular resolution of our Company, any votes cast by or on behalf of such member in contravention of such requirement or restriction shall not be counted.

(iii) Annual general meetings and extraordinary general meetings

Other than the year of our Company's adoption of the Articles, in each financial year during the Relevant Period (as defined in the Articles), our Company shall hold a general meeting as its annual general meeting within six months after the end of each financial year in addition to any other meeting in that financial year and shall specify the meeting as such in the notice calling it.

Extraordinary general meetings may be convened on the requisition of one or more member(s) holding, at the date of deposit of the requisition, not less than one-tenth of the paid up capital of our Company having the right of voting at general meetings, on a one vote per share basis in the share capital of our Company and the foregoing members shall be able to add resolutions to the meeting agenda. Such requisition shall be made in writing to the Board or the secretary for the purpose of requiring an extraordinary general meeting to be called by the Board for the transaction of any business specified in such requisition. Such meeting shall be held within 2 months after the deposit of such requisition. If within 21 days of such deposit, the Board fails to proceed to convene such meeting, the requisitionist(s) himself/herself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by our Company.

Notwithstanding any provisions in the Articles, any general meeting or any class meeting may be held by means of such telephone, electronic or other communication facilities as to permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously, and participation in such a meeting shall constitute presence at such meeting.

(iv) Notices of meetings and business to be conducted

An annual general meeting must be called by written notice of not less than twenty-one (21) days. All other general meetings must be called by written notice of at least fourteen (14) days. The notice is exclusive of the day on which it is served or deemed to be served and of the day for which it is given, and must specify the time and place of the meeting and particulars of resolutions to be considered at the meeting and, in the case of special business, the general nature of that business.

In addition, notice of every general meeting must be given to all members of our Company other than to such members as, under the provisions of the Articles or the terms of issue of the shares they hold, are not entitled to receive such notices from our Company, and also to, among others, the auditors for the time being of our Company.

Any notice to be given to or by any person pursuant to the Articles may be served on or delivered to any member of our Company personally, by post to such member's registered address or by advertisement in newspapers in accordance with the requirements of the Hong Kong Stock Exchange. Subject to compliance with Cayman Islands law and the rules of the Hong Kong Stock Exchange, notice may also be served or delivered by our Company to any member by electronic means.

All business that is transacted at an extraordinary general meeting and at an annual general meeting is deemed special, save that in the case of an annual general meeting, each of the following business is deemed an ordinary business:

(aa) the declaration and sanctioning of dividends;

(bb) the consideration and adoption of the accounts and balance sheet and the reports of the directors and the auditors;

(cc) the election of directors whether by rotation or otherwise in place of those retiring;

(dd) the appointment of auditors and other officers;

(ee) the fixing of the remuneration of the directors and of the auditors;

(ff) the granting of any mandate or authority to the Board to offer, allot, grant options over, or otherwise dispose of the unissued shares representing not more than 20% (or such other percentage as may from time to time be specified in the rules of the Hong Kong Stock Exchange) in nominal value of its then existing issued share capital and the number of any securities repurchased pursuant to paragraph (gg) below; and

(gg) the granting of any mandate or authority to the Board to repurchase securities of the Company.

(v) Quorum for meetings and separate class meetings

No business shall be transacted at any general meeting unless a quorum is present when the meeting proceeds to business and continues to be present until the conclusion of the meeting, but the absence of a quorum shall not preclude the appointment of a chairman.

The quorum for a general meeting shall be two members present in person (or, in the case of a member being a corporation, by its duly authorised representative) or by proxy and entitled to vote. In respect of a separate class meeting (other than an adjourned meeting) convened to sanction the modification of class rights the necessary quorum shall be two persons holding (or, in the case of a member being a corporation, by its duly authorised representative) or representing by proxy not less than one-third of the issued shares of that class.

(vi) Proxies

Any member of our Company entitled to attend and vote at a meeting of our Company is entitled to appoint another person as his proxy to attend and vote instead of him. A member who is the holder of two or more shares may appoint more than one proxy to represent him and vote on his behalf at a general meeting of our Company or at a class meeting. A proxy need not be a member of our Company and is entitled to exercise the same powers on behalf of a member who is an individual and for whom he acts as proxy as such member could exercise. In addition, every member being a corporation shall be entitled to appoint a representative to attend and vote at any general meeting of our Company and, where a corporation is so represented, it shall be treated as being present at any meeting in person. A corporation may execute a form of proxy under the hand of a duly authorised officer and such proxy is entitled to exercise the same powers on behalf of a member which is a corporation and for which he acts as proxy as such member could exercise as if it were an individual member. On a poll or a show of hands, votes may be given either personally (or, in the case of a member being a corporation, by its duly authorised representative) or by proxy.

(f) Accounts and audit

The Board shall cause true accounts to be kept of the sums of money received and expended by our Company, and the matters in respect of which such receipt and expenditure take place, and of the assets and liabilities of our Company and of all other matters required by the Cayman Companies Act or necessary to give a true and fair view of the state of our Company's affairs and to show and explain its transactions.

The accounting records must be kept at the Head Office or at such other place or places as the Board decides and shall always be open to inspection by any Director. No member (other than a Director) or other person shall have any right to inspect any accounting record or book or document of our Company except as conferred by law or ordered by a court of competent jurisdiction or authorised by the Board or our Company in general meeting. However, an exempted company must make available at its registered office in electronic form or any other medium, copies of its books of account or parts thereof as may be required of it upon service of an order or notice by the Tax Information Authority pursuant to the Tax Information Authority Act (Revised) of the Cayman Islands.

A copy of every balance sheet (including every document required by law to be annexed thereto) and profit and loss account which is to be laid before our Company at its annual general meeting, together with a copy of the Directors' report and a copy of the auditors' report, shall not less than twenty-one (21) days before the date of the meeting and at the same time as the notice of annual general meeting be sent to every person entitled to receive notices of general meetings of our Company under the provisions of the Articles; however, subject to compliance with all applicable laws, including the rules of the Hong Kong Stock Exchange, our Company may send to such persons summarised financial statements derived from our Company's annual accounts and the directors' report instead provided that any such person may by notice in writing served on our Company, demand that our Company sends to him, in addition to summarised financial statements, a complete copy of our Company's annual financial statement and the directors' report thereon.

At the annual general meeting in each year, the members shall by ordinary resolution appoint an auditor to audit the accounts of our Company and such auditor shall hold office until the next annual general meeting. Moreover, the members may, at any general meeting, by ordinary resolution remove the auditors at any time before the expiration of his terms of office and shall by ordinary resolution at that meeting appoint another auditor for the remainder of his term. The appointment, removal and remuneration of the auditors must be approved by a simple majority of our Company's members in a general meeting or by other body that is independent of the Board, except that in any particular year our Company in general meeting (or such body independent of the Board as aforementioned) may delegate the fixing of such remuneration to the Board and the remuneration of any auditors appointed to fill any casual vacancy may be fixed by the Board.

The financial statements of our Company shall be audited by the auditor in accordance with generally accepted auditing standards which may be those of a country or jurisdiction other than the Cayman Islands. The auditor shall make a written report thereon in accordance with generally accepted auditing standards and the report of the auditor must be submitted to the members in general meeting.

The auditors shall audit the financial statements of the Company in accordance with generally accepted accounting principles of Hong Kong, the International Accounting Standards or such other standards as may be permitted by the Hong Kong Stock Exchange.

(g) Dividends and other methods of distribution

Our Company in general meeting may declare dividends in any currency to be paid to the members but no dividend shall be declared in excess of the amount recommended by the Board.

The Articles provide dividends may be declared and paid out of the profits of our Company, realised or unrealised, or from any reserve set aside from profits which the directors determine is no longer needed. With the sanction of an ordinary resolution dividends may also be declared and paid out of share premium account or any other fund or account which can be authorised for this purpose in accordance with the Cayman Companies Act.

Except in so far as the rights attaching to, or the terms of issue of, any share may otherwise provide, (i) all dividends shall be declared and paid according to the amounts paid up on the shares in respect whereof the dividend is paid but no amount paid up on a share in advance of calls shall for this purpose be treated as paid up on the share and (ii) all dividends shall be apportioned and paid pro rata according to the amount paid up on the shares during any portion or portions of the period in respect of which the dividend is paid. The Directors may deduct from any dividend or other monies payable to any member or in respect of any shares all sums of money (if any) presently payable by him to our Company on account of calls or otherwise.

Whenever the Board or our Company in general meeting has resolved that a dividend be paid or declared on the share capital of our Company, the Board may further resolve either (a) that such dividend be satisfied wholly or in part in the form of an allotment of shares credited as fully paid up, provided that the members entitled thereto will be entitled to elect to receive such dividend (or part thereof) in cash in lieu of such allotment, or (b) that members entitled to such dividend will be entitled to elect to receive an allotment of shares credited as fully paid up in lieu of the whole or such part of the dividend as the Board may think fit.

Our Company may also upon the recommendation of the Board by an ordinary resolution resolve in respect of any one particular dividend of our Company that it may be satisfied wholly in the form of an allotment of shares credited as fully paid up without offering any right to members to elect to receive such dividend in cash in lieu of such allotment.

Any dividend, interest or other sum payable in cash to the holder of shares may be paid by cheque or warrant sent through the post addressed to the holder at his registered address, or in the case of joint holders, addressed to the holder whose name stands first in the register of our Company in respect of the shares at his address as appearing in the register or addressed to such person and at such addresses as the holder or joint holders may in writing direct. Every such cheque or warrant shall, unless the holder or joint holders otherwise direct, be made payable to the order of the holder to whom it is sent to, and shall be sent at his or their risk and payment of the cheque or warrant by the bank on which it is drawn shall constitute a good discharge to our Company in respect of the dividend and/or other moneys represented thereby. Any one of two or more joint holders may give effectual receipts for any dividends or other moneys payable or property distributable in respect of the shares held by such joint holders.

Whenever the Board or our Company in general meeting has resolved that a dividend be paid or declared the Board may further resolve that such dividend be satisfied wholly or in part by the distribution of specific assets of any kind.

All dividends or bonuses unclaimed for one year after having been declared may be invested or otherwise made use of by the Board for the benefit of our Company until claimed and our Company shall not be constituted a trustee in respect thereof. All dividends or bonuses unclaimed for six years after having been declared may be forfeited by the Board and shall revert to our Company.

No dividend or other monies payable by our Company on or in respect of any share shall bear interest against our Company.

(h) Inspection of corporate records

Pursuant to the Articles, the register and branch register of members maintained in Hong Kong shall be open to inspection during business hours by any member of our Company without charge, or by any other person upon a maximum payment of HK$2.50 or such lesser sum specified by the Board, at the registered office or such other place at which the register is kept in accordance with the Cayman Companies Act or, upon a maximum payment of HK$1.00 or such lesser sum specified by the Board, at the office where the branch register of members is kept, unless the register is closed in accordance with the Articles.

(i) Rights of minorities in relation to fraud or oppression

There are no provisions in the Articles relating to rights of minority members in relation to fraud or oppression. However, certain remedies are available to members of our Company under Cayman Islands law, as summarised in paragraph 3(f) of this Appendix III.

(j) Procedures on liquidation

Unless otherwise provided by the Cayman Companies Act, our Company may at any time and from time to time be wound up voluntarily by a special resolution. If our Company shall be wound up the liquidator shall apply the assets of our Company in such manner and order as he thinks fit in satisfaction of creditors' claims.

Subject to any special rights, privileges or restrictions as to the distribution of available surplus assets on liquidation for the time being attached to any class or classes of shares:

(i) if our Company is wound up and the assets available for distribution amongst the members of our Company shall be more than sufficient to repay the whole of the capital paid up at the commencement of the winding up, the excess after payment to all creditors shall be distributed pari passu amongst such members in proportion to the amount paid up on the shares held by them respectively; and

(ii) if our Company is wound up and the assets available for distribution amongst the members as such shall be insufficient to repay the whole of the paid-up capital, such assets shall be distributed so that, as nearly as may be, the losses shall be borne by the members in proportion to the capital paid up, or which ought to have been paid up, at the commencement of the winding up on the shares held by them respectively.

If our Company is wound up (whether the liquidation is voluntary or by the court) the liquidator may, with the authority of a special resolution and any other sanction required by the Cayman Companies Act divide among the members in specie or kind the whole or any part of the assets of our Company whether the assets shall consist of property of one kind or shall consist of properties of different kinds and the liquidator may, for such purpose, set such value as he deems fair upon any one or more class or classes of property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members and members within each class. The liquidator may, with the like authority, vest any part of the assets in trustees upon such trusts for the benefit of members as the liquidator, with the like authority, shall think fit, but so that no member shall be compelled to accept any shares or other property in respect of which there is a liability.

(k) Subscription rights reserve

The Articles provide that to the extent that it is not prohibited by and is in compliance with the Cayman Companies Act, if warrants to subscribe for shares have been issued by our Company and our Company does any act or engages in any transaction which would result in the subscription price of such warrants being reduced below the par value of a share, a subscription rights reserve shall be established and applied in paying up the difference between the subscription price and the par value of a share on any exercise of the warrants.

3. CAYMAN ISLANDS COMPANIES ACT

Our Company is incorporated in the Cayman Islands subject to the Cayman Companies Act and, therefore, operates subject to Cayman Islands law. Set out below is a summary of certain provisions of the Cayman Companies Act, although this does not purport to contain all applicable qualifications and exceptions or to be a complete review of all matters of the Cayman Companies Act and taxation, which may differ from equivalent provisions in jurisdictions with which interested parties may be more familiar:

a. Company operations

As an exempted company, our Company's operations must be conducted mainly outside the Cayman Islands. An exempted company is required to file an annual return each year with the Registrar of Companies of the Cayman Islands and pay a fee which is based on the amount of its authorised share capital.

b. Share capital

The Cayman Companies Act provides that where a company issues shares at a premium, whether for cash or otherwise, a sum equal to the aggregate amount of the value of the premiums on those shares shall be transferred to an account, to be called the "share premium account". At the option of a company, these provisions may not apply to premiums on shares of that company allotted pursuant to any arrangement in consideration of the acquisition or cancellation of shares in any other company and issued at a premium.

The Cayman Companies Act provides that the share premium account may be applied by a company subject to the provisions, if any, of its memorandum and articles of association in (a) paying distributions or dividends to members; (b) paying up unissued shares of the company to be issued to members as fully paid bonus shares; (c) the redemption and repurchase of shares (subject to the provisions of section 37 of the Cayman Companies Act); (d) writing-off the preliminary expenses of the company; and (e) writing-off the expenses of, or the commission paid or discount allowed on, any issue of shares or debentures of the company.

No distribution or dividend may be paid to members out of the share premium account unless immediately following the date on which the distribution or dividend is proposed to be paid, the company will be able to pay its debts as they fall due in the ordinary course of business.

The Cayman Companies Act provides that, subject to confirmation by the Grand Court of the Cayman Islands (the "Court"), a company limited by shares or a company limited by guarantee and having a share capital may, if so authorised by its articles of association, by special resolution reduce its share capital in any way.

c. Financial assistance to purchase shares of a company or its holding company

There is no statutory restriction in the Cayman Islands on the provision of financial assistance by a company to another person for the purchase of, or subscription for, its own or its holding or a subsidiary's company's shares. Accordingly, a company may provide financial assistance if the directors of the company consider, in discharging their duties of care and acting in good faith, for a proper purpose and in the interests of the company, that such assistance can properly be given. Such assistance should be on an arm's-length basis.

d. Purchase of shares and warrants by a company and its subsidiaries

A company limited by shares or a company limited by guarantee and having a share capital may, if so authorised by its articles of association, issue shares which are to be redeemed or are liable to be redeemed at the option of the company or a shareholder and the Cayman Companies Act expressly provides that it shall be lawful for the rights attaching to any shares to be varied, subject to the provisions of the company's articles of association, so as to provide that such shares are to be or are liable to be so redeemed. In addition, such a company

may, if authorised to do so by its articles of association, purchase its own shares, including any redeemable shares. However, if the articles of association do not authorise the manner and terms of purchase, a company cannot purchase any of its own shares unless the manner and terms of purchase have first been authorised by an ordinary resolution of the company. At no time may a company redeem or purchase its shares unless they are fully paid. A company may not redeem or purchase any of its shares if, as a result of the redemption or purchase, there would no longer be any issued shares of the company other than shares held as treasury shares. A payment out of capital by a company for the redemption or purchase of its own shares is not lawful unless immediately following the date on which the payment is proposed to be made, the company shall be able to pay its debts as they fall due in the ordinary course of business.

Shares purchased by a company is to be treated as cancelled unless, subject to the memorandum and articles of association of the company, the directors of the company resolve to hold such shares in the name of the company as treasury shares prior to the purchase. Where shares of a company are held as treasury shares, the company shall be entered in the register of members as holding those shares, however, notwithstanding the foregoing, the company is not be treated as a member for any purpose and must not exercise any right in respect of the treasury shares, and any purported exercise of such a right shall be void, and a treasury share must not be voted, directly or indirectly, at any meeting of the company and must not be counted in determining the total number of issued shares at any given time, whether for the purposes of the company's articles of association or the Cayman Companies Act.

A company is not prohibited from purchasing and may purchase its own warrants subject to and in accordance with the terms and conditions of the relevant warrant instrument or certificate. There is no requirement under Cayman Islands law that a company's memorandum or articles of association contain a specific provision enabling such purchases and the directors of a company may rely upon the general power contained in its memorandum of association to buy and sell and deal in personal property of all kinds.

Under Cayman Islands law, a subsidiary may hold shares in its holding company and, in certain circumstances, may acquire such shares.

e. Dividends and distributions

The Cayman Companies Act permits, subject to a solvency test and the provisions, if any, of a company's memorandum and articles of association, the payment of dividends and distributions out of the share premium account. With the exception of the foregoing, there are no statutory provisions relating to the payment of dividends. Based upon English case law, which is regarded as persuasive in the Cayman Islands, dividends may be paid only out of profits.

No dividend may be declared or paid, and no other distribution (whether in cash or otherwise) of a company's assets (including any distribution of assets to members on a winding up) may be made to a company, in respect of a treasury share.

f. Protection of minorities and shareholders' suits

The Court ordinarily would be expected to follow English case law precedents which permit a minority shareholder to commence a representative action against or derivative actions in the name of a company to challenge (a) an act which is ultra vires or illegal, (b) an act which constitutes a fraud against the minority shareholder and the wrongdoers are themselves in control of the company, and (c) an irregularity in the passing of a resolution which requires a qualified (or special) majority.

In the case of a company (not being a bank) having a share capital divided into shares, the Court may, on the application of members holding not less than one fifth of the shares of the company in issue, appoint an inspector to examine into the affairs of the company and to report thereon in such manner as the Court shall direct.

Any shareholder of a company may petition the Court which may make a winding up order if the Court is of the opinion that it is just and equitable that the company should be wound up or, as an alternative to a winding up order, (a) an order regulating the conduct of the company's affairs in the future, (b) an order requiring the company to refrain from doing or continuing an act complained of by the shareholder petitioner or to do an act which the shareholder petitioner has complained it has omitted to do, (c) an order authorising civil proceedings to be brought in the name and on behalf of the company by the shareholder petitioner on such terms as the Court may direct, or (d) an order providing for the purchase of the shares of any shareholders of the company by other shareholders or by the company itself and, in the case of a purchase by the company itself, a reduction of the company's capital accordingly.

Generally claims against a company by its shareholders must be based on the general laws of contract or tort applicable in the Cayman Islands or their individual rights as shareholders as established by a company's memorandum and articles of association.

g. Disposal of assets

The Cayman Companies Act contains no specific restrictions on the power of directors to dispose of assets of a company. However, as a matter of general law, every officer of a company, which includes a director, managing director and secretary, in exercising his powers and discharging his duties must do so honestly and in good faith with a view to the best interests of the company and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

h. Accounting and auditing requirements

A company must cause proper books of account to be kept with respect to (i) all sums of money received and expended by the company and the matters in respect of which the receipt and expenditure takes place; (ii) all sales and purchases of goods by the company; and (iii) the assets and liabilities of the company.

Proper books of account shall not be deemed to be kept if there are not kept such books as are necessary to give a true and fair view of the state of the company's affairs and to explain its transactions.

An exempted company must make available at its registered office in electronic form or any other medium, copies of its books of account or parts thereof as may be required of it upon service of an order or notice by the Tax Information Authority pursuant to the Tax Information Authority Act (Revised) of the Cayman Islands.

i. Exchange control

There are no exchange control regulations or currency restrictions in the Cayman Islands.

j. Taxation

Pursuant to the Tax Concessions Act (Revised) of the Cayman Islands, our Company has obtained an undertaking from the Governor-in-Cabinet that:

(1) no law which is enacted in the Cayman Islands imposing any tax to be levied on profits, income, gains or appreciation shall apply to our Company or its operations; and

(2) the aforesaid tax or any tax in the nature of estate duty or inheritance tax shall not be payable on or in respect of the shares, debentures or other obligations of our Company; or by way of the withholding in whole or in part of any relevant payment as defined in the Tax Concessions Act (Revised) of the Cayman Islands.

The undertaking for our Company is for a period of twenty years from December 20, 2023.

The Cayman Islands currently levy no taxes on individuals or corporations based upon profits, income, gains or appreciations and there is no taxation in the nature of inheritance tax or estate duty. There are no other taxes likely to be material to our Company levied by the Government of the Cayman Islands save for certain stamp duties which may be applicable, from time to time, on certain instruments executed in or brought within the jurisdiction of the Cayman Islands. The Cayman Islands are a party to a double tax treaty entered into with the United Kingdom in 2010 but otherwise is not party to any double tax treaties.

k. Stamp duty on transfers

No stamp duty is payable in the Cayman Islands on transfers of shares of Cayman Islands companies except those which hold interests in land in the Cayman Islands.

l. Loans to directors

There is no express provision in the Cayman Companies Act prohibiting the making of loans by a company to any of its directors.

m. Inspection of corporate records

Members of a company have no general right under the Cayman Companies Act to inspect or obtain copies of the register of members or corporate records of the company. They will, however, have such rights as may be set out in the company's Articles.

n. Register of members

An exempted company may maintain its principal register of members and any branch registers at such locations, whether within or without the Cayman Islands, as the directors may, from time to time, think fit. A branch register must be kept in the same manner in which a principal register is by the Cayman Companies Act required or permitted to be kept. A company shall cause to be kept at the place where the company's principal register is kept a duplicate of any branch register duly entered up from time to time.

There is no requirement under the Cayman Companies Act for an exempted company to make any returns of members to the Registrar of Companies of the Cayman Islands. The names and addresses of the members are, accordingly, not a matter of public record and are not available for public inspection. However, an exempted company shall make available at its registered office, in electronic form or any other medium, such register of members, including any branch register of members, as may be required of it upon service of an order or notice by the Tax Information Authority pursuant to the Tax Information Authority Act (Revised) of the Cayman Islands.

o. Register of Directors and Officers

A company is required to maintain at its registered office a register of directors and officers which is not available on display. A copy of such register must be filed with the Registrar of Companies in the Cayman Islands and any change must be notified to the Registrar within thirty (30) days of any change in such directors or officers.

p. Beneficial Ownership Register

An exempted company is required to maintain a beneficial ownership register at its registered office that records details of the persons who ultimately own or control, directly or indirectly, more than 25% of the equity interests or voting rights of the company or have rights to appoint or remove a majority of the directors of the company. The beneficial ownership register is not a public document and is only accessible by a designated competent authority of the Cayman Islands.

Such requirement does not, however, apply to an exempted company with its shares listed on an approved stock exchange, which includes the Hong Kong Stock Exchange. Accordingly, for so long as the shares of a company are listed on the Hong Kong Stock Exchange, the company is not required to maintain a beneficial ownership register.

q. Winding up

A company may be wound up (a) compulsorily by order of the Court, (b) voluntarily by its members, or (c) under the supervision of the Court.

The Court has authority to order winding up in a number of specified circumstances including where the members of the company have passed a special resolution requiring the company to be wound up by the Court, or where the company is unable to pay its debts, or where it is, in the opinion of the Court, just and equitable to do so. Where a petition is presented by members of the company as contributories on the ground that it is just and equitable that the company should be wound up, the Court has the jurisdiction to make certain other orders as an alternative to a winding-up order, such as making an order regulating the conduct of the company's affairs in the future, making an order authorising civil proceedings to be brought in the name and on behalf of the company by the petitioner on such terms as the Court may direct, or making an order providing for the purchase of the shares of any of the members of the company by other members or by the company itself.

A company (save with respect to a limited duration company) may be wound up voluntarily when the company so resolves by special resolution or when the company in general meeting resolves by ordinary resolution that it shall be wound up voluntarily because it is unable to pay its debts as they fall due. In the case of a voluntary winding up, such company is obliged to cease to carry on its business (except so far as it may be beneficial for its winding up) from the time of passing the resolution for voluntary winding up or upon the expiry of the period or the occurrence of the event referred to above.

For the purpose of conducting the proceedings in winding up a company and assisting the Court therein, there may be appointed an official liquidator or official liquidators; and the Court may appoint to such office such person, either provisionally or otherwise, as it thinks fit, and if more persons than one are appointed to such office, the Court must declare whether any act required or authorised to be done by the official liquidator is to be done by all or any one

or more of such persons. The Court may also determine whether any and what security is to be given by an official liquidator on his appointment; if no official liquidator is appointed, or during any vacancy in such office, all the property of the company shall be in the custody of the Court.

As soon as the affairs of the company are fully wound up, the liquidator must make a report and an account of the winding up, showing how the winding up has been conducted and how the property of the company has been disposed of, and thereupon call a general meeting of the company for the purposes of laying before it the account and giving an explanation thereof. This final general meeting must be called by at least 21 days' notice to each contributory in any manner authorised by the company's articles of association and published in the Gazette.

r. Reconstructions

There are statutory provisions which facilitate reconstructions and amalgamations approved by (i) a majority in number representing seventy-five per cent (75%) in value of creditors, or (ii) seventy-five per cent (75%) in value of shareholders or class of shareholders, as the case may be, as are present and voting either in person or by proxy at a meeting called for such purpose and thereafter sanctioned by the Court. Whilst a dissenting shareholder would have the right to express to the Court his view that the transaction for which approval is sought would not provide the shareholders with a fair value for their shares, the Court is unlikely to disapprove the transaction on that ground alone in the absence of evidence of fraud or bad faith on behalf of management.

The Companies Act also contains statutory provisions which provide that a company may present a petition to the Court for the appointment of a restructuring officer on the grounds that the company (a) is or is likely to become unable to pay its debts within the meaning of section 93 of the Companies Act; and (b) intends to present a compromise or arrangement to its creditors (or classes thereof) either, pursuant to the Companies Act, the law of a foreign country or by way of a consensual restructuring. The petition may be presented by a company acting by its directors, without a resolution of its shareholders or an express power in its articles of association. On hearing such a petition, the Court may, among other things, make an order appointing a restructuring officer or make any other order as the Court thinks fit.

s. Take-overs

Where an offer is made by a company for the shares of another company and, within four (4) months of the offer, the holders of not less than ninety per cent. (90%) of the shares which are the subject of the offer accept, the offeror may at any time within two (2) months after the expiration of the said four (4) months, by notice in the prescribed manner require the dissenting shareholders to transfer their shares on the terms of the offer. A dissenting shareholder may apply to the Court within one (1) month of the notice objecting to the transfer. The burden is

on the dissenting shareholder to show that the Court should exercise its discretion, which it will be unlikely to do unless there is evidence of fraud or bad faith or collusion as between the offeror and the holders of the shares who have accepted the offer as a means of unfairly forcing out minority shareholders.

t. Indemnification

Cayman Islands law does not limit the extent to which a company's articles of association may provide for indemnification of officers and directors, except to the extent any such provision may be held by the Court to be contrary to public policy (e.g. for purporting to provide indemnification against the consequences of committing a crime).

u. Economic Substance Requirements

Pursuant to the International Tax Cooperation (Economic Substance) Act (Revised) of the Cayman Islands ("**ES Act**") that came into force on 1 January 2019, a "relevant entity" is required to satisfy the economic substance test set out in the ES Act. A "relevant entity" includes an exempted company incorporated in the Cayman Islands as is our Company; however, it does not include an entity that is tax resident outside the Cayman Islands. Accordingly, for so long as our Company is a tax resident outside the Cayman Islands, including in Hong Kong, it is not required to satisfy the economic substance test set out in the ES Act.

4. GENERAL

Ogier, our Company's legal counsel as to Cayman Islands law, have sent to our Company a letter of advice summarising certain aspects of Cayman Companies Act. This letter, together with a copy of the Cayman Companies Act, is available on display as referred to in the section headed "Documents delivered to the Registrar of Companies and available on display — Documents available on display" in Appendix V to this prospectus. Any person wishing to have a detailed summary of Cayman Companies Act or advice on the differences between it and the laws of any jurisdiction with which he is more familiar is recommended to seek independent legal advice.

A. FURTHER INFORMATION ABOUT OUR GROUP

1. Incorporation of Our Company

Our Company was incorporated under the laws of the Cayman Islands on August 3, 2023 as an exempted company with limited liability. Our registered office address is at 89 Nexus Way, Camana Bay, Grand Cayman, KY1-9009, Cayman Islands. Our Company's corporate structure and Memorandum and Articles of Association are subject to relevant laws of the Cayman Islands. A summary of our Memorandum and Articles of Association is set out in Appendix III to this prospectus.

We have established a place of business in Hong Kong at Room 1920, 19/F, Lee Garden One, 33 Hysan Avenue, Causeway Bay, Hong Kong, and was registered as a non-Hong Kong Company under Part 16 of the Companies Ordinance on January 8, 2024 with the Registrar of Companies in Hong Kong. Ms. Zhao Zeng is our process agent for the acceptance of services of process and notices on behalf of our Company in Hong Kong. The address for service of process is Room 1920, 19/F, Lee Garden One, 33 Hysan Avenue, Causeway Bay, Hong Kong.

2. Changes in the Share Capital of Our Company

As of the date of incorporation of our Company, the authorized share capital of our Company was US$50,000, a total of one share of US$1 par value was allotted and issued at par value to Vistra (Cayman) Limited, which was then transferred to Little Blue Light Ltd. On the same day, we further allotted and issued a total of two shares of US$1 par value at par value, one share to Convolution Ltd and one share to Plmmliu Ltd.

On October 16, 2023, each of the then existing issued and unissued ordinary shares of US$1.00 each in the then share capital of the Company was subdivided into 100,000 shares of US$0.00001 each and all the subdivided shares be ranked *pari passu* in all aspects with each other. Thereafter, the authorized share capital of the Company became US$50,000 divided into 5,000,000,000 ordinary shares with a par value of US$0.00001 each. Our Company allotted and issued an aggregate of 4,379,820 Shares at par in the following manner:

Shareholders	Number of Shares	Class of Shares	Issuance Date
Little Blue Light Ltd . .	2,891,850	Ordinary Shares	October 16, 2023
Convolution Ltd	726,140	Ordinary Shares	October 16, 2023
Plmmliu Ltd	24,340	Ordinary Shares	October 16, 2023
Xiaoyusan Limited	401,660	Ordinary Shares	October 16, 2023
New Umbrella Ltd.	335,830	Ordinary Shares	October 16, 2023

On January 2, 2024, (i) 894,847 of the unissued Ordinary Shares of the Company were redesignated as Series Angel Preference Shares, (ii) 1,432,333 of the unissued Ordinary Shares of the Company were redesignated as Series A Preference Shares, (iii) 1,572,430 of the unissued Ordinary Shares of the Company were redesignated as Series B Preference Shares and (iv) 1,420,570 of the unissued Ordinary Shares of the Company were redesignated as Series C Preferences Shares, respectively.

On the same day, our Company allotted and issued 894,847 Series Angel Preferred Shares, 1,432,333 Series A Preferred Shares, 1,572,430 Series B Preferred Shares, 1,420,570 Series C Preferred Shares in the following manner:

Shareholders	Number of Shares	Class of Shares	Issuance Date
HongShan Yucheng . .	1,317,720	Series A Preferred Shares	January 2, 2024
Matrix SPV	563,200	Series B Preferred Shares	January 2, 2024
Tibet Juzhi	1,009,230	Series B Preferred Shares	January 2, 2024
Gopher SPV	1,420,570	Series C Preferred Shares	January 2, 2024
Jidixintian	568,917	Series Angel Preferred Shares	January 2, 2024
	114,613	Series A Preferred Shares	
Tianjin Juxin	325,930	Series Angel Preferred Shares	January 2, 2024

On January 10, 2024, our Company allotted and issued an aggregate of 101,010 Shares at par to StarReach Tech Limited.

3. Changes in the Share Capital of Our Subsidiaries and the Consolidated Affiliated Entities

Our subsidiaries and our Consolidated Affiliated Entities are set out in the Accountants' Report in Appendix I to this prospectus.

The following sets out the changes in the share or registered capital of members of our Group within the two years immediately preceding the date of this document:

On October 8, 2023, the registered capital of Shenzhen Shouhui was decreased from RMB10,276,937.68 to RMB9,459,469.97.

On December 15, 2023, the registered capital of Shouhui Chuangxiang was increased from RMB2,000,000 to RMB2,020,202.

On January 4, 2024, the registered capital of Shenzhen Shouhui was decreased from RMB9,459,469.97 to RMB3,670,187.

On January 8, 2024, the registered capital of Shenzhen Shouhui was increased from RMB3,670,187 to RMB3,707,260 and further increased to RMB4,887,067 on January 10, 2024.

Save as disclosed above and in "Accountants' Report" in Appendix I to this prospectus, there has been no alteration in the share capital of any of the subsidiaries and Consolidated Affiliated Entities of our Company within the two years immediately preceding the date of this prospectus.

4. Resolutions of the Shareholders Passed on May 13, 2025

On May 13, 2025, the Shareholders passed, among other things, the following resolutions:

(a) the Memorandum and the Articles were approved and adopted conditional on and effective upon Listing;

(b) subject to and conditional upon the share premium account of our Company having sufficient balance or otherwise being credited as a result of the issue of Offer Shares pursuant to the Global Offering, our Directors were authorized to capitalize the amount of US$1,919.1919 of the balance of the share premium account and applying such sum in paying up in full at nominal value and issue Shares, all or a portion, as the case may be, a total of 191,919,190 Shares for allotment and issue to the holders of Shares whose names are entered on the principal register of members of the Company maintained in the Cayman Islands at the close of business on the date immediately preceding the date on which the Listing becomes unconditional in proportion to their respective shareholdings in our Company (save that no Shareholder shall be entitled to be allotted or issued any fraction of a Share), and the Shares to be allotted and issued pursuant to this resolution shall rank *pari passu* in all respects with the existing issued Shares in issue and our Directors were authorized to give effect to such appropriation, capitalization and distribution, and to do all such things and sign all such documents in relation thereto;

(c) the Global Offering, the Listing and the Over-allotment Option were approved, and our Directors were authorized to negotiate and agree the Offer Price and to allot and issue the Offer Shares (including pursuant to the Over-allotment Option);

(d) a general mandate (the "**Issue Mandate**") was granted to our Directors to allot, issue and deal with any Shares or securities convertible into Shares and to make or grant offers, agreements or options which would or might require Shares to be allotted, issued or dealt with, provided that the number of Shares so allotted, issued or dealt with or agreed to be allotted, issued or dealt with by our Directors, shall not exceed 20% of the total number of Shares in issue (excluding treasury shares) immediately following the completion of Global Offering (excluding any Shares which may be allotted and issued pursuant to the exercise of the Over-allotment Option);

(e) a general mandate (the "**Repurchase Mandate**") was granted to our Directors to repurchase our own Shares on the Stock Exchange or on any other stock exchange on which the securities of our Company may be listed and which is recognized by the SFC and the Stock Exchange for this purpose, such number of Shares as will represent up to 10% of the total number of Shares in issue (excluding treasury shares) immediately following completion of the Global Offering (excluding any Shares which may be allotted and issued pursuant to the exercise of the Over-allotment Option); and

(f) the Issue Mandate was extended by the addition to the total number of Shares which may be allotted and issued or agreed to be allotted and issued by our Directors pursuant to such general mandate of an amount representing the total number of the Shares purchased by our Company pursuant to the Repurchase Mandate, provided that such extended amount shall not exceed 10% of the total number of the Shares in issue (excluding treasury shares) immediately following completion of the Global Offering (excluding any Shares which may be allotted and issued pursuant to the exercise of the Over-allotment Option).

Each of the general mandates referred to above will remain in effect until the earliest of:

(i) the conclusion of the next annual general meeting of our Company unless, by ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to condition; or

(ii) the expiration of the period within which our Company's next annual general meeting is required to be held under the Memorandum and Articles of Association or any applicable laws of the Cayman Islands; or

(iii) the passing of an ordinary resolution by our Shareholders in a general meeting revoking, renewing or varying the authority.

5. Repurchase of Our Shares

This section sets out information required by the Stock Exchange to be included in this prospectus concerning the buyback by our Company of our own Shares.

(a) Provisions of the Listing Rules

The Listing Rules permit companies with a primary listing on the Stock Exchange to purchase their shares on the Stock Exchange subject to certain restrictions summarized below:

(i) Shareholders' approval

A listed company whose primary listing is on the Stock Exchange may only purchase its shares on the Stock Exchange, either directly or indirectly, if: (i) the shares proposed to be purchased are fully paid up, and (ii) its shareholders have given a specific approval of the particular transaction or general mandate by way of an ordinary resolution of shareholders.

Pursuant to a resolution passed by our Shareholders on May 13, 2025, the Repurchase Mandate was given to our Directors to exercise all powers of our Company to repurchase Shares on the Stock Exchange, or on any other stock exchange on which the securities of our Company may be listed and which is recognized by the SFC and the Stock Exchange for this purpose, not exceeding in aggregate 10% of the total number of Shares in issue (excluding treasury shares) immediately following the completion of the Global Offering (excluding any Shares which may be allotted and issued pursuant to the exercise of the Over-allotment Option), with such mandate to expire at the earliest of (i) the conclusion of the next annual general meeting of our Company (unless renewed by an ordinary resolution of our Shareholders in a general meeting, either unconditionally or subject to conditions), (ii) the expiration of the period within which our Company's next annual general meeting is required by the Articles of Association or any other applicable laws to be held, and (iii) the date when it is varied or revoked by an ordinary resolution of our Shareholders in general meeting.

(ii) Source of funds

Purchases must be funded out of funds legally available for the purpose in accordance with the Memorandum and Articles of Association and the applicable laws and regulations of Hong Kong and the Cayman Islands.

A listed company shall not purchase its own Shares on the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange from time to time.

Any purchases by the Company may be made out of profits or out of an issue of new shares made for the purpose of the purchase or, if authorized by the Memorandum and Articles of Association and subject to the Cayman Companies Act, out of capital, and, in the case of any premium payable on the purchase out of profits or from sums standing to the credit of our share premium account or out of capital, if authorized by the Memorandum and Articles of Association and subject to the Cayman Companies Act.

(iii) Trading restrictions

A listed company is prohibited from repurchasing its shares on the Stock Exchange if the purchase price is 5% or more than the average closing market price for the five preceding trading days on which its shares were traded on the Stock Exchange.

A listed company may not repurchase its shares if that repurchase would result in the number of listed securities which are in the hands of the public falling below the relevant prescribed minimum percentage as required by the Stock Exchange. A company is required to procure that the broker appointed by it to effect a repurchase of securities discloses to the Stock Exchange such information with respect to the repurchase made on behalf of the listed company as the Stock Exchange may require.

(iv) Status of Repurchased Shares

Under the laws of the Cayman Islands, the Shares repurchased may (i) be treated by our Company as cancelled; or (ii) be held by our Company as treasury shares, and in each case the aggregate amount of authorized share capital would not be reduced.

Our Company may re-deposit its treasury Shares into CCASS established and operated by HKSCC only if it has an imminent plan to resell them on the Stock Exchange, and it should complete the resale as soon as possible. For any treasury shares deposited with CCASS pending resale on the Stock Exchange, our Company will have appropriate measures to ensure that it would not exercise any Shareholders' rights or receive any entitlements which would otherwise be suspended under the relevant laws with respect to treasury shares. These measures include, for example, an approval by the Board that (i) our Company should procure its broker not to give any instructions to HKSCC to vote at general meetings for the treasury shares deposited with CCASS pending resale; and (ii) in the case of dividends or distributions, our Company should withdraw the treasury shares from CCASS, and either re-register them in our Company's name as treasury shares or cancel them, in each case before the record date for the dividends or distributions.

Holders of treasury shares (if any) shall abstain from voting on matters that require Shareholders' approval at the Company's general meetings.

(v) Suspension of Repurchase

A listed company shall not make any repurchase of securities on the Stock Exchange at any time after inside information has come to its knowledge until the information is made publicly available. In particular, during the period of one month immediately preceding the earlier of (i) the date of the Board meeting (as such date is first notified to the Stock Exchange in accordance with the Listing Rules) for the approval of a listed company's results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules) and (ii) the deadline for publication of an announcement of a listed company's results for any year or half-year under the Listing Rules, or quarterly or any other interim period (whether or not required under the Listing Rules), until the date of the results announcement, the listed company may not repurchase its shares on the Stock Exchange unless there are exceptional circumstances. In addition, the Stock Exchange may prohibit a repurchase of securities on the Stock Exchange if a listed company has breached the Listing Rules.

(vi) Reporting Requirements

Certain information relating to repurchases of shares on the Stock Exchange or otherwise must be reported to the Stock Exchange not later than 30 minutes before the earlier of the commencement of the morning trading session or any pre-opening session on the following business day. In addition, a listed company's annual report is required to disclose details regarding repurchases of shares made during the year, including the number of shares repurchased each month (whether on the Stock Exchange or otherwise), the purchase price per share or the highest and lowest price paid for all such purchases, where relevant, and the aggregate price paid.

(vii) Core Connected Persons

None of our Directors or, to the best of their knowledge having made all reasonable enquiries, any of their close associates have a present intention, in the event the Repurchase Mandate is approved, to sell any Shares to our Company.

No core connected person of our Company has notified our Company that they have a present intention to sell Shares to our Company, or have undertaken to do so, if the Repurchase Mandate is approved.

A listed company is prohibited from knowingly repurchasing its shares from a core connected person (namely a director, chief executive or substantial shareholder of the company or any of its subsidiaries or their close associates of any of them), and a core connected person is prohibited from knowingly selling its shares to the company.

(b) Reasons for Repurchase

Our Directors believe that the ability to repurchase Shares is in the interests of our Company and the Shareholders. When exercising the Repurchase Mandate, our Directors may, subject to market conditions and our Company's capital management needs at the relevant time of the repurchases, resolve to cancel the Shares repurchased following settlement of any such repurchase or hold them as treasury shares. On one hand, Shares repurchased for cancellation may, depending on the market conditions, funding arrangement at the time, lead to an enhancement of the net assets value per Share. On the other hand, Shares repurchased and held by our Company as treasury shares may be resold on the market at market prices to raise funds for our Company, or transferred or used for other purposes, subject to compliance with the Listing Rules, the Articles of Association, and the laws of the Cayman Islands. Our Directors sought the grant of a general mandate to repurchase Shares to give our Company the flexibility to do so if and when appropriate. The number of Shares to be repurchased on any occasion and the price and other terms upon which the same are repurchased will be decided by our Directors at the relevant time having regard to the circumstances then pertaining. Repurchase of Shares will only be made when our Directors believe that such repurchases will benefit our Company and our Shareholders.

(c) Funding of Repurchase

Our Directors do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements of our Company or its gearing levels which, in the opinion of our Directors, are from time to time appropriate for our Company.

(d) General

None of our Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their close associates (as defined in the Listing Rules), has any present intention if the Repurchase Mandate is exercised to sell any Share(s) to our Company or our subsidiaries.

If as a result of a buyback of Shares pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of our Company increases, such increase will be treated as an acquisition for the purposes of The Codes on Takeovers and Mergers and Share Buy-backs (the "**Takeovers Code**"). Accordingly, a Shareholder or a group of Shareholders acting in concert, depending on the level of increase of the Shareholders' interest, could obtain or consolidate control of our Company and may become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code as a result of any such increase. Save as disclosed in this section, our Directors are not aware of any consequence that would arise under the Takeovers Code as a result of a buyback pursuant to the Repurchase Mandate. Our Directors have no present intention to exercise the power to buy back Shares to such extent.

If the Repurchase Mandate were to be carried out in full at any time, there may be a material adverse impact on our working capital or gearing position (as compared with the position disclosed in our most recent published audited accounts). However, our Directors do not propose to exercise the Repurchase Mandate to such an extent as would have a material adverse effect on our working capital or gearing position.

Our Directors will exercise the Repurchase Mandate in accordance with the Listing Rules and the applicable Laws in the Cayman Islands. We have not made any repurchases of our Shares in the previous six months.

6. Our Corporate Reorganization

Please refer to the section headed "History, Reorganization and Corporate Structure" in this prospectus.

B. FURTHER INFORMATION ABOUT OUR BUSINESS

1. Summary of Material Contracts

The following contracts (not being contracts entered into in the ordinary course of business) were entered into by our Company, our subsidiaries or Consolidated Affiliated Entities within the two years preceding the date of this prospectus and are or may be material:

(1) an equity repurchase agreement dated July 17, 2023 entered into between Shenzhen Shouhui and the Initial Shareholders, pursuant to which the registered capital of HongShan Xinde in Shenzhen Shouhui was reduced by RMB395,548.89 via Shenzhen Shouhui's repurchase at a consideration of RMB15,000,000 and that of Matrix Jingtianweidi was reduced by RMB421,918.82 via Shenzhen Shouhui's repurchase at a consideration of RMB16,000,000;

(2) an equity transfer agreement dated September 8, 2023 entered into among Shouhui Chengdu, Muchenglin Investment and Shouhui Clinic, pursuant to which Shouhui Chengdu transferred its 100% equity interest in Shouhui Clinic to Muchenglin Investment at a consideration of RMB10;

(3) a capital reduction agreement dated November 17, 2023 entered into between Shenzhen Shouhui and the Initial Shareholders, pursuant to which the registered capital in Shenzhen Shouhui was reduced from RMB9,459,469.97 to RMB3,670,187 at a total consideration of RMB235,627,053.35;

(4) a capital injection agreement dated December 11, 2023 entered into among Shouhui Chuangxiang, Shenzhen Shouhui and StarSpark Tech H.K. Limited (星闪科技有限公司) in respect of the subscription of RMB20,202 registered capital in Shouhui Chuangxiang by StarSpark Tech H.K. Limited at a consideration of RMB20,586;

(5) a share subscription agreement dated January 2, 2024 entered into among our Company, Mr. Guang, Mr. Han, Ms. Liu, Little Green Light Ltd, MallocLuke Ltd, Plmm Ltd, Little Blue Light Ltd, Convolution Ltd , Plmmliu Ltd, Jidixintian, Tianjin Juxin, HongShan Yucheng, Matrix SPV, Tibet Juzhi and Gopher SPV, pursuant to which our Company agreed to allot and issue preference shares to Jidixintian, Tianjin Juxin, HongShan Yucheng, Matrix SPV, Tibet Juzhi and Gopher SPV at a total consideration of US$ equivalent of RMB235,627,053.35;

(6) a shareholders' agreement dated January 2, 2024 entered into among our Company, Mr. Guang, Mr. Han, Ms. Liu, Little Green Light Ltd, MallocLuke Ltd, Plmm Ltd, Little Blue Light Ltd, Convolution Ltd, Plmmliu Ltd, Jidixintian, Tianjin Juxin, HongShan Yucheng, Matrix SPV, Tibet Juzhi, Gopher SPV, Xiaoyusan Limited, Vitality Innovations Limited, Shouhui Holding Limited, Shouhui Tech H.K. Limited, Shouhui Tianjin, Shenzhen Shouhui and Shouhui Chuangxiang in relation to certain shareholder's rights and management of our Company;

(7) a capital injection agreement dated January 8, 2024 entered into among Shenzhen Shouhui, the Registered Shareholders and StarSpark Tech H.K. Limited in respect of the subscription of RMB37,073 registered capital in Shenzhen Shouhui by StarSpark Tech H.K. Limited at a consideration of RMB3,910,000;

(8) a share swap agreement dated January 10, 2024 entered into among our Company, StarReach Tech Limited and StarSong Tech Limited, in respect of the subscription of 101,010 Shares by StarReach Tech Limited at a consideration of a combination of (i) the entire issued share capital of StarSong Tech Limited; (ii) cash of RMB20,586; and (iii) cash of RMB3,910,000;

(9) an exclusive business cooperation agreement dated January 10, 2024 entered into between Shouhui Chuangxiang and the Consolidated Affiliated Entities, pursuant to which Shouhui Chuangxiang agreed to be engaged as the exclusive service provider to provide technical services, technical consultancy and other services to the Consolidated Affiliated Entities, and the Consolidated Affiliated Entities will pay service fees to Shouhui Chuangxiang as consideration;

(10) an exclusive option agreement dated January 10, 2024 entered into among Shouhui Chuangxiang, the Registered Shareholders and the Consolidated Affiliated Entities, pursuant to which the Registered Shareholders and the Consolidated Affiliated Entities agreed to grant to Shouhui Chuangxiang or its designated person an irrevocable and exclusive option to acquire the equity interest in and the assets owned by Shenzhen Shouhui and the Consolidated Affiliated Entities at the lowest price permissible under PRC laws;

(11) an equity pledge agreement dated January 10, 2024 entered into among Shouhui Chuangxiang, the Registered Shareholders and Shenzhen Shouhui, pursuant to which the Registered Shareholders agreed to pledge all their equity interest in Shenzhen Shouhui, held from time to time, to Shouhui Chuangxiang;

(12) a shareholder voting rights proxy agreement dated January 10, 2024 entered into among Shouhui Chuangxiang, the Registered Shareholders and the Consolidated Affiliated Entities, pursuant to which Shouhui Chuangxiang or other person designated by it (excluding any person who may give rise to conflicts of interest) was irrevocably and unconditionally appointed as the attorney-in-fact of the Registered Shareholders, Shenzhen Shouhui and Shouhui Chengdu with respect to their shareholder's rights in the Consolidated Affiliated Entities;

(13) a termination agreement dated January 10, 2024 entered into among Shouhui Tech H.K. Limited, the Initial Shareholders and the Consolidated Affiliated Entities, pursuant to which the parties agreed to terminate all the Transitional Contractual Arrangements;

(14) a cornerstone investment agreement dated May 20, 2025 entered into among our Company, HiTai (Hong Kong) Limited (海泰(香港)有限公司) ("**HiTai HK**") and the Sponsor-Overall Coordinators, pursuant to which HiTai HK agreed to subscribe for the Shares at the Offer Price in the aggregate amount of Hong Kong dollar equivalent of US$5,000,000 (inclusive of all brokerage and levies);

(15) a cornerstone investment agreement dated May 20, 2025 entered into among our Company, Taller industrial Co., Limited (韜越實業有限公司) ("**Taller industrial**") and the Sponsor-Overall Coordinators, pursuant to which Taller industrial agreed to subscribe for the Shares at the Offer Price in the aggregate amount of Hong Kong dollar equivalent of RMB10,000,000 (inclusive of all brokerage and levies); and

(16) the Hong Kong Underwriting Agreement.

2. Our Material Intellectual Property Rights

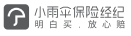
(a) Trademarks

As of the Latest Practicable Date, we had registered the following trademarks which we consider to be material to our business:

No.	Trademark	Category	Registered owner	Registration No.	Registration place	Registration date	Expiry date
1 . .	味口察保	42	Shenzhen Shouhui Technology Group Co., Ltd.	22010579	PRC	January 14, 2018	January 13, 2028
2 . .	味口察保	35	Shenzhen Shouhui Technology Group Co., Ltd.	22010854	PRC	January 14, 2018	January 13, 2028
3 . .	味口察保	41	Shenzhen Shouhui Technology Group Co., Ltd.	22010870	PRC	January 7, 2018	January 6, 2028
4 . .	味口察保	9	Shenzhen Shouhui Technology Group Co., Ltd.	22011086	PRC	January 7, 2018	January 6, 2028
5 . .	小雨伞|明白买，放心赚	42	Shenzhen Shouhui Technology Group Co., Ltd.	54627822	PRC	October 28, 2021	October 27, 2031
6 . .	小雨伞|明白买，放心赚	36	Shenzhen Shouhui Technology Group Co., Ltd.	54666182	PRC	October 28, 2021	October 27, 2031
7 . .	小雨伞|明白买，放心赚	9	Shenzhen Shouhui Technology Group Co., Ltd.	54638138	PRC	December 28, 2021	December 27, 2031
8 . .	小雨伞|明白买，放心赚	44	Shenzhen Shouhui Technology Group Co., Ltd.	54655012	PRC	January 7, 2022	January 6, 2032
9 . .	小雨伞|明白买，放心赚	35	Shenzhen Shouhui Technology Group Co., Ltd.	54627780	PRC	May 7, 2022	May 6, 2032
10 . .	手回	5	Shenzhen Shouhui Technology Group Co., Ltd.	58792563	PRC	February 21, 2022	February 20, 2032
11 . .	手回	9	Shenzhen Shouhui Technology Group Co., Ltd.	58778605	PRC	February 21, 2022	February 20, 2032

No.	Trademark	Category	Registered owner	Registration No.	Registration place	Registration date	Expiry date
12 . .		10	Shenzhen Shouhui Technology Group Co., Ltd.	58792566	PRC	February 21, 2022	February 20, 2032
13 . .		12	Shenzhen Shouhui Technology Group Co., Ltd.	58798796	PRC	February 21, 2022	February 20, 2032
14 . .		16	Shenzhen Shouhui Technology Group Co., Ltd.	58795739	PRC	February 28, 2022	February 27, 2032
15 . .		25	Shenzhen Shouhui Technology Group Co., Ltd.	58775297	PRC	February 21, 2022	February 20, 2032
16 . .		28	Shenzhen Shouhui Technology Group Co., Ltd.	58798808	PRC	February 28, 2022	February 27, 2032
17 . .		30	Shenzhen Shouhui Technology Group Co., Ltd.	58778625	PRC	February 21, 2022	February 20, 2032
18 . .		36	Shenzhen Shouhui Technology Group Co., Ltd.	58795761	PRC	February 21, 2022	February 20, 2032
19 . .		38	Shenzhen Shouhui Technology Group Co., Ltd.	58798825	PRC	February 21, 2022	February 20, 2032
20 . .		41	Shenzhen Shouhui Technology Group Co., Ltd.	58798828	PRC	February 21, 2022	February 20, 2032
21 . .		42	Shenzhen Shouhui Technology Group Co., Ltd.	58788336	PRC	February 21, 2022	February 20, 2032
22 . .		45	Shenzhen Shouhui Technology Group Co., Ltd.	58795780	PRC	February 28, 2022	February 27, 2032
23 . .		1	Shenzhen Shouhui Technology Group Co., Ltd.	58787409	PRC	May 21, 2022	May 20, 2032
24 . .		35	Shenzhen Shouhui Technology Group Co., Ltd.	58778628	PRC	May 21, 2022	May 20, 2032
25 . .		43	Shenzhen Shouhui Technology Group Co., Ltd.	58792606	PRC	May 21, 2022	May 20, 2032

No.	Trademark	Category	Registered owner	Registration No.	Registration place	Registration date	Expiry date
26 . .		44	Shenzhen Shouhui Technology Group Co., Ltd.	58787457	PRC	May 21, 2022	May 20, 2032
27 . .	创信保险销售	16	Chuangxin Insurance Sales Co., Ltd.	54325269	PRC	January 21, 2022	January 20, 2032
28 . .	创信保险销售	25	Chuangxin Insurance Sales Co., Ltd.	54307886	PRC	January 21, 2022	January 20, 2032
29 . .		35	Chuangxin Insurance Sales Co., Ltd.	58327473	PRC	May 7, 2022	May 6, 2032
30 . .		36	Chuangxin Insurance Sales Co., Ltd.	58341563	PRC	April 7, 2023	April 6, 2033
31 . .		36	Shenzhen Shouhui Technology Group Co., Ltd.	17460979	PRC	September 14, 2016	September 13, 2026
32 . .		35	Shenzhen Shouhui Technology Group Co., Ltd.	17460980	PRC	September 14, 2016	September 13, 2026
33 . .		9	Shenzhen Shouhui Technology Group Co., Ltd.	17787308	PRC	October 14, 2016	October 13, 2026
34 . .		42	Shenzhen Shouhui Technology Group Co., Ltd.	17787309	PRC	October 14, 2016	October 13, 2026
35 . .		36	Shenzhen Shouhui Technology Group Co., Ltd.	18897609	PRC	February 21, 2017	February 20, 2027
36 . .		44	Shenzhen Shouhui Technology Group Co., Ltd.	33500506	PRC	February 21, 2017	February 20, 2027
37 . .		36	Shenzhen Shouhui Technology Group Co., Ltd.	17460979	PRC	September 28, 2019	September 27, 2029
38 . .		35	Shenzhen Shouhui Technology Group Co., Ltd.	17460980	PRC	September 14, 2016	September 13, 2026
39 . .		9	Shenzhen Shouhui Technology Group Co., Ltd.	17787308	PRC	October 14, 2016	October 13, 2026
40 . .		42	Shenzhen Shouhui Technology Group Co., Ltd.	17787309	PRC	October 14, 2016	October 13, 2026

No.	Trademark	Category	Registered owner	Registration No.	Registration place	Registration date	Expiry date
41 . .	小雨伞保	36	Shenzhen Shouhui Technology Group Co., Ltd.	18897609	PRC	February 21, 2017	February 20, 2027
42 . .		44	Shenzhen Shouhui Technology Group Co., Ltd.	33500506	PRC	September 28, 2019	September 27, 2029
43 . .		42	Shenzhen Shouhui Technology Group Co., Ltd.	54633052	PRC	October 28, 2021	October 27, 2031
44 . .		36	Shenzhen Shouhui Technology Group Co., Ltd.	54648345	PRC	October 28, 2021	October 27, 2031
45 . .		42	Shenzhen Shouhui Technology Group Co., Ltd.	54654349	PRC	October 28, 2021	October 27, 2031
46 . .		36	Shenzhen Shouhui Technology Group Co., Ltd.	54658157	PRC	November 7, 2021	November 6, 2031
47 . .		9	Shenzhen Shouhui Technology Group Co., Ltd.	54638950	PRC	December 28, 2021	December 27, 2031
48 . .		35	Shenzhen Shouhui Technology Group Co., Ltd.	54653509	PRC	December 28, 2021	December 27, 2031
49 . .		44	Shenzhen Shouhui Technology Group Co., Ltd.	54654386	PRC	January 7, 2022	January 6, 2032
50 . .		9	Shenzhen Shouhui Technology Group Co., Ltd.	54654566	PRC	January 7, 2022	January 6, 2032
51 . .		44	Shenzhen Shouhui Technology Group Co., Ltd.	54664800	PRC	January 7, 2022	January 6, 2032
52 . .		35	Shenzhen Shouhui Technology Group Co., Ltd.	54640516	PRC	May 7, 2022	May 6, 2032
53 . .		25	Small Umbrella Insurance Brokerage Co., Ltd.	54877840	PRC	December 28, 2021	December 27, 2031
54 . .	PICUS	36	Shenzhen Picus Technology Co., Ltd.	36351430	PRC	November 7, 2019	November 6, 2029

No.	Trademark	Category	Registered owner	Registration No.	Registration place	Registration date	Expiry date
55 . .	PICUS	42	Shenzhen Picus Technology Co., Ltd.	36349579	PRC	November 14, 2019	November 13, 2029
56 . .		42	Shenzhen Picus Technology Co., Ltd.	36349574	PRC	November 21, 2019	November 20, 2029
57 . .		36	Shenzhen Picus Technology Co., Ltd.	42447037	PRC	October 28, 2021	October 27, 2031
58 . .	小雨伞富多多	36	Small Umbrella Insurance Brokerage Co., Ltd.	75950677	PRC	July 14, 2024	July 13, 2034
59 . .	大护甲意外险	36	Small Umbrella Insurance Brokerage Co., Ltd.	78307926	PRC	October 14, 2024	October 13, 2034
60 . .	小顽童意外险	36	Small Umbrella Insurance Brokerage Co., Ltd.	78281847	PRC	October 14, 2024	October 13, 2034
61 . .	小玩童	36	Small Umbrella Insurance Brokerage Co., Ltd.	78296079	PRC	October 28, 2024	October 27, 2034
62 . .	大黄蜂11号	36	Shenzhen Shouhui Technology Group Co., Ltd.	78308392	PRC	December 7, 2024	December 6, 2034
63 . .	大黄蜂12号	36	Shenzhen Shouhui Technology Group Co., Ltd.	78288898	PRC	December 7, 2024	December 6, 2034
64 . .	大黄蜂13号	36	Shenzhen Shouhui Technology Group Co., Ltd.	78304714	PRC	December 7, 2024	December 6, 2034
65 . .	大黄蜂15号	36	Shenzhen Shouhui Technology Group Co., Ltd.	78311205	PRC	December 7, 2024	December 6, 2034

As of the Latest Practicable Date, we have applied for the registration of the following trademarks which we consider to be material to our business:

No.	Trademark	Category	Registered owner	Registration No.	Registration place	Registration date	Expiry date
1 . .		Trademark	Shenzhen Shouhui Technology Group Co., Ltd.	306367474	Hong Kong	October 8, 2023	October 7, 2033
2 . .	手回	Trademark	Shenzhen Shouhui Technology Group Co., Ltd.	306367483	Hong Kong	October 8, 2023	October 7, 2033

(b) Patents

As of the Latest Practicable Date, we had registered the following patents which we consider to be material to our business:

No.	Patent	Category	Patent owner	Registration No.	Registration place	Grant date
1	Brokerage fee calculation method, device, terminal equipment and storage medium	Invention	Shenzhen Shouhui Technology Group Co., Ltd.	201910667591.0	PRC	April 28, 2023
2	A file conversion method and device	Invention	Shenzhen Shouhui Technology Group Co., Ltd.	201910711350.1	PRC	May 6, 2022
3	Information reaching methods, systems and end devices	Invention	Shenzhen Shouhui Technology Group Co., Ltd.	201910730703.2	PRC	September 6, 2022
4	An automatic page generation method, system, terminal device and storage medium	Invention	Shenzhen Shouhui Technology Group Co., Ltd.	201910764778.2	PRC	May 2, 2023
5	Policy data generation method, device, equipment and storage medium	Invention	Shenzhen Shouhui Technology Group Co., Ltd.	201911158664.X	PRC	April 7, 2023
6	A method and system for managing a configuration	Invention	Shenzhen Shouhui Technology Group Co., Ltd.	202010112581.3	PRC	August 12, 2022
7	Decision tree based page data validation method and device	Invention	Shenzhen Shouhui Technology Group Co., Ltd.	202010343728.X	PRC	January 5, 2024
8	Incremental code coverage determination method, device, equipment and storage medium	Invention	Shenzhen Shouhui Technology Group Co., Ltd.	202010499277.9	PRC	April 14, 2023
9	Backtracking data storage method and device and computer equipment	Invention	Shenzhen Shouhui Technology Group Co., Ltd.	202210829799.X	PRC	September 27, 2024
10	Application process configuration updating method, system, terminal device and storage medium	Invention	Shenzhen Shouhui Technology Group Co., Ltd.	202010488667.6	PRC	August 9, 2024
11	Insurance business docking method and device, electronic equipment and readable storage medium	Invention	Shenzhen Shouhui Technology Group Co., Ltd.	202110175196.8	PRC	August 30, 2024
12	Configuration information processing method	Invention	Shenzhen Shouhui Technology Group Co., Ltd.	202210848802.2	PRC	March 19, 2024

As of the Latest Practicable Date, we had applied for the registration of the following patents which we consider to be material to our business:

No.	Patent	Category	Applicant	Application No.	Place of Application	Date of Application
1	A consultant's recommended method, device and computer-readable storage medium	Invention	Shenzhen Shouhui Technology Group Co., Ltd.	202210690095.9	PRC	June 17, 2022
2	An insurance knowledge base building and querying method, equipment and storage medium	Invention	Shenzhen Shouhui Technology Group Co., Ltd.	202210764414.6	PRC	July 4, 2022
3	A message push method, equipment, electronic equipment and storage medium	Invention	Shenzhen Shouhui Technology Group Co., Ltd.	202210784912.7	PRC	July 7, 2022
4	An insurance order generation method and related equipment	Invention	Shenzhen Shouhui Technology Group Co., Ltd.	202211104988.7	PRC	October 8, 2022
5	A transaction information monitoring method and related equipment	Invention	Shenzhen Shouhui Technology Group Co., Ltd.	202211129744.4	PRC	October 13, 2022
6	A method and device for recognizing risky insurance business	Invention	Shenzhen Picus Technology Co., Ltd.	202211380565.8	PRC	November 7, 2022
7	A cross-platform content realization method and related equipment	Invention	Shenzhen Shouhui Technology Group Co., Ltd.	202211398701.6	PRC	November 9, 2022
8	A method and terminal device for designing a dual recording task	Invention	Shenzhen Picus Technology Co., Ltd.	202211483884.1	PRC	November 30, 2022
9	Data desensitization method, device, equipment and storage medium	Invention	Shenzhen Picus Technology Co., Ltd.	202310027138.X	PRC	January 10, 2023
10	A policy escrow entry method, system, terminal device, and storage medium	Invention	Shenzhen Picus Technology Co., Ltd.	202310074890.X	PRC	February 13, 2023
11	A task scheduling method, device, electronic equipment and readable storage medium	Invention	Shenzhen Picus Technology Co., Ltd.	202310116404.6	PRC	February 22, 2023

No.	Patent	Category	Applicant	Application No.	Place of Application	Date of Application
12 . .	A question-and-answer method, device, terminal equipment and readable storage medium	Invention	Shenzhen Picus Technology Co., Ltd.	202310357931.6	PRC	April 7, 2023
13 . .	A data quality monitoring method, device, server and readable storage medium	Invention	Shenzhen Picus Technology Co., Ltd.	202310371056.7	PRC	April 10, 2023
14 . .	A quiz pair exploring method, device, electronic equipment and readable storage medium	Invention	Shenzhen Picus Technology Co., Ltd.	202310532725.4	PRC	May 12, 2023
15 . .	A container mirroring deployment method, device, terminal and medium	Invention	Shenzhen Picus Technology Co., Ltd.	202310661774.8	PRC	June 14, 2023
16 . .	Manipulation method and system for multi-screen synchronization	Invention	Shenzhen Picus Technology Co., Ltd.	202310714581.4	PRC	June 15, 2023
17 . .	A calling method of application function, device, terminal equipment and storage medium	Invention	Shenzhen Picus Technology Co., Ltd.	202310706980.6	PRC	June 25, 2023
18 . .	A code review method, device, terminal equipment and storage medium	Invention	Shenzhen Picus Technology Co., Ltd.	202310795247.6	PRC	July 4, 2023
19 . .	An API document generation method, device, storage medium and chip	Invention	Shenzhen Picus Technology Co., Ltd.	202310806750.7	PRC	July 5, 2023
20 . .	A text matching method, device, terminal equipment and storage medium	Invention	Shenzhen Picus Technology Co., Ltd.	202310844635.9	PRC	July 12, 2023
21 . .	An authentication method, device, system, terminal equipment and medium	Invention	Shenzhen Picus Technology Co., Ltd.	202310841824.0	PRC	July 12, 2023
22 . .	A test case generation method, device, terminal equipment and storage medium	Invention	Shenzhen Picus Technology Co., Ltd.	202310843515.7	PRC	July 12, 2023
23 . .	Image processing method, terminal equipment and storage medium	Invention	Shenzhen Xiehuangbao Technology Limited	202311048894.7	PRC	August 22, 2023

No.	Patent	Category	Applicant	Application No.	Place of Application	Date of Application
24 . .	A risk identification method, system, terminal and storage medium	Invention	Shenzhen Xiehuangbao Technology Limited	202311113710.0	PRC	August 30, 2023
25 . .	Code optimization method and device, terminal equipment and computer-readable storage medium	Invention	Shenzhen Xiehuangbao Technology Limited	202311345991.2	PRC	October 17, 2023
26 . .	A synchronization control method, device and electronic equipment	Invention	Shenzhen Xiehuangbao Technology Limited	202311362196.4	PRC	October 23, 2023
27 . .	Method and device for recording consultation questions	Invention	Shenzhen Xiehuangbao Technology Limited	202311394077.7	PRC	October 26, 2023
28 . .	Policy processing method, device, terminal equipment and storage medium	Invention	Shenzhen Xiehuangbao Technology Limited	202311408842.6	PRC	October 30, 2023
29 . .	Duplicate code detection method, device, terminal equipment and storage medium	Invention	Shenzhen Xiehuangbao Technology Limited	202311454369.5	PRC	November 3, 2023
30 . .	A project code parsing method, device and readable storage medium	Invention	Shenzhen Xiehuangbao Technology Limited	202311476101.1	PRC	November 7, 2023
31 . .	Pressure test method, system and electronic equipment	Invention	Shenzhen Xiehuangbao Technology Limited	202311518469.X	PRC	November 15, 2023
32 . .	Method, device and electronic equipment for handling security vulnerabilities	Invention	Shenzhen Xiehuangbao Technology Limited	202311656390.3	PRC	December 6, 2023
33 . .	An alarm solution generation method and computer equipment	Invention	Shenzhen Xiehuangbao Technology Limited	202311673588.2	PRC	December 8, 2023
34 . .	A traffic scheduling method, device and readable storage medium	Invention	Shenzhen Xiehuangbao Technology Limited	202311699397.3	PRC	December 12, 2023
35 . .	Comment label generation method, device, terminal equipment and storage medium	Invention	Shenzhen Xiehuangbao Technology Limited	202311781892.9	PRC	December 25, 2023

(c) Domain Names

As of the Latest Practicable Date, we owned the following domain names which we consider to be material to our business:

No.	Domain name	Registered owner	Registration date	Expiry date
1 . . .	xiaoyusan.com	Small Umbrella Insurance Brokerage Co., Ltd.	July 16, 2011	July 16, 2030
2 . . .	niubao100.com	Chuangxin Insurance Sales Co., Ltd.	June 6, 2018	June 6, 2031
3 . . .	kachabao.com	Chuangxin Insurance Sales Co., Ltd.	November 3, 2013	November 3, 2031
4 . . .	shouhui-tech.com	Shenzhen Shouhui Technology Group Co., Ltd.	September 19, 2022	September 19, 2032
5 . . .	zhuomuniao100.com	Shenzhen Picus Technology Co., Ltd.	March 4, 2019	March 4, 2032

(d) Copyrights

As of the Latest Practicable Date, we had registered the following copyrights which we consider to be material to our business:

No.	Copyright	Category	Registered owner	Registration No.	Certificate number	Registration place	Registration date
1 . .	Small Umbrella Insurance Sale Platform V1.0.0	Computer software copyright	Shenzhen Shouhui Technology Group Co., Ltd.	2016SR233273	RZDZ No. 1411890	PRC	August 24, 2016
2 . .	Kachabao APP Software V1.0	Computer software copyright	Shenzhen Shouhui Technology Group Co., Ltd.	2017SR068483	RZDZ No. 1653767	PRC	March 6, 2017
3 . .	Intelligent Claims Alert Software for Life and Health Insurance V1.0	Computer software copyright	Shenzhen Shouhui Technology Group Co., Ltd.	2017SR208611	RZDZ No. 1793895	PRC	May 25, 2017
4 . .	Niubao 100 Industry Insurance Service Platform V1.0	Computer software copyright	Shenzhen Shouhui Technology Group Co., Ltd.	2019SR0718563	RZDZ No. 4139320	PRC	July 12, 2019
5 . .	Small Umbrella Underwriting Service Software V1.0	Computer software copyright	Shenzhen Shouhui Technology Group Co., Ltd.	2019SR0727113	RZDZ No. 4147870	PRC	July 15, 2019
6 . .	Xiaoyibao (小醫保) • Free Medical Reimbursement V1.0.5	Computer software copyright	Shenzhen Shouhui Technology Group Co., Ltd.	2019SR0726370	RZDZ No. 4147127	PRC	July 15, 2019

No.	Copyright	Category	Registered owner	Registration No.	Certificate number	Registration place	Registration date
7 . .	Family Policy Management Service Software V1.0	Computer software copyright	Shenzhen Shouhui Technology Group Co., Ltd.	2019SR0718565	RZDZ No. 4139322	PRC	July 12, 2019
8 . .	Small Umbrella Monthly User Service Reporting System V1.0	Computer software copyright	Shenzhen Shouhui Technology Group Co., Ltd.	2019SR1194028	RZDZ No. 4614785	PRC	November 23, 2019
9 . .	Picus – Bianhe Zhihe (扁核智核) Risk Assessment Management System V1.0	Computer software copyright	Shenzhen Picus Technology Co., Ltd.	2019SR1433609	RZDZ No. 4854366	PRC	December 26, 2019
10 . .	Small Umbrella Client Software V1.0	Computer software copyright	Small Umbrella Insurance Brokerage Co., Ltd.	2021SR0442125	RZDZ No. 7164751	PRC	March 24, 2021
11 . .	Insurance Intelligent Advisor Client Software V1.0	Computer software copyright	Small Umbrella Insurance Brokerage Co., Ltd.	2021SR0331089	RZDZ No. 7053316	PRC	March 3, 2021
12 . .	Small Umbrella Callback System V1.0	Computer software copyright	Shenzhen Shouhui Technology Group Co., Ltd.	2022SR0772566	RZDZ No. 9726765	PRC	June 17, 2022
13 . .	Small Umbrella User Information Management System V1.0	Computer software copyright	Shenzhen Shouhui Technology Group Co., Ltd.	2022SR0772617	RZDZ No. 9726816	PRC	June 17, 2022
14 . .	Kachabao Proposal Tool Abbreviation: Kachabao Proposal V1.0	Computer software copyright	Shenzhen Picus Technology Co., Ltd.	2023SR0338846	RZDZ No. 10926017	PRC	March 14, 2023
15 . .	Offline Sales Individual Insurance Enrollment System V1.0	Computer software copyright	Shenzhen Picus Technology Co., Ltd.	2023SR0338847	RZDZ No. 10926018	PRC	March 14, 2023
16 . .	Chuangxin Shanlu Business Management System Software Abbreviation: Shanlu Business Management System V1.0	Computer software copyright	Shenzhen Picus Technology Co., Ltd.	2023SR0418383	RZDZ No. 11005554	PRC	March 30, 2023
17 . .	Chuangxin Shanlu Quality Inspection System Abbreviation: Quality Inspection System V1.0	Computer software copyright	Shenzhen Picus Technology Co., Ltd.	2023SR0418384	RZDZ No. 11005555	PRC	March 30, 2023
18 . .	Chuangxin Shanlu App (IOS Version) Abbreviation: Shanlu V1.0	Computer software copyright	Chuangxin Insurance Sales Co., Ltd.	2023SR0423574	RZDZ No. 11010745	PRC	March 31, 2023
19 . .	Chuangxin Shanlu App (Android Version) Abbreviation: Shanlu V1.0	Computer software copyright	Chuangxin Insurance Sales Co., Ltd.	2023SR0423575	RZDZ No. 11010746	PRC	March 31, 2023

No.	Copyright	Category	Registered owner	Registration No.	Certificate number	Registration place	Registration date
20 . .	Dayibao (大醫保) • Free Medical Coverage App Abbreviation: Dayibao V1.0	Computer software copyright	Shenzhen Picus Technology Co., Ltd.	2023SR0991179	RZDZ No. 11578352	PRC	August 30, 2023

(e) Fine Arts Copyrights

As of the Latest Practicable Date, we had registered the following fine arts copyrights which we consider to be material to the Group's business:

No.	Copyright	Category	Registered owner	Registration No.	Registration place	Registration date
1 . .		Fine arts copyrights	Shenzhen Shouhui Technology Group Co., Ltd.	YZDZ-2016-F-00012396	PRC	10/9/2016
2 . .		Fine arts copyrights	Small Umbrella Insurance Brokerage Co., Ltd.	GZDZ-2020-F-00989429	PRC	3/2/2020
3 . .		Fine arts copyrights	Small Umbrella Insurance Brokerage Co., Ltd.	GZDZ-2020-F-01029626	PRC	3/27/2020
4 . .		Fine arts copyrights	Small Umbrella Insurance Brokerage Co., Ltd.	GZDZ-2021-F-00219529	PRC	9/22/2021
5 . .		Fine arts copyrights	Small Umbrella Insurance Brokerage Co., Ltd.	GZDZ-2021-F-00219530	PRC	9/22/2021

No.	Copyright	Category	Registered owner	Registration No.	Registration place	Registration date
6 . .		Fine arts copyrights	Small Umbrella Insurance Brokerage Co., Ltd.	GZDZ-2022-F-10043905	PRC	2/28/2022
7 . .		Fine arts copyrights	Small Umbrella Insurance Brokerage Co., Ltd.	GZDZ-2022-F-10092597	PRC	5/6/2022
8 . .	小雨伞 | 明白买，放心赔 小雨伞 | 明白买，放心赔 小雨伞 小雨伞保险经纪 小雨伞 小雨伞保险经纪	Fine arts copyrights	Small Umbrella Insurance Brokerage Co., Ltd.	GZDZ-2022-F-10105895	PRC	5/25/2022
9 . .	创信保险销售 全国性保险代理	Fine arts copyrights	Chuangxin Insurance Sales Co., Ltd.	GZDZ-2022-F-10151236	PRC	7/26/2022
10 . .	咔嚓保	Fine arts copyrights	Chuangxin Insurance Sales Co., Ltd.	GZDZ-2022-F-10151237	PRC	7/26/2022
11 . .	牛保100	Fine arts copyrights	Chuangxin Insurance Sales Co., Ltd.	GZDZ-2022-F-10151235	PRC	7/26/2022
12 . .		Fine arts copyrights	Chuangxin Insurance Sales Co., Ltd.	GZDZ-2022-F-10151234	PRC	7/26/2022
13 . .	创信保险销售 始终站在客户角度	Fine arts copyrights	Chuangxin Insurance Sales Co., Ltd.	GZDZ-2023-F-00005358	PRC	1/10/2023
14 . .		Fine arts copyrights	Chuangxin Insurance Sales Co., Ltd.	GZDZ-2025-F-00028455	PRC	1/24/2025

C. FURTHER INFORMATION ABOUT OUR DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

1. Disclosure of interest

(a) Interests and short positions of our Directors and chief executive of our Company in the Shares, underlying Shares and debentures of our Company and our associated corporations

The following table sets out the interests and short positions of our Directors and chief executive of our Company immediately following completion of the Capitalization Issue and the Global Offering (without taking into account the Shares which may be allotted and issued pursuant to the exercise of the Over-allotment Option) in the Shares, underlying Shares or debentures of our Company or any of our associated corporations (within the meaning of Part XV of the SFO) which will have to be notified to us and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions in which they are taken or deemed to have under such provisions of the SFO), or which will be required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which will be required to be notified to us and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in the Listing Rules, once the Shares are listed:

Interests in the Shares

Name of Director/Chief Executive	Capacity/nature of Interest	Name of company	Number of Shares after the Capitalization Issue and the Global Offering	Approximate percentage of shareholding in our Company immediately after the Capitalization Issue and the Global Offering
Mr. Guang[(1)(2)] . . .	Interest in a controlled corporation	Our Company	107,863,792	47.64%
Mr. Han[(3)]	Interest in a controlled corporation	Our Company	16,522,800	7.30%
Ms. Liu[(4)]	Interest in a controlled corporation	Our Company	2,486,800	1.10%

Notes:

(1) As of the Latest Practicable Date, Mr. Guang held his Shares through his wholly-owned company, Little Green Light Ltd, which wholly owns Little Blue Light Ltd. By virtue of the SFO, Mr. Guang is deemed to be interested in the Shares held by Little Blue Light Ltd in our Company.

(2) Mr. Guang, through Little Blue Light Ltd, will be entitled to exercise the voting rights representing approximately 21.16% of shareholding interest in our Company immediately after the completion of the Capitalization Issue and the Global Offering (assuming the Over-allotment Option is not exercised). For more details, please refer to the section headed "History, Reorganization and Corporate Structure — Voting Proxy Arrangements" in this prospectus.

(3) As of the Latest Practicable Date, Mr. Han held his Shares through his wholly-owned company, MallocLuke Ltd, which wholly owns Convolution Ltd. By virtue of the SFO, Mr. Han is deemed to be interested in the Shares held by Convolution Ltd in our Company.

(4) As of the Latest Practicable Date, Ms. Liu held her Shares through her wholly-owned company, Plmm Ltd, which wholly owns Plmmliu Ltd. By virtue of the SFO, Ms. Liu is deemed to be interested in the Shares held by Plmmliu Ltd in our Company.

Interests in associated corporations

Name of Director/Chief Executive	Capacity/nature of Interest	Name of company	Approximate percentage of shareholding
Mr. Guang[(1)]	Beneficial owner	Shenzhen Shouhui	47.10%
	Interests in a controlled corporation	Shenzhen Shouhui	4.53%
Mr. Han	Beneficial owner	Shenzhen Shouhui	13.26%
Ms. Liu	Beneficial owner	Shenzhen Shouhui	2.41%

Note:

(1) Mr. Guang directly held 35.95% equity interest in Small Umbrella (ESOP) as limited partner, and directly held 80% equity interest in Muchenglin Investment which held 1.00% equity interest in Small Umbrella (ESOP) as general partner. By virtue of the SFO, Mr. Guang is deemed to be interested in the equity interest held by Small Umbrella (ESOP) in Shenzhen Shouhui, our Consolidated Affiliated Entities.

(b) Interests of the substantial shareholders in the Shares

Save as disclosed in the section headed "Substantial Shareholders" in this prospectus, immediately following the completion of the Capitalization Issue and the Global Offering and without taking into account any Shares which may be issued pursuant to the exercise of the Over-allotment Option, our Directors are not aware of any other person (not being a Director or chief executive of our Company) who will have an interest or short position in the Shares or the underlying Shares which would fall to be disclosed to us and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who is, directly or indirectly, interested in 10% or more of the issued voting shares of our Company.

(c) Interests of the substantial shareholders of other members of our Group

Save as disclosed in the section headed "History, Reorganization and Corporate Structure" in this prospectus, immediately following the completion of the Global Offering assuming non-exercise of Over-allotment Option, our Directors are not aware of any persons (excluding us and not being a Director or chief executive of our Company) who is, directly or indirectly, be interested in 10% or more of the nominal value of the share capital carrying rights to vote in all circumstances at general meetings of any other member of our Group.

2. Particulars of Directors' Service Contracts and Appointment Letters

(a) Executive Directors

Each of Mr. Guang, Mr. Han, Ms. Liu and Mr. Jianting Li, being our executive Directors, has entered into a service contract with us for an initial term of three years commencing from the Listing Date.

(b) Non-executive Directors

Each of Mr. Byron Ye and Mr. Sirui Li, being our non-executive Directors, has entered into an appointment letter with us for an initial term of three years commencing from the Listing Date.

(c) Independent non-executive Directors

Each of Mr. Gang Shen, Mr. Haiquan Wu and Mr. Yuanxin Zhang, being our independent non-executive Directors, has entered into an appointment letter with us for an initial term of three years commencing from the Listing Date.

3. Directors' Remuneration

The aggregate amount of remuneration which was paid to our Directors for the years ended December 31, 2022, 2023 and 2024 were approximately RMB3.9 million, RMB4.3 million and RMB5.3 million, respectively.

The aggregate amount of remuneration which were paid by our Group to our five highest paid individuals (including both employees and Directors) for the years ended December 31, 2022, 2023 and 2024 were approximately RMB3.1 million, RMB6.6 million and RMB15.2 million, respectively.

None of our Directors has or is proposed to have a service contract with the Company other than contracts expiring or determinable by the employer within one year without the payment of compensation (other than statutory compensation).

None of our Directors or any past directors of any member of our Group has been paid any sum of money for each of the years ended December 31, 2022, 2023 and 2024 as (a) an inducement to join or upon joining our Company; or (b) for loss of office as a director of any member of our Group or of any other office in connection with the management of the affairs of any member of our Group.

4. Disclaimers

(a) Save as disclosed in the paragraph headed "Statutory and General Information — C. Further Information about Our Directors and Substantial Shareholders — 2. Particulars of Directors' Service Contracts and Appointment Letters" in this section, there are no existing or proposed service contracts (excluding contracts expiring or determinable by the employer within one year without payment of compensation (other than statutory compensation)) between the Directors and any member of our Group;

(b) save as disclosed in the section headed "History, Reorganization and Corporate Structure" in this prospectus, none of the Directors or the experts named in the paragraph headed "E. Other Information — 7. Consents of Experts" in this section has any direct or indirect interest in the promotion of, or in any assets which have been, within the two years immediately preceding the date of this prospectus, acquired or disposed of by or leased to any member of our Group, or are proposed to be acquired or disposed of by or leased to any member of our Group;

(c) save as disclosed in the section headed "Underwriting", within the two years immediately preceding the date of this prospectus:

(i) there are no commissions for subscribing or agreeing to subscribe, or procuring or agreeing to procure subscriptions, for any shares in or debentures of our Company; and

(ii) there are no commissions, discounts, brokerages or other special terms granted in connection with the issue or sale of any capital of any member of our Group, and no Directors, promoters or experts named received any such payment or benefit;

(d) save as disclosed in the section headed "Continuing Connected Transactions" in this prospectus, none of the Directors is materially interested in any contract or arrangement subsisting at the date of this prospectus which is significant in relation to the business of our Group taken as a whole;

(e) none of the Directors is interested in any business apart from our Group's business which competes or is likely to compete, directly or indirectly, with the business of our Group;

(f) save as disclosed in the section headed "Substantial Shareholders" in this prospectus, taking no account of any Shares which may be taken up under the Global Offering, so far as is known to any Director or chief executive of our Company, no other person (other than a Director or chief executive of our Company) will, immediately following the completion of the Capitalization Issue and the Global Offering and assuming that the Over-allotment option is not exercised, have interests or short positions in our Shares and underlying Shares which would fall to be disclosed to our Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or (not being a member of our Group), be interested, directly or indirectly, in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of our Group;

(g) save as disclosed in the section headed "Statutory and General Information — C. Further Information about Our Directors and Substantial Shareholders — 1. Disclosure of interests" in this Appendix, none of the Directors or chief executive of our Company has any interests or short positions in our Shares, underlying shares or debentures of our Company or its associated corporations (within the meaning of Part XV of the SFO) which will have to be notified to our Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he/she is taken or deemed to have under such provisions of the SFO) or which will be required, pursuant to section 352 of the SFO, to be entered into the register referred to therein, or will be required, pursuant to the Model Code for Securities Transaction by Directors of Listed Issuers, to be notified to our Company and the Stock Exchange once our Shares are listed thereon; and

(h) so far as is known to our Directors as of the Latest Practicable Date, none of our Directors, their respective close associates (as defined under the Listing Rules) or Shareholders of our Company who are interested in more than 5% of the total number of issued Shares has any interests in the five largest customers or the five largest suppliers of our Group for each year during the Track Record Period.

D. SHARE INCENTIVE SCHEME

1. Pre-IPO Share Award Scheme

The Pre-IPO Share Award Scheme was adopted on November 30, 2023. Futu was appointed as trustee under the Share Award Trust to hold the Awarded Shares (as defined below) on trust for the benefit of the selected employee(s) (the "**Selected Employee(s)**") as determined by our Board pursuant to the rules of the Pre-IPO Share Award Scheme.

On December 22, 2023, for the purpose of the Pre-IPO Share Award Scheme, a total of 329,920 Shares (the "**Awarded Shares**") were transferred from New Umbrella Ltd. to Vitality Innovations Limited (the "**Holdco**"), representing approximately 3.27% of the total issued share capital of our Company upon the Reorganization but without taking into account the new

Shares to be issued pursuant to the Global Offering and approximately 2.91% of the total issued share capital of our Company immediately upon completion of the Capitalization Issue and the Global Offering (assuming the Over-allotment Option is not exercised).

All Awarded Shares available for grant have been granted to Selected Employees under the Pre-IPO Share Award Scheme, and no further grant will be made under the Pre-IPO Share Award Scheme after the Listing. Pursuant to Rule 17.02(1)(b) of the Listing Rules, the Pre-IPO Share Award Scheme does not need to be approved by the Shareholders after the Listing. In addition, given the Pre-IPO Share Award Scheme will not involve the grant of new Shares or Awards over new Shares after the Listing and given all material terms of the Pre-IPO Share Award Scheme have been clearly set out in this Prospectus, the Awards granted to specified participants before the Listing as set out above may continue to be valid after the Listing (subject to the Stock Exchange granting approval for Listing of the Shares in respect of such Awards). The principal terms of the Pre-IPO Share Award Scheme are summarized below.

(1) Purpose

The Pre-IPO Share Award Scheme aims to (i) recognize and reward the contributions of certain eligible employees of our Group; (ii) incentivize them for their future contribution to the continual operation and development of our Group; and (iii) be treated as a successor to the employee share option agreement entered into between Shenzhen Shouhui and each of the respective grantee.

(2) Eligibility

Any individual(s) being an employee (including without limitation any executive Director) (other than any employee(s) who is resident in a place where the grant of the Awards and/or the vesting and transfer of the Awards pursuant to the terms of the Pre-IPO Share Award Scheme is not permitted under the laws or regulations of such place or where in the view of the Board, compliance with applicable laws or regulations in such place makes it necessary or expedient to exclude such employee (the "**Excluded Employee**")) of any member of the Group at any time during the trust period.

(3) Term

Subject to any early termination pursuant thereto, the Pre-IPO Share Award Scheme shall be valid and effective for a term of ten (10) years, commencing from the date of adoption.

(4) Maximum number of Shares

Under the Pre-IPO Share Award Scheme, the maximum number of Awards that may be granted in aggregate (excluding the Awards that have lapsed or been cancelled in accordance with the rules of the Pre-IPO Share Award Scheme) shall be 329,920 Shares held or to be held

by Futu or the Holdco for the purpose of the Pre-IPO Share Award Scheme, representing 2.91% of the total share capital of the Company upon the completion of the Global Offering, assuming the Over-allotment Option is not exercised.

(5) Administration

The Pre-IPO Share Award Scheme shall be subject to the administration of our Board in accordance with the rules of the Pre-IPO Share Award Scheme. Our Board will make all determination in relation to the Pre-IPO Share Award Scheme. Our Board may delegate the authority to administer this scheme to any committee thereof or any third party duly appointed thereby, including without limitation third-party service providers and professional trustees (collectively, the "**Authorized Administrators**"). Any decision of our Board made with respect to any matter arising under the Pre-IPO Share Award Scheme (including the interpretation of any rules therein) shall be final and binding on all parties.

(6) Price

Subject to the provisions of the Pre-IPO Share Award Scheme, the Board may, from time to time, at its absolute discretion grant such number of Awards to any Selected Employee at a consideration as the Board may determine and in such number and on and subject to such terms and conditions as it may in its absolute discretion determine.

(7) Grant of Awarded Shares

A grant of the Awarded Shares to any Selected Employee shall be made by a grant notice (the "**Grant Notice**") specifying the number of Awarded Shares so granted and the conditions (if any) upon which such Awarded Shares were granted.

A grant of the Awarded Shares shall be deemed to have been accepted when the acceptance form attached to the Grant Notice is duly signed and delivered to our Company by the Selected Employee within five (5) business days after the date of the Grant Notice.

(8) Awarded Shares to be Personal to the Selected Employees

The Awarded Shares granted pursuant to the Pre-IPO Share Award Scheme shall be personal to the Selected Employees. Before the Awarded Shares are vested in a Selected Employee pursuant to the Pre-IPO Share Award Scheme, the Awarded Shares shall not be assignable or transferable. The Selected Employees shall not sell, transfer, charge, mortgage, encumber or create any interest in favor of any other person over or in relation to any Awarded Shares granted to him or any interest or benefits therein.

(9) Vesting of Awarded Shares

The vesting principles of the Pre-IPO Share Award Scheme are summarized as follows:

(i) A Selected Employee is not entitled to enjoy the voting rights nor any rights in respect of the Awarded Shares, including but not limited to, any dividends or other distributions, before such Awarded Shares are vested in him.

(ii) Subject to the terms of the Pre-IPO Share Award Scheme and the specific terms and conditions set out in the Grant Notice to each Selected Employee, the Awarded Shares shall be vested according to the following schedule upon the fulfillment of the vesting conditions (the "**Vesting Schedule**"):

(a) 50% of such Awarded Shares shall be vested on the next day of the date of the second anniversary of the Benchmark Date;

(b) 25% of such Awarded Shares shall be vested on the next day of the date of the third anniversary of the Benchmark Date; and

(c) 25% of such Awarded Shares shall be vested on the next day of the date of the fourth anniversary of the Benchmark Date,

whereas the Benchmark Date is the date of grant and/or the date of entering into the employee share option agreement of Shenzhen Shouhui by the respective Selected Employee, subject to the Board's determination and as specified on the Grant Notice.

(iii) Our Board and/or the Authorized Administrator(s) has absolute discretion in determining whether the vesting conditions applicable to a Selected Employee are satisfied. The vesting conditions include but not limited to:

(a) the Selected Employees shall have been employed by our Group for three years since the Benchmark Date or the Listing shall be completed or the Company being acquired as a whole;

(b) the Listing shall be completed;

(c) the Selected Employees shall meet the performance appraisal rating for the previous year according to the performance appraisal rating policy of the Company;

(d) the Selected Employee shall remain an employee of our Group on the relevant vesting dates;

(e) there shall be no occurrence of any triggering events for the surrender of the Awarded Shares (as specified below in paragraph 10 below);

(f) the Selected Employee and his associate(s) shall not be employed by or operate or invest in any entity, during the period from the grant date to the relevant vesting dates, the business of which competes with the core business of our Group;

(g) the Selected Employee undertake not to dispose of nor enter into any agreement to dispose of or otherwise create any options, rights, interests or encumbrances in respect of any of the Awarded Shares in the period commencing on the relevant vesting dates and ending on the date to be determined by the Board; and

(h) the Selected Employee pay the vesting price as specified in the Grant Notice to the bank account designated by the Company.

(10) Triggering Events for Surrender of Awarded Shares

Unless our Board determines otherwise, the unvested Awarded Shares will be deemed to have been surrendered by a Selected Employee upon the occurrence of any of the following events:

(i) termination of employment with or without any cause;

(ii) unsatisfactory performance leading to demotion;

(iii) no renewal of the employment contract upon the expiration;

(iv) violation of law, employment contract, confidentiality and non-compete agreement or the Group's articles of association or internal rules and regulations which result in material loss of the Company; or

(v) any other event to be determined by our Board.

For the purpose of the Pre-IPO Share Award Scheme, "cause" means, with respect to a Selected Employee, the termination of employment on any of the following grounds: (i) the Selected Employee voluntarily resigns before any of the vesting dates; (ii) unsatisfactory performance; (iii) dishonest behavior or serious misconduct; (iv) negligent conduct; or (v) any other conducts or omission, in our Company's conclusive opinion, which may affect adversely such Selected Employee's performance or our Company's reputation.

The unvested Awarded Shares deemed to have been surrendered shall be held by Futu or the Holdco and Futu may, under our Board's instructions, re-allocate such Awarded Shares to other Selected Employees, or in case no other Selected Employees can be identified, re-allocate such Awarded Shares to any other person designated by our Company.

(11) Cancelation of Awarded Shares

In the event that a Selected Employee is dismissed by the Company as a result of his serious violation of our Company's policies or causing detriment to the interest of our Group, or a Selected Employee violates any applicable laws, rules or regulation which results in conviction, the unvested Awarded Shares which are granted to such Selected Employee will be canceled. The canceled Awarded Shares will be held by Futu or the Holdco and may be granted to other Selected Employees.

(12) Voting Rights

A Selected Employee shall not have the voting rights or any interest or rights (including the right to receive dividends or other distributions) in respect of the Awards prior to any of the vesting dates. Futu shall not exercise the voting rights in respect of any Shares held by it under the trust.

(13) Change and Termination of Pre-IPO Share Award Scheme

The Board may at any time modify or terminate the operation of the Pre-IPO Share Award Scheme. If the Board terminates the Pre-IPO Share Award Scheme prior to the expiry of the effective term of the Pre-IPO Share Award Scheme, all the unvested Awarded Shares (the "**Remaining Shares**") will be held by Futu or the Holdco. The Board may at its full discretion to direct and procure Futu to transfer, repurchase, reallocate or to make on-market disposal of such Remaining Shares within reasonable time and our Company is entitled to receive the net proceeds from such disposal.

(14) Awards Granted

As of the date of this prospectus, our Company had granted Awards under the Pre-IPO Share Award Scheme to 166 grantees (including Directors, members of the senior management, and other grantees of our Group), with respect to an aggregate of 329,920 Shares or 6,598,400 Adjusted Shares, representing approximately 2.91% in the total number of Shares in issue immediately after completion of the Capitalization Issue and the Global Offering (assuming the Over-allotment Option is not exercised). The Grantees under the Pre-IPO Share Award Scheme include one member of our senior management, three other Grantees who have been granted Awards with respect to 10,000 Shares or 200,000 Adjusted Shares or more and other 162 Grantees (who are not Directors, members of senior management or connected persons of our Company). As of the date of this prospectus, no Awards have been vested.

There will be no further dilution effect to the shareholding of our Shareholders upon full vesting of all Awards upon completion of the Global Offering, because all Shares underlying the Awards granted have been held by the Holdco on behalf and for the benefit of the specified grantees thereunder. For further details, please see the section headed "History, Reorganization and Corporate Structure — Pre-IPO Share Award Scheme" in this prospectus.

The table below shows the list of grantees who are Directors, members of senior management and connected persons of our Company under the Pre-IPO Share Award Scheme as of the date of this prospectus:

Name of the grantee	Address	Position held with our Group	Date(s) of Grant	Number of Awarded Shares granted	Number of Shares under the Awards (as adjusted for the Capitalization Issue)	Approximate percentage in the issued Shares immediately after completion of the Global Offering[1]
Senior Management						
Ms. Xin Wang[2]	2905, Block F, Building 2, Yangguang Yuehai Garden II, Baishi Road, Nanshan District, Shenzhen, China	Chief financial officer	December 13, 2023	104,788	2,095,760	0.93%
Other grantees						
Ms. Yu Guo[3]	Floor 4, Block A1, Futong Haowangjiao, Xinan Street Road, Baoan District, Shenzhen, Guangdong Province, PRC	Vice president	December 13, 2023 and November 13, 2024	16,460	329,200	0.15%
Ms. Shanshan Lin[3]	B2101, Jiajia Haoyuan, Haide 1st Road, Nanshan District, Shenzhen, Guangdong Province, PRC	Vice president	December 13, 2023	16,140	322,800	0.14%
Mr. Huan Zhao[3]	Room 905, Building 4, CRC Phoenix Town (Phase 2), 966 Tianfuer Street, Gaoxin District, Chengdu, Sichuan, PRC	Vice president	December 13, 2023	14,122	282,440	0.12%
Total				**151,510**	**3,030,200**	**1.34%**

The table below shows the list of remaining grantees of the Awards under the Pre-IPO Share Award Scheme as of the date of this prospectus:

Category by number of underlying Shares	Number of grantees	Date(s) of grant	Number of Awarded Shares granted	Number of Shares under the Awards granted (as adjusted for the Capitalization Issue)	Approximate percentage of in the issued Shares immediately after completion of the Global Offering[1]
5,001-10,000[3]	6	December 13, 2023 and February 25, 2025	48,914	978,280	0.43%
1,001-5,000[3]	60	December 13, 2023, March 5, 2024, May 9, 2024, July 19, 2024, February 25, 2025 and April 1, 2025	102,044	2,040,880	0.90%
1-1,000[3]	96	December 13, 2023, May 9, 2024, November 13, 2024, November 23, 2024 and February 25, 2025	27,452	549,040	0.24%
Total	**162**		**178,410**	**3,568,200**	**1.58%**

Notes:

(1) Assuming (i) the Global Offering becomes unconditional and the Shares under the Capitalization Issue are issued and (ii) the Over-allotment Option is not exercised.

(2) (i) 26,543 Shares or 530,860 Adjusted Shares underlying the Awards is to be fully vested at the date of Listing and (ii) 78,245 Shares or 1,564,900 Adjusted Shares underlying the Awards is 50% to be vested on the next day of the date of the second anniversary of the Benchmark Date; 25% to be vested on the next day of the date of the third anniversary of the Benchmark Date; and 25% to be vested on the next day of the date of the fourth anniversary of the Benchmark Date.

(3) The vesting schedule is 50% to be vested on the next day of the date of the second anniversary of the Benchmark Date; 25% to be vested on the next day of the date of the third anniversary of the Benchmark Date; and 25% to be vested on the next day of the date of the fourth anniversary of the Benchmark Date.

(4) The consideration to be paid upon vesting of one Share (prior to the Capitalization Issue) underlying one Award is approximately RMB1.06.

Application has been made to the Stock Exchange for the listing of and permission to deal in the 329,920 Shares or 6,598,400 Adjusted Shares that were granted pursuant to the Pre-IPO Share Award Scheme.

Our Company has applied for and has been granted a waiver from the Stock Exchange from strict compliance with the disclosure requirements under Rule 17.02(1)(b). For further details, please see the section headed "Waivers from Strict Compliance with the Listing Rules" in this prospectus.

E. OTHER INFORMATION

1. Estate Duty

Our Directors have been advised that no material liability for estate duty is likely to fall upon any member of our Group.

2. Litigation

As of the Latest Practicable Date, no member of our Group was engaged in any litigation or arbitration or claim of material importance and, so far as our Directors are aware, no litigation or claim of material importance is pending or threatened by or against any member of our Group that would have a material adverse effect on our Group's results of operations or financial condition.

3. Joint Sponsors

Each of the Joint Sponsors satisfies the independence criteria applicable to sponsors as set out in Rule 3A.07 of the Listing Rules. The Joint Sponsors' fee for acting as the sponsors for the Listing is US$1,000,000 (each US$500,000), among which US$150,000 has been paid and US$850,000 is payable by our Company to the Joint Sponsors as of the Latest Practicable Date.

The Joint Sponsors have made an application on our Company's behalf to the Stock Exchange for the approval for the listing of, and permission to deal in, all the Shares in issue and to be issued as mentioned in this prospectus (including any Shares which may be issued pursuant to the exercise of the Over-allotment Option). All necessary arrangements have been made for the Shares to be admitted into CCASS.

4. Compliance Advisor

We have appointed CMBC International Capital Limited as our compliance advisor in compliance with Rule 3A.19 of the Listing Rules.

5. Preliminary expenses

We did not incur material preliminary expense.

6. Qualifications of Experts

The qualifications of the experts (as defined under the Listing Rules and the Companies (Winding Up and Miscellaneous Provisions) Ordinance) who have given their opinion and/or advice in this prospectus are as follows:

Name	Qualifications
China International Capital Corporation Hong Kong Securities Limited	A licensed corporation under the SFO for Type 1 (dealing in securities), Type 2 (dealing in futures contracts), Type 4 (advising on securities), Type 5 (advising on futures contracts) and Type 6 (advising on corporate finance) of the regulated activities as defined under the SFO
Huatai Financial Holdings (Hong Kong) Limited	A licensed corporation under the SFO for Type 1 (dealing in securities), Type 2 (dealing in futures contracts), Type 3 (Leveraged foreign exchange trading), Type 4 (advising on securities), Type 6 (advising on corporate finance), Type 7 (providing automated trading services) and Type 9 (asset management) of the regulated activities as defined under the SFO
KPMG	Certified Public Accountants Public Interest Entity Auditor registered in accordance with the Accounting and Financial Reporting Council Ordinance
Commerce & Finance Law Offices	PRC Legal Advisor
Ogier	Cayman Islands legal advisor
Frost & Sullivan	Independent industry consultant

As of the Latest Practicable Date, none of the experts named above had any shareholding interest in our Company or any of our subsidiaries or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of our Group.

7. Consents of Experts

Each of the experts referred to in the paragraph headed "6. Qualifications of Experts" above in this appendix has given and has not withdrawn their respective written consents to the issue of this prospectus with the inclusion of their reports and/or letters and/or the references to their names included herein in the form and context in which they are respectively included.

8. Promoters

Our Company has no promoter. Within the two years immediately preceding the date of this prospectus, no cash, securities or other benefit has been paid, allotted or given nor are any proposed to be paid, allotted or given to any promoters in connection with the Global Offering and the related transactions described in this prospectus.

9. No Material Adverse Change

Our Directors confirm that there has been no material adverse change in our Group's financial or trading position since December 31, 2024 (being the date on which the latest consolidated financial information of our Group was prepared).

10. Binding Effect

This prospectus shall have the effect, if an application is made in pursuance of it, of rendering all persons concerned bound by all of the provisions (other than the penal provisions) of sections 44A and 44B of the Companies (Winding Up and Miscellaneous Provisions) Ordinance so far as applicable.

11. Taxation of Holders of Our Shares

(a) Hong Kong

Dealings in Shares registered on our Company's Hong Kong branch register of members will be subject to Hong Kong stamp duty. The sale, purchase and transfer of Shares are subject to Hong Kong stamp duty. The current rate charged on each of the purchaser and seller is 0.2% of the consideration or, if higher, the value of the Shares being sold or transferred. Dividends paid on Shares will not be subject to tax in Hong Kong and no tax is imposed in Hong Kong in respect of capital gains. However, profits from dealings in the Shares derived by persons carrying on a business of trading or dealings in securities in Hong Kong arising in or derived from Hong Kong may be subject to Hong Kong profits tax.

The Revenue (Abolition of Estate Duty) Ordinance 2005 came into effect on February 11, 2006 in Hong Kong. No Hong Kong estate duty is payable and no estate duty clearance papers are needed for a grant of representation in respect of holders of Shares whose death occurs on or after February 11, 2006.

(b) Cayman Islands

Under the current Cayman Islands law, there is no stamp duty payable in the Cayman Islands on transfers of shares of Cayman Islands companies save for those which hold interests in land in the Cayman Islands.

(c) Consultation with professional advisors

Potential investors in the Global Offering are urged to consult their professional tax advisors if they are in any doubt as to the taxation implications of subscribing for, purchasing, holding or disposing of, and dealing in our Shares (or exercising rights attached to them). None of us, the Joint Sponsors, the Overall Coordinators, Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers or any other person or party involved in the Global Offering accept responsibility for any tax effects on, or liabilities of, any person, resulting from the subscription, purchase, holding or disposal of, dealing in or the exercise of any rights in relation to our Shares.

12. Miscellaneous

(a) Within the two years immediately preceding the date of this prospectus:

(i) save as disclosed in the section headed "History, Reorganization and Corporate Structure" in this prospectus, no share or loan capital of our Company or any of our subsidiaries has been issued or agreed to be issued fully or partly paid either for cash or for a consideration other than cash;

(ii) no share or loan capital of our Company or any of our subsidiaries is under option or is agreed conditionally or unconditionally to be put under option;

(iii) no commissions, discounts, brokerages or other special terms have been granted or agreed to be granted in connection with the issue or sale of any share or loan capital of our Company or any of our subsidiaries; and

(iv) no commission has been paid or payable for subscription, agreeing to subscribe, procuring subscription or agreeing to procure subscription of any share in our Company or any of our subsidiaries;

(b) no founder, management or deferred Shares nor any debenture in our Company or any of our subsidiaries have been issued or agreed to be issued;

(c) there has not been any interruption in the business of our Group which may have or has had a significant effect on the financial position of our Group in the 12 months preceding the date of this prospectus;

(d) the principal register of members of our Company will be maintained in the Cayman Islands by the Ogier Global (Cayman) Limited and a branch register of members of our Company will be maintained in Hong Kong by Tricor Investor Services Limited. Unless our Directors otherwise agree, all transfer and other documents of title of Shares must be lodged for registration with and registered by our Company's share register in Hong Kong and may not be lodged in the Cayman Islands. All necessary arrangements have been made to enable the Shares to be admitted to CCASS;

(e) no company within our Group is presently listed on any stock exchange or traded on any trading system and our Group is not seeking or proposing to seek any listing of, or permission to deal in, the share or loan capital of our Company on any other stock exchange;

(f) our Directors have been advised that under the Cayman Companies Act the use of a Chinese name by our Company in conjunction with its English name does not contravene the Cayman Companies Act;

(g) our Company or any member of our Group has no outstanding convertible debt securities or debentures;

(h) there is no arrangement under which future dividend are waived or agreed to be waived; and

(i) there are no restrictions affecting the remittance of profits or repatriation of capital into Hong Kong and from outside Hong Kong.

13. Bilingual Prospectus

The English language and Chinese language versions of this prospectus are being published separately, in reliance upon the exemption provided under section 4 of the Companies (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice (Chapter 32L of the Laws of Hong Kong).

DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES

The documents attached to the copy of this prospectus delivered to the Registrar of Companies in Hong Kong for registration were, among other documents:

(a) copies of the material contracts referred to in "Statutory and General Information — B. Further Information about our Business — 1. Summary of Material Contracts" in Appendix IV to this prospectus; and

(b) the written consents referred to in "Statutory and General Information — E. Other Information — 7. Consents of Experts" in Appendix IV to this prospectus.

DOCUMENTS AVAILABLE ON DISPLAY

Copies of the following documents will be available on display on the website of the Stock Exchange (**www.hkexnews.hk**) and our Company's website (**www.shouhui-tech.com**) up to and including the date which is 14 days from the date of this prospectus:

(a) the Memorandum and Articles of Association;

(b) the accountants' report for the years ended December 31, 2022, 2023 and 2024 prepared by KPMG, the text of which is set out in Appendix I to this prospectus;

(c) the audited consolidated financial statements of our Group for the years ended December 31, 2022, 2023 and 2024;

(d) the report prepared by KPMG on the unaudited pro forma financial information of our Group, the text of which is set out in Appendix II to this prospectus;

(e) the legal opinion issued by Commerce & Finance Law Offices, our PRC Legal Advisor in respect of general matters and property interests of our Group in the PRC;

(f) the letter of advice prepared by Ogier, our legal advisor as to Cayman Islands laws, summarizing certain aspects of Cayman Islands company law referred to in "Summary of the Constitution of our Company and Cayman Companies Act" in Appendix III to this prospectus;

(g) the industry report issued by Frost & Sullivan;

(h) the material contracts referred to in "Statutory and General Information — B. Further Information about our Business — 1. Summary of Material Contracts" in Appendix IV to this prospectus;

(i) the written consents referred to in "Statutory and General Information — E. Other Information — 7. Consents of Experts" in Appendix IV to this prospectus;

(j) the service contracts and the letters of appointment referred to in "Statutory and General Information — C. Further Information about our Directors and Substantial Shareholders — 2. Particulars of Directors' Service Contracts and Appointment Letters" in Appendix IV to this prospectus;

(k) the Cayman Companies Act; and

(l) the terms of the Pre-IPO Share Award Scheme.

DOCUMENT AVAILABLE FOR INSPECTION

A full list of the grantees under the Pre-IPO Share Award Scheme containing all details as required under the Listing Rules, will be available for inspection at the offices of Jingtian & Gongcheng LLP at Suites 3203-3207, 32/F, Edinburgh Tower, The Landmark, 15 Queen's Road Central, Hong Kong, during normal business hours and with prior appointment for a period up to and including the date which is 14 days from the date of this document.

手回集團有限公司
SHOUHUI GROUP LIMITED

通商律師事務所
COMMERCE & FINANCE LAW OFFICES
中国北京建国门外大街 1 号国贸写字 楼 2 座 12-15 层 100004
12-15th Floor, China World Office 2, No. 1 Jianguomenwai Avenue, Beijing 100004, China
电话 Tel: +86 10 6563 7181 传真 Fax: +86 10 6569 3838
电邮 Email: beijing@tongshang.com 网址 Web: www.tongshang.com

May 22, 2025

To:
The Board of Directors
Shouhui Group Limited
手回集团有限公司
89 Nexus Way, Camana Bay, Grand Cayman, KY1-9009, Cayman Islands

Dear Sirs/Madams,

Re: Consent to the issue of the prospectus of Shouhui Group Limited (手回集团有限公司) (the "Company") in connection with the Global Offering

We, Commerce & Finance Law Offices, as the Company's legal advisors as to PRC laws in connection with the global offering and the proposed listing of the shares of the Company on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"), refer to the prospectus of the Company dated May 22, 2025 (the "**Prospectus**").

We hereby give, and confirm we have not withdrawn, our written consent to the issue of the Prospectus by the Company, with the inclusion therein of all references to our name and opinions in the form and context in which they respectively appear in the Prospectus.

We hereby consent to you releasing this letter to the Registrar of Companies in Hong Kong and the Stock Exchange and referring to it in the Prospectus. We also hereby consent to you making our PRC legal opinion and a copy of this letter available on display as described in the section headed "Documents Delivered to the Registrar of Companies and Available on Display" in Appendix V to the Prospectus.

[Signature page to follow]

Yours faithfully,

Commerce & Finance Law Offices

Commerce & Finance Law Offices

The Board of Directors
Shouhui Group Limited 手回集团有限公司
89 Nexus Way
Camana Bay
Grand Cayman
KY1-9009
Cayman Islands

D: +852 3656 6054

E: nathan.powell@ogier.com

Reference: NMP/JTC/506720.00001

Date: 22 May 2025

Dear Sirs,

Re: Shouhui Group Limited 手回集团有限公司(the Company)
The proposed listing of the shares of the Company on the Main Board of The Stock Exchange of Hong Kong Limited (the Proposed Listing)

We refer to the prospectus of the Company dated 22 May 2025 in connection with the Proposed Listing (the **Prospectus**).

We hereby give consent and confirm that we have not withdrawn our consent to the issue of the Prospectus with the inclusion therein of our name, address, qualifications, opinions, confirmations, the extracts from our legal opinions and all references thereto as set out in the Prospectus in the form and context in which they respectively appear.

We hereby consent to you releasing this letter to the Registrar of Companies in Hong Kong and The Stock Exchange of Hong Kong Limited and referring to it in the Prospectus. We also hereby consent to this letter and copies of our Cayman Islands legal opinions being made available on display as described in "Appendix V – Documents Delivered to the Registrar of Companies and Available on Display" to the Prospectus.

-Signature page to follow-

Yours faithfully,

Ogier

FROST & SULLIVAN
沙利文

上海市静安区南京西路1717号
会德丰国际广场2504室
2504 Wheelock Square
1717 Nanjing West Road
Shanghai 200040, China
Tel: 86 (21) 5407 5836
Fax: 86 (21) 3209 8500
www.frost.com

May 22, 2025

The Board of Directors
Shouhui Group Limited
手回集团有限公司
89 Nexus Way, Camana Bay, Grand Cayman, KY1-9009, Cayman Islands

Re: Shouhui Group Limited 手回集团有限公司 (the "Company") – Proposed Listing on the Main Board of The Stock Exchange of Hong Kong Limited (the "Proposed Listing")

Dear Sirs/Madams,

We refer to the prospectus of the Company dated May 22, 2025 (the "**Prospectus**") in connection with the Proposed Listing. Unless otherwise stated, capitalized terms used in this letter shall have the same meanings as those defined in the Prospectus.

We hereby consent, and confirm that we have not withdrawn our consent, to the issue of the Prospectus and the inclusion of, and all references to, our name, qualification, confirmations, opinions and industry report, in the form and context in which they respectively appear in the Prospectus.

We hereby consent to you releasing this letter to the Registrar of Companies in Hong Kong and the Stock Exchange and referring to it in the Prospectus. We also hereby consent to this letter and our industry report referred to in the above being made available on display as described in the section headed "Documents Delivered to the Registrar of Companies and Available on Display" in Appendix V to the Prospectus.

-signature page to follow-

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For and on behalf of
Frost & Sullivan (Beijing) Inc., Shanghai Branch Co.

Name: Charles Lau
Title: Executive Director