This summary aims to give you an overview of the information contained in this document. As it is a summary, it does not contain all the information that may be important to you and is qualified in its entirety by and should be read in conjunction with, the full text of this document. You should read the whole document before you decide to invest in the [**REDACTED**].

The Group's business performance is subject to high volatility due to business nature, and may be materially affected by market and economic conditions in China and potentially across the globe. *There are risks associated with any investment. Some of the particular risks in* [**REDACTED**] *in the* [**REDACTED**] *are set forth in "Risk Factors" of this document. You should read that section carefully before you decide to* [**REDACTED**] *in the* [**REDACTED**].

OVERVIEW

Tiantu is a leading private equity investor and fund manager committed to driving the growth of Chinese consumer brands and companies. We manage capital for institutional investors and high-net-worth individuals, and make investments through our funds under management and directly using our own capital.

We manage capital mainly through our funds. As of December 31, 2022, our funds contributed approximately RMB19.7 billion out of our total assets under management ("**AUM**") of approximately RMB25.1 billion. We managed eight Renminbi-denominated funds and three U.S. dollar-denominated funds as of the Latest Practicable Date. These funds are financed with a mix of capital raised from external investors and our own capital. As of December 31, 2022, external capital represented 82.0% of the total committed capital for our managed funds, which was raised from 98 fund investors, while we contributed 18.0% with our own capital in our capacity as a general partner or as a limited partner. Our fund investors consist primarily of institutional investors including renowned multinational corporations and financial institutions, government guiding funds, and high-net-worth individuals. In addition to our managed funds, we also manage our own capital and make direct investments to seek optimal returns. As of December 31, 2022, approximately RMB5.4 billion of our total AUM was under direct investments. We receive fund management fees and carried interest from our managed funds and also recognize investment gains as we make investments with our own capital.

Our endeavor and commitment trace back to 2002, when our chairman Mr. Wang Yonghua founded our predecessor. We were the first consumer-focused investment firm in China according to CIC, and have been specializing in investments in the consumer industry for more than a decade. In a survey of over a hundred entrepreneurs in the consumer business conducted by CIC, over 80% of them think of Tiantu as a "consumer focused investment expert," and approximately 56% of them believe we help with the upgrading of consumer brands in China. According to CIC, the number of our investment projects in China's consumer industry from

2020 to 2022 ranked no. 3 among all private equity investors after Tencent Investment and Sequoia China, and ranked no. 1 among all consumer-focused private equity firms over the same period; our AUM as of December 31, 2022 ranked 130+ among more than 7,000 private equity investors in China, including private equity investment arm of conglomerates, multinational corporations and state-owned financial institutions, and no. 2 among more than 20 consumer-focused private equity firms in China. As of December 31, 2022, we had a total of RMB25.1 billion assets under management, including RMB11.2 billion managed through consolidated funds, RMB8.5 billion managed through unconsolidated funds and RMB5.4 billion for direct investments. As of December 31, 2022, our funds had raised a total committed capital of RMB11.1 billion from external investors, with 95.7% from institutional investors and 4.3% from high-net-worth individual investors, and another RMB2.4 billion from our own capital.

We see the golden era of China's consumer industry right at the horizon. China's consumer industry increased from RMB43.8 trillion in 2017 to RMB55.7 trillion in 2022 at a CAGR of 4.9%, and it is expected to reach RMB77.0 trillion in 2027 with a CAGR of 6.7% from 2022 to 2027 according to CIC. Within the overall massive consumption industry, the new consumption sector has shown especially strong growth momentum, growing at a CAGR of 15.3% from 2017 to reach RMB10.8 trillion in 2022 and is projected to further rise at a CAGR of 15.7% to reach RMB22.5 trillion in 2027, according to the same source. Benefiting from the maturing supply chain, ample supply of talent, and ever-growing consumer confidence of the new generations, Chinese brands and companies, especially emerging new brands, have been quickly gaining market share in China.

Across every wave of rising brands, capital has consistently been an important catalyst that drives growth, incubating rising consumer brands out of their initial capital constraints and bringing widely desired services and products to people on a large scale. Along with the growth of Chinese consumer brands and companies, the volume of private equity investments in this specific area increased at a CAGR of 7.3% from 2017 to 2021 reaching RMB217.5 billion in 2021. In 2022, the volume of private equity investments in China's consumer industry declined to RMB95.1 billion mainly because under tough market situations, consumer companies with sufficient cash were less active in seeking external fund raising. In early 2023, China's consumption market has shown a strong trend of rebound, with improving investor sentiment and market conditions. Further driven by the rising middle class, consumption upgrade and favorable policy support, volume of private equity investments in China's consumer industry is expected to further grow at a CAGR of 19.9% from 2022 to 2027, according to CIC.

We emerged and prospered during this strong industry tailwind and transformative decades. With about 20 years of expertise in understanding consumer brands, entrepreneurship, organization and consumers, we have delivered a consistent track record of identifying great companies, ahead of their time. For example, we invested in Zhou Hei Ya (周黑鴨) when few major investors were investing in casual food; in Nayuki (奈雪的茶) when it had only 16 stores; and became one of the largest early financial investors in Xiaohongshu (小紅書).

We prudently manage the pace of our expansion according to our judgement of investment opportunities, with the goal of maximizing the returns of our investments through our management funds and through direct investments. While managing a solid pool of capital has been the foundation of our business, we make investments primarily to achieve strong returns, by exploring and seeking to invest in corporates and entrepreneurs that carry the spirit of the time.

The funds under our management realized an average internal rate of return ("**IRR**") of 16.2%, 17.8%, 28.2% and 16.0% as of January 1, 2020, December 31, 2020, 2021 and 2022, respectively, and no single fund under our management was in cumulative loss as of December 31, 2022. For our continuing operations, we recorded total revenue and net investment gains or losses of RMB1,195.2 million in 2020, RMB495.2 million in 2021 and RMB423.2 million in 2022. The majority of our net investment gains or losses are based on unrealized fair value, which may fluctuate from time to time. We recorded net profit of RMB1,057.9 million, RMB719.8 million, and RMB532.9 million in 2020, 2021 and 2022, including one-off gains from the deconsolidation of Mengtian Dairy in 2021 and Yoplait China in 2022, which represent the fair value gains on deemed loss of control over them.

High uncertainty accompanies high return in private equity investment. Investments are inherently volatile. Our business and financial conditions are therefore subject to high volatility due to this business nature and may be materially affected by market and economic conditions in China and potentially across the globe. Our historical financial performance may not be indicative of future performance. Investors should exercise due care in investing in our Shares.

OUR PRINCIPAL BUSINESS

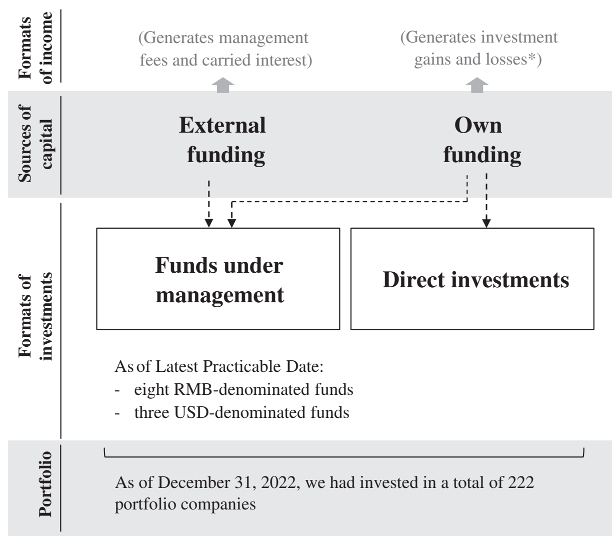
We are a leading private equity investor and fund manager specializing in the consumer sector in China. Our AUM had grown at a CAGR of 19.5% from December 31, 2015 to December 31, 2022. We have achieved RMB20.2 billion, RMB20.2 billion and RMB24.9 billion in AUM, with 121, 147 and 178 investee companies in our portfolio as of January 1, 2020, and December 31, 2020 and 2021, respectively. As of December 31, 2022, our AUM was RMB25.1 billion, including approximately RMB19.7 billion managed through funds and approximately RMB5.4 billion under direct investments. Meanwhile, we had 187 investee companies in our portfolio as of December 31, 2022, 149 of which were invested by our funds.

We manage capital and make investments primarily through our funds. As of the Latest Practicable Date, we managed eight Renminbi-denominated funds and three U.S. dollar-denominated funds. We generally launch and manage funds through wholly-owned subsidiaries, and receive fund management fees and carried interest. Fund management fees are generally charged as a percentage, typically 2% each year, of (i) committed capital during the investment period, and (ii) committed or paid-in capital minus cost of exited investments after the investment period. Cost of exited investments refers to the initial investment amount of projects that we have already exited. Carried interest is generally charged as a percentage, typically 20%, of the realized gains when the gain exceeds certain hurdle rates. The average IRR of our funds was 16.0% as of December 31, 2022. For further details, please see "Business – Income From Our Fund Management and Investments – Revenue From Managing External Capital" in this document.

We also invest our own capital both through investments in these funds under management and through direct investments. We recognize investment gains and losses as we make investments with our own capital.

The description of our business and performance in this document covers both funds under management and our direct investments, unless stated otherwise.

The following chart illustrates the overall structure of our private equity investment business, our sources of capital and formats of investments:



* A portion of our investment gains and losses from unconsolidated funds are recognized as "share of results of associates" or "share of results of joint ventures". For further details, see "Financial Information – Description of Selected Components of Consolidated Statements of Profit or Loss and Other Comprehensive Income – Continuing Operations – Share of Results of Associates, Share of Results of Joint Ventures" in this document.

As of December 31, 2022, we had cumulatively invested in a total of 222 portfolio companies, which included 180 companies in the consumer sectors covering food & beverage, clothing, healthcare and others, and 42 companies in other industries such as biotech and technology industries. In particular, our investments include early and late stage investments in a large number of successful consumer brands and companies, such as Zhou Hei Ya (周黑鴨), China Feihe (中國飛鶴), Nayuki (奈雪的茶), Xiaohongshu (小紅書), CYYS (茶顏悅色), ATRenew (萬物新生) and Pagoda (百果園).

While most of our historical investments were minority investments, we may also occasionally consider control transactions when suitable opportunities arise. Historically, we acquired control in certain dairy businesses operated by Mengtian Dairy and Yoplait China. Pursuant to the certain adjustment of corporate governance and the disposal of certain economic interests, Mengtian Dairy ceased to be our subsidiary as of December 31, 2021 and Yoplait China ceased to be our subsidiary as of June 15, 2022, and each of them is our associate measured at fair value after their respective deconsolidation. As a result, the historical operations of Mengtian Dairy and Yoplait China together with the gains on the deconsolidation thereof were presented as discontinued operations in our financial statements contained in this document. For details, please see "Business – Deconsolidated Investments (Dairy Business)" in this document.

We have developed an efficient and systematic investment process, across investment opportunity sourcing, due diligence and investment, post-investment management, and exit. For further information, see "Business – Investment Process and Arrangement" in this document.

As a private equity investor and fund manager, gains derived from investments are an important source of our revenue and income, including fund management fees, net investment gains or losses and share of results of associates and joint ventures. During the Track Record Period, approximately 88.3% to 97.0% of our revenue and income were our investment gains and losses and share of results of associates and joint ventures.

On our balance sheet, our interests in associates measured at fair value, interests in associates measured using equity method, interests in joint ventures, and financial assets at FVTPL together accounted for 94.7% of our total assets as of December 31, 2022.

As a private equity investor and fund manager, we manage our long-term volatility mainly through portfolio and investment theme diversification, in addition to stringent investment screening processes for quality companies. However, according to the applicable accounting standards, mark-to-market valuation of the shares of each of our listed portfolio companies tracks its stock value at the balance sheet date of each reporting period, and the valuation of our unlisted portfolio companies typically references stock prices of comparable listed companies. As a result, our investment performance for a particular period may be significantly affected by short-term market volatility. For example, while we achieved strong performance in most periods since 2015, our revenue and income experienced significant fluctuations in 2018 and 2022, primarily due to the general market conditions.

Our private equity investment business is driven by a number of factors, including the development of China's consumer market, our fundraising capabilities, and relevant government policies in China. Benefiting from the aforementioned factors, as reflected in our annual reports published on the NEEQ, our revenue and income achieved a stable increase from 2015 to 2017, and recorded a loss in 2018. Throughout the Track Record Period, we have been consistently profitable despite difficult market conditions, achieving an average annual revenue and income, which includes fund management fees, net investment gains or losses, and our share of results from associates and joint ventures from investments held under funds and direct investments, of RMB858.0 million.

Our Funds

We manage capital mainly through funds, which act as investment vehicles to accept capital commitment for investments. Our funds contributed RMB19.7 billion out of our total AUM of RMB25.1 billion as of December 31, 2022. As of the Latest Practicable Date, we managed eight Renminbi-denominated funds and three U.S. dollar-denominated funds.

The following table sets forth the key operating information of our funds as of December 31, 2022.

	Number of Funds	AUM(1)	Committed capital(2)	Contribution of our own capital to total committed capital(3)	Paid-in capital	Contribution of our own capital to total paid-in capital	Initial investment year	Average IRR
		RMB billion	*RMB billion*	*RMB billion*	*RMB billion*	*RMB billion*		
Consolidated Funds	**6**	**11.2**	**9.7**	**1.8**	**8.8**	**1.7**	**/**	**13.0%**
– RMB-denominated funds	4	8.1	7.3	1.0	6.6	1.0	2015-2021	10.1%
– USD-denominated funds	2	3.1	2.4	0.8	2.2	0.8	2018-2020	18.8%
Unconsolidated Funds	**5**	**8.5**	**3.9**	**0.6**	**3.8**	**0.6**	**/**	**19.6%**
– RMB-denominated funds	4	6.3	3.1	0.5	3.1	0.5	2017-2018	20.2%
– USD-denominated funds	1	2.1	0.8	0.1	0.8	0.1	2014	17.1%
Overall	**11**	**19.7**	**13.5**	**2.4**	**12.6**	**2.3**	**/**	**16.0%**

Notes:

(1) Represents the assets managed under our funds, including the net asset value of assets managed by the fund manager or general partner, which is in fair value, and the capital that the fund's limited partners committed and the fund manager or general partner is entitled to call.

(2) Represents the total committed capital managed under our funds in terms of cost.

(3) Represents contribution of our own capital to the total committed capital of our managed funds in terms of cost.

As of December 31, 2022, we had six funds under management focused on early-stage investments and five funds under management focused on growth and late-stage investments. The table below sets out a summary of our funds as of December 31, 2022:

Fund	Fund inception year	Fund life	Phase of fund[1]	Investment period	Post-investment period	Committed capital	Committed capital by the Group	Fund type	% Capital called	Uncalled capital[11]	Hurdle rate[3]	Carried interest %[4]	Invested amount [6]	Realized cost[7]	Remaining cost[8]	Realized fair value[9]	Remaining fair value[10]	NAV[11]
Funds focused on early-stage investments:																		
Tiantu Xingzhou[2]	2021	Seven years	Investment period	2021-2025	2025-2028	RMB1,140 million	RMB90 million	Consolidated	50%	RMB570 million	8% per annum	20%[5]	RMB517 million	-	RMB517 million	-	RMB552 million	RMB572 million
Tiantu VC USD Fund I L.P.	2019	Ten years	Investment period	2020-2025	2025-2030	USD139 million	USD20 million	Consolidated	97%	USD4 million	8% per annum	20%	USD124 million	-	USD124 million	-	USD183 million	USD186 million
Tiantu Xingshen	2018	Eight years	Post-investment period	2018-2022	2022-2026	RMB500 million	RMB73 million	Consolidated	100%	-	-	20%[5]	RMB430 million	RMB5 million	RMB425 million	RMB7 million	RMB615 million	RMB665 million
Tiantu Dongfeng	2017	Eight years	Post-investment period	2017-2022	2022-2025	RMB1,200 million	RMB205 million	Non-consolidated	100%	-	8% per annum	20%	RMB1,091 million	RMB6 million	RMB1,085 million	RMB0.6 million	RMB3,976 million	RMB3,960 million
Tangrenshen	2017	Eight years	Post-investment period	2017-2021	2021-2025	RMB571 million	RMB81 million	Non-consolidated	100%	-	8% per annum	20%	RMB505 million	RMB178 million	RMB327 million	RMB329 million	RMB461 million	RMB468 million
Tiantu Tiantou[12]	2016	Seven years	Post-investment period	2016-2020	2020-2023	RMB300 million	RMB15 million	Non-consolidated	100%	-	6% per annum	20%	RMB263 million	-	RMB263 million	-	RMB783 million	RMB788 million
Funds focused on growth and late-stage investments:																		
Tiantu Xingnan	2018	Seven years	Post-investment period	2018-2022	2022-2025	RMB1,000 million	RMB230 million	Non-consolidated	100%	-	8% per annum	20%[5]	RMB760 million	RMB55 million	RMB705 million	RMB60 million	RMB1,052 million	RMB1,109 million
Tiantu China Consumer Fund II, L.P.	2018	Nine years	Investment period	2018-2023	2023-2027	USD200 million	USD100 million	Consolidated	91%	USD18 million	8% per annum	20%	USD173 million	-	USD173 million	-	USD238 million	USD237 million
Tiantu Xingpeng	2017	Seven years	Post-investment period	2017-2021	2021-2024	RMB2,660 million	RMB539 million	Consolidated	95%	RMB132 million	8% per annum	20%[5]	RMB2,236 million	RMB10 million	RMB2,226 million	RMB45 million	RMB2,601 million	RMB2,721 million
Tiantu Xingbei	2015	Ten years	Post-investment period	2015-2018	2018-2025	RMB3,000 million	RMB299 million	Consolidated	100%	-	8% per annum	20%	RMB2,612 million	RMB140 million	RMB2,472 million	RMB240 million	RMB3,373 million	RMB3,489 million
Tiantu China Consumer Fund I, L.P.	2014	Ten years	Post-investment period	2014-2018	2018-2024	USD113 million	USD10 million	Non-consolidated	98%	USD2 million	8% per annum	20%	USD104 million	USD27 million	USD77 million	USD8 million	USD312 million	USD303 million

Notes:

(1) Represents the phase of the fund as of December 31, 2022. Our fund life can be divided into two phases: the investment period and the post-investment period. For details, see "Business – Income From Our Fund Management and Investments – Revenue From Managing External Capital" in this document.

(2) Tiantu Xingzhou was in its fundraising status as of December 31, 2022.

(3) Hurdle rate represents the minimum rate of return on an investment for a given fund in order for the general partner to obtain carried interest.

(4) Carried interest % represents the percentage of the fund's profits that the general partners are entitled to provided that a hurdle rate of the fund has been achieved.

(5) If the fund's gains exceed three times of its paid-in capital, carried interest % for such excess gains would be 30%.

(6) Represents the cumulative investment cost of the fund that has been invested in its portfolio companies.

(7) Represents the initial investment amount in portfolio companies that the fund has fully or partially exited.

(8) Refers to the invested amount of the fund minus its realized cost.

(9) Refers to the cash received or realized by the fund from exit of investments and dividend distribution.

(10) Refers to the fair value of all portfolio companies directly held under the fund and indirectly through holding vehicles.

(11) AUM of a fund is calculated as the fund's NAV plus uncalled capital. Uncalled capital is equal to committed capital minus capital called. NAV equals total assets minus total liabilities. Total assets mainly include financial assets measured at fair value and cash, and total liabilities mainly include accrued expenses such as management fee payables.

(12) We are considering to extend the fund term of Tiantu Tiantou according to its partnership agreement.

The average IRR of our funds was 16.2%, 17.8%, 28.2% and 16.0% as of January 1, 2020, December 31, 2020, 2021 and 2022, respectively. The following tables set forth certain performance information of these funds as of the dates indicated. Performance of funds that had made investments for less than one year as of each indicated date is not presented in the below table, as these funds had not started generated meaningful return yet:

	IRR	IRR for unrealized or partially realized portions	Net IRR	MOIC	DPI	TVPI
As of December 31, 2022						
Tiantu VC USD Fund I L.P.	25.2%	25.2%	21.7%	1.5x	–	1.4x
Tiantu Xingshen	23.2%	23.2%	19.2%	1.4x	–	1.3x
Tiantu Dongfeng	37.4%	37.6%	34.7%	3.6x	–	3.3x
Tangrenshen	11.0%	12.7%	8.9%	1.6x	58%	1.4x
Tiantu Tiantou	21.4%	21.4%	19.5%	3.0x	–	2.6x
Tiantu Xingnan	11.0%	11.0%	5.9%	1.5x	15%	1.3x
Tiantu China Consumer Fund II, L.P.	12.4%	12.4%	10.3%	1.4x	–	1.3x
Tiantu Xingpeng	4.1%	4.1%	1.9%	1.2x	–	1.1x
Tiantu Xingbei	5.8%	5.9%	3.8%	1.4x	7%	1.2x
Tiantu China Consumer Fund I, L.P.	17.1%	21.1%	16.1%	3.1x	7%	2.8x
Tiantu Xingzhou	7.2%	7.2%	0.4%	1.1x	–	1.0x
As of December 31, 2021						
Tiantu VC USD Fund I L.P.	78.4%	78.4%	72.5%	1.5x	–	1.5x
Tiantu Xingshen	38.1%	38.1%	32.6%	1.5x	–	1.2x
Tiantu Dongfeng	49.9%	49.9%	46.4%	3.5x	–	3.2x
Tangrenshen	13.6%	13.6%	11.7%	1.6x	33%	1.4x
Tiantu Tiantou	30.9%	30.9%	28.9%	3.5x	–	3.1x
Tiantu Xingnan	13.5%	13.5%	6.7%	1.4x	6%	1.2x
Tiantu China Consumer Fund II, L.P.	23.8%	23.8%	21.4%	1.5x	–	1.4x
Tiantu Xingpeng	5.7%	5.7%	3.5%	1.2x	–	1.1x
Tiantu Xingbei	8.0%	8.1%	5.5%	1.4x	6%	1.3x
Tiantu China Consumer Fund I, L.P.	20.1%	22.3%	18.9%	3.1x	6%	2.8x
As of December 31, 2020						
Tiantu Xingshen	35.3%	35.3%	26.3%	1.2x	–	1.1x
Tiantu Dongfeng	17.8%	17.8%	14.0%	1.4x	–	1.3x
Tangrenshen	10.7%	10.7%	7.6%	1.3x	2%	1.2x
Tiantu Tiantou	34.1%	34.1%	31.7%	2.9x	–	2.6x
Tiantu Xingnan	12.9%	12.9%	6.3%	1.2x	–	1.1x
Tiantu China Consumer Fund II, L.P.	15.8%	15.8%	12.4%	1.2x	–	1.1x
Tiantu Xingpeng	6.0%	6.0%	3.7%	1.1x	–	1.1x
Tiantu Xingbei	11.1%	11.1%	8.4%	1.5x	4%	1.4x
Tiantu China Consumer Fund I, L.P.	16.8%	16.9%	15.4%	2.2x	6%	2.1x

	IRR	IRR for unrealized or partially realized portions	Net IRR	MOIC	DPI	TVPI
As of January 1, 2020						
Tiantu Dongfeng	11.2%	11.2%	6.6%	1.2x	–	1.1x
Tangrenshen	15.9%	15.9%	12.1%	1.3x	–	1.2x
Tiantu Tiantou	39.6%	39.6%	37.0%	2.4x	–	2.2x
Tiantu Xingnan	8.0%	8.0%	1.4%	1.1x	–	1.0x
Tiantu China Consumer Fund II, L.P.	14.5%	14.5%	10.3%	1.2x	–	1.1x
Tiantu Xingpeng	8.1%	8.1%	7.0%	1.1x	–	1.1x
Tiantu Xingbei	14.6%	14.6%	11.4%	1.5x	1%	1.4x
Tiantu China Consumer Fund I, L.P.	17.7%	17.8%	16.0%	2.0x	6%	1.8x

Tangrenshen, Tiantu Xingbei, Tiantu China Consumer Fund I, L.P. and Tiantu Dongfeng had fully exited and realized certain investments as of December 31, 2022. The following table sets forth their respective IRR for fully exited and realized portions as of the dates indicated:

	IRR for fully exited and realized portions			
	As of January 1,	As of December 31,		
	2020	2020	2021	2022
Tangrenshen	N/A	N/A	N/A	5.6%
Tiantu Xingbei	N/A	N/A	2.9%	2.9%
Tiantu China Consumer Fund I, L.P.[(1)]	11.8%	11.8%	(60.5)%	(76.8)%
Tiantu Dongfeng[(1)]	N/A	N/A	N/A	(47.7)%

Note:

(1) The negative IRR for fully exited and realized portions was mainly due to the liquidation or disposal of a few investees that experienced particular difficulties in business operations or did not perform as expected. While we are generally cautious about exiting over unfavorable market conditions, we exited from these investments in 2021 and 2022 to cut loss after prudent evaluations. The rest of the portfolio remains high quality with promising potential of future value appreciation, including investments in industry leaders in their respective verticals, such as Nayuki (奈雪的茶), Pagoda (百果園), Xiaohongshu (小紅書) and Xiaoguo (笑果文化). The invested cost of such fully exited positions only accounted for 3.1% of the total NAV of these two funds as of December 31, 2022. For further details, see "Business – Investment Process and Arrangement – Our Investment Process – Post-Investment Management" and "Business – Investment Process and Arrangement – Our Investment Process – Exit From Investments" in this document.

If taking the Wind Hong Kong Index (Consumer Discretionary) and the Wind Hong Kong Index (Consumer Staples) as proxies, our funds outperformed these two indices during the Track Record Period, which is demonstrated by our funds' IRR consistently exceeding the annualized returns of these indices as detailed in the section headed "Business – Our Funds – Fund Performance" in this document.

Our External Fund Investors

The external investors of our funds mainly consist of institutional investors, including renowned multinational corporations and insurance companies, such as Nestle and Greatwall Life, and high-net-worth individuals. As of December 31, 2022, 47% of the total committed capital from external fund investors were from financial institutions and government-guiding funds, and approximately 81% of the external investors of our funds were located in mainland China.

Many of our external fund investors have invested in our funds for more than once, which we believe is attributable to our ability to generate optimal returns for our fund investors. During the Track Record Period, we raised new capital of RMB2,548.1 million from external fund investors, approximately 29.2% of which were re-up capital commitments from existing limited partners of our funds.

Thanks to our access to diverse pools of capital, we had 11 funds under management which were supported by a total of 98 external fund investors as of December 31, 2022. Our five largest external fund investors as of December 31, 2020, 2021 and 2022 in aggregate contributed 28.7%, 27.3% and 27.2% of our funds' total committed capital as of the same dates, respectively, and our ten largest external fund investors as of December 31, 2020, 2021 and 2022 contributed 43.1%, 41.7% and 42.4% of our funds' total committed capital as of the same dates, respectively. During the Track Record Period and up to the Latest Practicable Date, we had not experienced any default by our fund investors according to relevant partnership agreements.

For further details, see "Business – Sources of Capital and Fundraising" and "Business – Major Customers and Suppliers – Our Customers" in this document.

Direct Investments

In addition to our managed funds, we also manage our own capital and make direct investments to seek optimal returns. Such investments are made through holding vehicles, in most cases 100% controlled by us, by way of direct equity holding by our Company, and in certain cases through wholly owned limited partnerships. As of December 31, 2022, the IRR of our direct investments made during the Track Record Period was 16.3%. As of January 1, 2020, December 31, 2020, 2021 and 2022, the IRR of our direct investments was 7.4%, 7.9%, 7.6% and 8.2%, respectively. In the future, we anticipate that our fund management business will continue to grow into an increasingly dominant component of our business operations, while the overall scale of our direct investments will remain stable and moderate.

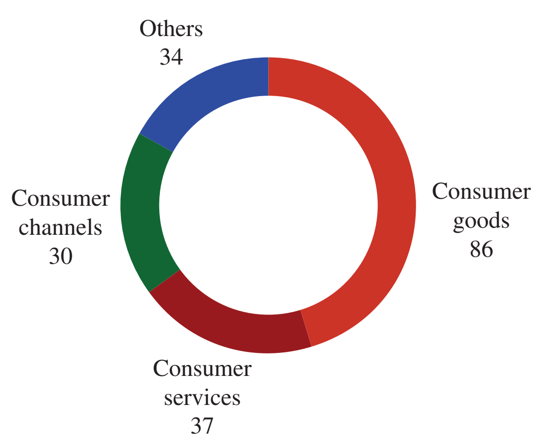
For further information, see "Business – Direct Investments" in this document.

Portfolio Companies

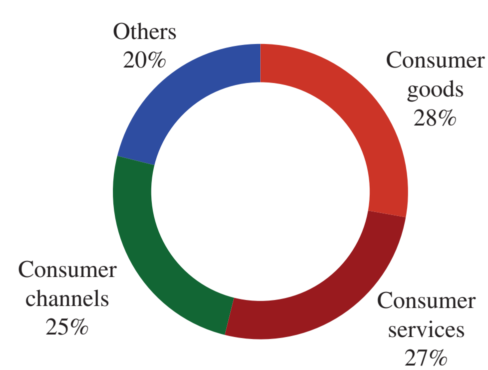
We have a proven track record of investing in the consumer industry in China, covering mainly early-stage investments, and growth and late-stage investments, and we seek to optimize returns mainly through effective management and seizing good exit opportunities. As of December 31, 2022, we had cumulatively invested in a total of 222 portfolio companies, including 180 companies in the consumer space, through the funds under our management and/or direct investments. As of the same date, our investments in 35 of these companies had been fully exited, while the remaining 187 companies were still in our portfolio with our investments in 23 of them partially exited. From January 1, 2020 and up to December 31, 2022, we made investments in 100 portfolio companies, including 83 new portfolio companies and 17 existing portfolio companies.

As of December 31, 2022, 153 of our 187 existing portfolio companies are in the consumer industry, including consumer goods, consumer services, and consumer channels sectors, with the remaining 34 companies primarily in the biotech or technology industries. The following charts illustrate our existing portfolio companies and invested capital by sector as of December 31, 2022.

Number of portfolio companies by sector



Invested capital by sector



We have a proven track record of identifying great companies early in their development. For instance, we were the lead investor in Zhou Hei Ya (周黑鴨)'s first round financing in 2010. Six years after our initial investment, Zhou Hei Ya (周黑鴨) was listed on the Hong Kong Stock Exchange with its market value growing by over 20 times since our initial investment. Another example is Nayuki (奈雪的茶), a premium teahouse chain brand. We were the only institutional investor in Nayuki (奈雪的茶)'s earliest round of financing.

Portfolio Companies of Our Funds Under Management

Out of our 187 existing portfolio companies as of December 31, 2022, 149 were invested by our funds. The movements in the number of portfolio companies managed under our funds and their fair value during the Track Record Period are as follows:

	For the years ended December 31,		
	2020	**2021**	**2022**
Number of portfolio companies			
– As of the beginning of the period	80	106	138
– Investments in new portfolio companies	26	35	17
– Full exit of the investments	–	3	6
– As of the end of the period	106	138	149

	For the years ended December 31,		
	2020	**2021**	**2022**
	RMB million	*RMB million*	*RMB million*
Fair value of portfolio companies			
Fair value as of the beginning of the period	**10,854.3**	**12,819.7**	**18,117.7**
– Add: new investments in existing portfolio companies	620.0	502.7	67.4
– Add: new investments in new portfolio companies	655.7	919.1	411.4
– (Less): original investment cost of partially exited investments	(69.1)	(128.3)	(5.2)
– (Less): original investment cost of fully exited investments	–	(66.8)	(290.6)
– Add: unrealized fair value change during the period	758.8	4,071.4	212.9
Unrealized fair value as of the end of the period	**12,819.7**	**18,117.7**	**18,513.6**
Cash received/realized from exit of investments and dividend distribution	**156.4**	**225.6**	**180.9**

Portfolio Companies of Our Direct Investments

The movements in the number of portfolio companies invested through direct investments and their fair value during the Track Record Period are as follows:

	For the years ended December 31,		
	2020	**2021**	**2022**
Number of portfolio companies[1]			
– As of the beginning of the period	53	56	55
– Investments in new portfolio companies	5	4	–
– Full exit of the investments	2	5	2
– As of the end of the period	56	55	53

Note:

(1) As 15 portfolio companies were co-invested by our funds and direct investments, the total number of our portfolio companies does not equal the number of portfolio companies invested by our funds plus the number of portfolio companies invested through direct investments.

	For the years ended December 31,		
	2020	**2021**	**2022**
	RMB million	*RMB million*	*RMB million*
Fair value of portfolio companies			
Fair value as of the beginning of the period	**6,180.1**	**5,031.2**	**4,722.6**
– Add: new investments in existing portfolio companies	75.0	70.0	2.5
– Add: new investments in new portfolio companies	408.9	137.3	–
– (Less): original investment cost of partially exited investments	(490.1)	(293.4)	(151.3)
– (Less): original investment cost of fully exited investments	(90.3)	(119.0)	(10.0)
– Add/(Less): unrealized fair value change during the period	(1,052.5)	(103.4)	518.2
Unrealized fair value as of the end of the period	**5,031.2**	**4,722.6**	**5,082.0**
Cash received/realized from exit of investments and dividend distribution	**2,130.4**	**734.7**	**349.9**

For more information about our investment strategies, our funds and portfolio companies, see "Business – Investment Strategies," "Business – Investment Approach", "Business – Our Funds" and "Business – Portfolio Companies" in this document.

Valuation of Portfolio Companies

During the Track Record Period, our portfolio companies under our managed funds and direct investments were measured at fair value on which our financial position and performance are highly dependent. Since a large number of our portfolio companies are unlisted companies which we have not yet started to exit, we have maintained consistent and disciplined valuation methods to assess and manage valuation-related impacts on our business operations and financial performance. For more details regarding the valuation methodology and competency of the valuers, please see "Business – Risk Management and Internal Control – Risks Management Related to Post-Investment Management – (5) Provision of post-investment value-added support – Established Valuation Process," "Financial Information – Significant Accounting Policies and Critical Judgements and Estimates – Critical Accounting Judgments and Key Sources of Estimation Uncertainty – Fair Value Measurements and Valuation Process" and Note 48 *Financial Risk Management* to the Accountants' Report in Appendix I to this document.

OUR STRENGTHS

We believe the following strengths have contributed to our success and differentiated us from our competitors:

- Leading private equity investor and fund manager driving the growth of China's consumer brands and companies;
- Well-positioned to capture the industry opportunities of China's consumption and investment industry;
- 20 years of insight and understanding into brands, entrepreneurs, organizations and consumers;
- Long-term dedicated risk management systems; and
- Our talent retention and visionary leadership that strongly support the longevity of our business.

For more details regarding our strengths, please see "Business – Our Strengths."

OUR STRATEGIES

Our mission is to become the investor of choice for Chinese consumer companies. We plan to implement the following strategies to achieve our goal:

- Continue to strengthen our leading position in investments in China's consumer industry and expand into other selected areas of investments;

- Continue to empower Chinese consumer companies through strategic M&A;

- Explore flexible investment strategies and products, and expand our presence into various stages of investment projects with varying needs; and

- Continue to attract, motivate and retain high-quality talent.

SUMMARY OF HISTORICAL FINANCIAL INFORMATION

This summary of key financial information set forth below has been derived from, and should be read in conjunction with, our consolidated audited financial statements, including the accompanying notes, set forth in the Accountants' Report set out in Appendix I to this document, as well as the information set forth in the section headed "Financial Information".

Summary Consolidated Statements of Profit or Loss

The following table sets forth a summary of our consolidated statements of profit or loss for the periods indicated. For more details, please see "Financial Information – Description of Selected Components of Consolidated Statements of Profit or Loss and Other Comprehensive Income" in this document.

	Year Ended December 31,		
	2020	**2021**	**2022**
	RMB'000	*RMB'000*	*RMB'000*
Continuing Operation			
Revenue	38,602	34,823	45,983
Investment gains or losses, net	1,156,557	460,408	377,234
Total revenue and investment gains or losses, net	1,195,159	495,231	423,217
Share of result of associates and joint ventures	77,774	411,992	(29,228)
Profit before tax	967,398	663,037	159,481
Income tax credit (expense)	90,326	(13,682)	(107,317)
Profit for the year from continuing operation	1,057,724	649,355	52,164
Discontinued operations			
Profit for the year from discontinued operations	165	70,468	480,749
Profit for the year	1,057,889	719,823	532,913
Total comprehensive income for the year	920,085	663,983	748,678
Profit (loss) for the year attributable to owners of the Company			
– From continuing operation	747,261	656,506	59,814
– From discontinued operations	(26,262)	73,627	499,471
	720,999	730,133	559,285
Profit (loss) for the year attributable to non-controlling interests			
– From continuing operation	310,463	(7,151)	(7,650)
– From discontinued operations	26,427	(3,159)	(18,722)
	336,890	(10,310)	(26,372)
Total comprehensive income (expense) for the year attributable to			
– Owners of the Company	585,113	675,083	772,762
– Non-controlling interests	334,972	(11,100)	(24,084)
	920,085	663,983	748,678

During the Track Record Period, our revenue was generated from our private equity investment business in the form of fund management fees. Our revenue was RMB38.6 million, RMB34.8 million and RMB46.0 million in 2020, 2021 and 2022, respectively.

Our net profit fluctuated during the Track Record Period. It decreased from RMB1,057.9 million in 2020 to RMB719.8 million in 2021, and to RMB532.9 million in 2022. The fluctuation of our net profit mostly reflects the valuation changes of our portfolio companies. 2020 was a very lucrative year for the capital market, and the valuation of both public and private companies, especially in the consumer industry, grew very rapidly. The capital market and valuation level gradually cooled down in 2021 and afterwards. In terms of realized gains, several of our portfolio companies managed to go public, and we successfully exited several investments in 2020, rightly capturing the uptrend of the capital market. These all contribute to the high net profit in 2020, and the fluctuations thereafter.

Income From Our Fund Management and Investments

We generally launch and manage funds through wholly-owned subsidiaries, and receive fund management fees and carried interest. Fund management fees are generally charged as a percentage, typically 2% each year, of (i) committed capital during the investment period, and (ii) committed or paid-in capital minus cost of exited investments after the investment period. Cost of exited investments refers to the initial investment amount of projects that we have already exited. Carried interest is generally charged as a percentage, typically 20%, of our funds' realized gains when the gain exceeds certain hurdle rates. We also recognize investment gains and losses as we make investments with our own capital.

The following table sets forth a breakdown of our revenue and income from private equity investment business for the years indicated.

	Years ended December 31,		
	2020	**2021**	**2022**
	RMB'000	*RMB'000*	*RMB'000*
Revenue from private equity investment business	38,602	34,823	45,983
– Fund management fees	38,602	34,823	45,983
– Carried interest	–	–	–
Investment gains or losses, net	1,156,557	460,408	377,234
– Subtotal	1,195,159	495,231	423,217
Share of results of associates and joint ventures	77,774	411,992	(29,228)
Total	**1,272,933**	**907,223**	**393,989**

Fund Management Fees

Our revenue from our private equity investment business only presents our fund management fees from unconsolidated funds under our management during the Track Record Period. We also received fund management fees from our consolidated funds on a similar fee scale, but those amounts were offset as inter group transactions when we prepare the consolidated financial statements. The following table sets forth the revenue from funds under our management for the periods indicated:

	Years ended December 31,		
	2020	**2021**	**2022**
	RMB'000	*RMB'000*	*RMB'000*
Gross fund management fees[(1)]	176,625	166,162	179,575
Less fund management fees charged from consolidated funds	(138,023)	(131,339)	(133,592)
Revenue from private equity investment business	**38,602**	**34,823**	**45,983**

Note:

(1) Refers to the fund management fees charged from all the funds under our management.

Carried Interest

Before the Track Record Period, we recognized carried interest from our early funds, but during the Track Record Period, we did not recognize any accrued carried interest as most of our funds were in their investment periods or early post-investment periods and have not achieved the targeted thresholds of realized gains to recognize carried interest pursuant to the relevant agreements.

Investment Gains or Losses, Net

We recognized net investment gains of RMB1,156.6 million, RMB460.4 million and RMB377.2 million in 2020, 2021 and 2022, respectively. Such investment gains are mainly in the form of dividends and interests, realized gains, and unrealized gains from financial assets at fair value through profit or loss ("**FVTPL**") and interests in associates measured at fair value. When our consolidated funds or we directly make a minority investment into a portfolio company and appoint directors onto its board, such investment is recorded as interests in associates as representation on the board is evidence of significant influence, which are measured at fair value as they are held through venture capital organizations; otherwise the minority investment is recorded as financial assets at FVTPL. For further information, see "Financial Information – Description of Selected Components of Consolidated Statements of Profit or Loss and Other Comprehensive Income – Continuing Operations – Investment Gains or Losses, Net" in this document. Performance of our unconsolidated funds accounted for as financial assets is recorded as investment gains or losses, while performance of our unconsolidated funds accounted for with the equity method is recorded as share of results of associates or joint ventures, which is further discussed in "– Share of Results of Associates and Joint Ventures" below.

The fluctuation in our net investment gains is mostly the reflection of the valuation changes of our portfolio companies. 2020 was a very lucrative year for the capital market, and valuations of both public and private companies, especially in the consumer industry, grew very rapidly. The market and valuation level gradually cooled down in 2021 and afterwards. In terms of realized gains, several of our portfolio companies managed to go public, and we successfully exited several investments in 2020, rightly capturing the uptrend of the capital market. These all contribute to the high net investment gains in 2020, and the fluctuations thereafter.

As we and our consolidated funds both fulfill the characteristics of venture capital organizations, portfolio companies held thereunder since initial recognition are able to be measured at fair value within IAS 28 *Investments in Associates and Joint Ventures*. For more details, please see "Financial Information – Significant Accounting Policies and Critical Judgements and Estimates – Significant Accounting Policies – Investment in Associates and Joint Ventures" in this document.

Share of Results of Associates and Joint Ventures

We recognized share of results of associates and joint ventures of RMB77.8 million, RMB412.0 million and share of loss of RMB29.2 million in 2020, 2021 and 2022, respectively. Such shares of results represent investment gains from our unconsolidated entities, mainly funds under management, measured using equity method accounting, and thus they also reflect our ability to generate investment income through our managed funds. For further information, see "Financial Information – Description of Selected Components of Consolidated Statements of Profit or Loss and Other Comprehensive Income – Continuing Operations – Share of Results of Associates, Share of Results of Joint Ventures" in this document.

The significant increase in share of results of associates and joint ventures in 2021 was primarily due to the increased investment gains of underlying portfolio companies from our unconsolidated funds under our management, which was in line with the financial performance of those funds. The decrease in share of results of associates and joint ventures in 2022 was primarily due to the loss generated from the fair value changes of certain investments held under our fund, Tiantu Tiantou, and our direct investment entity, Tiantu Maverick, in 2022.

The table below summarizes the presentation of our investment performance in financial statement:

	Consolidated funds or consolidated direct investment entities	Unconsolidated funds or unconsolidated direct investment entities (with significant influence/joint control)	An unconsolidated fund (without significant influence)	Portfolio companies under consolidated funds or consolidated direct investment entities
Accounting Methodology	Consolidated subsidiaries, with limited partner portion accounted as financial liability	Accounted with equity method as associates/joint ventures	Accounted as financial assets at FVTPL	Accounted as financial assets at FVTPL or interests in associated measured at fair value
Consolidated Statements of Profit or Loss Reflection	Consolidated in every line, as subsidiaries; limited partner portion accounted as "unrealized losses from financial liabilities at FVTPL"	Share of results from associates/joint ventures	Investment gains/losses from financial assets at FVTPL	Our gains or losses from portfolio companies are presented as realized or unrealized gains or losses from financial assets at FVTPL or interests in associates measured at fair value
Consolidated Statements of Financial Position Reflection	Consolidated in every line, as subsidiaries; limited partner portion accounted as "financial liabilities at FVTPL"	Interests in associates measured using equity method; or interests in joint ventures	Accounted as financial assets at FVTPL	Portfolio companies are presented as interests in associates measured at fair value or financial assets at FVTPL

In addition, for details of the accounting treatments of our different funds and investments, see "Financial Information – Significant Accounting Policies and Critical Judgements and Estimates – Significant Accounting Policies – Presentation of Investment Performance in Financial Statements" in this document.

Historically, we deployed buyout investment strategies and have invested in certain dairy businesses, the operating entities of which were Mengtian Dairy and Yoplait China. Due to commercial reasons, primarily including to avoid potential confusion as to our primary business as a private equity investor and fund manager and to allow more flexibility in capital market initiatives for both Mengtian Dairy and Yoplait China, we ceased to consolidate Mengtian Dairy and Yoplait China. Mengtian Dairy was deconsolidated as of December 31, 2021 because we ceased to control Mengtian Dairy after the change in the board composition of Mengtian Dairy despite the unchanged equity interest held by us. Yoplait China was deconsolidated as of June 15, 2022 because we ceased to control Yoplait China as a result of the investment from a new investor and unwinding of certain concert arrangements among our Group and other relevant shareholders of Yoplait China. For more details, please see "History, Development and Corporate Structure – Deconsolidation of Dairy Businesses (Discontinued Operations)." Upon the deconsolidation of Mengtian Dairy Business, a one-off gain of RMB123.3 million was recognized and was included in the profit from discontinued operations in our financial statements. Upon the deconsolidation of Yoplait China, a one-off gain of RMB520.4 million was recognized which was also included in the profit from discontinued operations. Such gains represent primarily the value appreciation of all our equity interest in Mengtian Dairy and Yoplait China, with reference to the fair value of our retained interests recognized as interests in an associate measured on the date of deconsolidation, since our acquisition. There was significant accounting judgment involved in the above deconsolidation. For more details, please see "Business – Deconsolidated Investments (Dairy Business)," "Financial Information – Discontinued Operations" and Note 4 *Critical Accounting Judgments and Key Sources of Estimation Uncertainty*, Note 39 *Discontinued Operation of Mengtian Dairy Business and Yoplait China* and Note 53 *Events After Reporting Period* to the Accountants' Report in Appendix I to this document.

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,		
	2020	**2021**	**2022**
	RMB'000	*RMB'000*	*RMB'000*
Total non-current assets	13,075,380	15,201,571	16,119,945
Total current assets	2,680,527	2,137,520	1,433,015
Total assets	15,755,907	17,339,091	17,552,960
Total non-current liabilities	8,655,142	8,084,070	9,791,999
Total current liabilities	1,042,315	2,643,108	433,861
Net current assets (liabilities)	1,638,212	(505,588)	999,154
Total liabilities	9,697,457	10,727,178	10,225,860
Net assets	6,058,450	6,611,913	7,327,100

	As of December 31,		
	2020	**2021**	**2022**
	RMB'000	*RMB'000*	*RMB'000*
Share capital	519,773	519,773	519,773
Reserves	5,241,047	6,008,587	6,776,765
Equity attributable to owners of the Company	5,760,820	6,528,360	7,296,538
Non-controlling interests	297,630	83,553	30,562
Total equity	6,058,450	6,611,913	7,327,100

We recorded net assets of RMB6,058.5 million, RMB6,611.9 million and RMB7,327.1 million as of December 31, 2020, 2021 and 2022, respectively. The increase of net assets in 2021 was primarily attributable to the profit for 2021 of RMB719.8 million, partially offset by the deduction arising from the deconsolidation of Mengtian Dairy and dilution of the Group's interests in Yoplait China totaling RMB112.3 million in December 2021. The increase of net assets in 2022 was primarily attributable to the profit for 2022 of RMB532.9 million, partially offset by the deduction arising from the deconsolidation of Yoplait China of RMB30.4 million in June 2022.

We had net current liabilities of RMB505.6 million as of December 31, 2021, primarily because we had a large amount of bond payables due within one year as of December 31, 2021 since our bonds, 17Tiantu01 of RMB1,000.0 million and 17Tiantu02 of RMB800.0 million matured in 2022, respectively. We issued the 2022 First Corporate Bonds and the 2022 Second Corporate Bonds, due in 2025 or 2027, with a total principal amount of RMB1,000.0 million in 2022 and subsequently redeemed the bonds 17Tiantu01 and 17Tiantu02 upon maturity in 2022, using these proceeds of the bonds issued in 2022 as well as our internal resources.

One technical accounting treatment also significantly affects our net current asset position. If we invest in a portfolio company and appoint a member to the board, such investment will be accounted for as an interest in associate measured at fair value and classified as a non-current asset item regardless of whether the equity securities of that portfolio company is highly liquid and traded on a reputable stock exchange. As of December 31, 2020, 2021 and 2022, RMB167.3 million, RMB831.0 million and RMB701.7 million of interests in associates measured at fair value represented our listed equity investments and were not subject to trading restriction.

For more details, see "Financial Information – Discussion of Certain Selected Items From the Consolidated Statements of Financial Position" in this document.

Summary Consolidated Statements of Cash Flows

The following table sets forth our consolidated statements of cash flows for the periods indicated:

	Year Ended December 31,		
	2020	**2021**	**2022**
	RMB'000	*RMB'000*	*RMB'000*
Net cash flows generated from/(used in) operating activities	931,674	(791,002)	(214,724)
Net cash flows (used in)/generated from investing activities	(135,239)	(311,000)	203,457
Subtotal	796,435	(1,102,002)	(11,267)
Net cash flows (used in)/generated from financing activities	(764,691)	1,314,242	(395,273)
Net increase (decrease) in cash and cash equivalents	31,744	212,240	(406,540)
Cash and cash equivalents at beginning of the year	768,353	793,401	1,015,797
Effect of foreign exchange rate changes	(6,696)	10,156	4,355
Cash and cash equivalents at end of the year	793,401	1,015,797	613,612

The cash flows from our various investments were classified as operating activities or investing activities according to their nature and relevant requirements under IAS 7. In particular, purchase and disposal of, and dividends and interest income received from (i) financial assets at FVTPL (excluding unlisted financial products); and (ii) interests in associates measured at fair value are presented as operating activities, while capital injection and reduction of interests in associates or joint ventures measured using equity method, interest, placement and withdrawal of unlisted financial products and deconsolidation of buyout investments are presented as investing activities.

We recorded net cash outflows from operating activities of RMB791.0 million and RMB214.7 million for the years ended December 31, 2021 and 2022, respectively. The net cash outflows from operating activities in 2021 and 2022 were primarily attributable to the increases in interests in associates measured at fair value.

Our working capital includes certain items related to our investments, such as financial assets at FVTPL and interests in associates measured at fair value. As a result of changes in valuation of our portfolio companies and different timing of investments and exits, the amount of changes in working capital may fluctuate from year to year, which then affect our operating cash flow. As most of our funds were still in their investment periods or just entered into post-investment periods during the Track Record Period, our cash outflows for investments exceeded our cash inflows from realized investment gains and results in the cash outflows from operating activities.

We recorded net cash outflow from investing activities of RMB135.2 million and RMB311.0 million for the years ended December 31, 2020 and 2021, respectively. The net cash outflows from investing activities for the years ended December 31, 2020 were primarily attributable to (i) net cash used for the acquisition of subsidiaries, including Yoplait China and certain business-related assets from Dongjun Dairy, and (ii) purchase of property, equipment, intangible assets and other non-current assets mainly for the dairy business. The net cash outflows from investing activities for the year ended December 31, 2021 were primarily attributable to additional investments under direct investment business.

As we are a private equity investor and fund manager managing capital for institutional and professional investors and also making investments using our own capital, a significant amount of our cash was used for our investment whereas a relatively small scale of cash was used for rent and remuneration for employees. Cash flows from operating and investing activities are the reflection of our discretionary choice during our investment activities.

As of December 31, 2022, we had bank balances and cash of RMB613.6 million. Taking into account the issue of long-term corporate bonds, the available bank balances and cash, cash flows from operating activities, the available facilities, the payment of the Proposed Dividend and the estimated net [**REDACTED**] from the [**REDACTED**], our Directors are of the view that we have sufficient working capital to meet our present requirements and for the next 12 months from the date of this document. In addition, we also have the flexibility to dispose of those listed equity investments classified as interests in associates measured at fair value amounting to RMB701.7 million as of December 31, 2022, which are included in non-current assets but are freely tradable at our discretion.

RISK FACTORS

We believe that there are certain risks and uncertainties involved in our operations, some of which are beyond our control. These risks are set out in the section headed "Risk Factors" in this document. Some of the major risks we face include: (i) our business performance is subject to high volatility, and difficult market and economic conditions may adversely affect our Company and our funds; (ii) our historical financial information may not necessarily be indicative of our future performance; (iii) there are inherent uncertainties associated with the fair value measurement of our investments and the fair value changes of our investments may lead to significant fluctuation in our financial performance; (iv) our investments are primarily concentrated in China's consumer sector, and therefore our performance is subject to the fluctuations thereof; (v) our investments in portfolio assets and the financial performance of our funds and their portfolio assets could negatively impact our results of operations, financial condition and cash flow; (vi) unsound decisions related to our portfolio companies could have a material adverse effect on our business, financial condition and results of operations; (vii) we may not be able to successfully source suitable investment opportunities; (viii) we may not be able to raise additional funds to expand our business and our AUM may decline; (ix) we may not be able to exit investments effectively or on time; and (x) we may not be successful in executing or managing the complexities of new investment strategies or expanding into new markets and business.

You should read the entire section headed "Risk Factors" in this document before you decide to [**REDACTED**] in the [**REDACTED**].

OUR CONTROLLING SHAREHOLDERS

As of the Latest Practicable Date, (i) Mr. Wang directly held 209,748,220 Shares, which is entitled to approximately 40.35% voting rights in our Company; and (ii) Mr. Wang was the sole executive partner of Tiantu Xingzhi and Tiantu Xinghe, each of which in turn held 8,750,000 Shares, representing approximately 3.36% voting rights in our Company. Therefore, Mr. Wang controlled the exercise of approximately 43.71% voting rights attached to a total of 227,248,220 Shares. Immediately upon completion of the [**REDACTED**] (assuming the [**REDACTED**] is not exercised), Mr. Wang, together with Tiantu Xingzhi and Tiantu Xinghe, will be entitled to exercise approximately [**REDACTED**] voting rights in our Company. Therefore, Mr. Wang, Tiantu Xingzhi and Tiantu Xinghe will be considered as a group of Controlling Shareholders of our Company upon the [**REDACTED**] under the Listing Rules. There is no competition between the businesses of our Controlling Shareholders and our businesses. Our Directors believe that we are capable of carrying on our business independently of our Controlling Shareholders and their close associates after the [**REDACTED**]. For further details, see "Relationship with Our Controlling Shareholders" in this document.

LISTING ON THE NEEQ

Our Domestic Shares are currently listed on the NEEQ. As confirmed by the PRC Legal Advisor, we have been in compliance with all the applicable rules and requirements of the NEEQ in all material respects, and have never been subject to any administrative penalty, administrative supervision measures or self-regulatory measures by the NEEQ or other competent securities regulatory authorities from the commencement of our listing on the NEEQ and up to the Latest Practicable Date. For further details, see "History, Development and Corporate Structure" in this document.

REGULATORY COMPLIANCE

Fund management industry is highly regulated and our operations are subject to laws and regulations in various jurisdictions, including the PRC, Hong Kong, and the Cayman Islands. During the Track Record Period and up to the Latest Practicable Date, we had never been involved in any non-compliance incidents that led to fines, enforcement actions or other penalties which could have a material adverse effect on our business, financial condition or results of operations. For summaries of regulations that are material to our business operations, see "Regulatory Overview" in this document.

DIVIDENDS

No dividend has been paid or declared by our Company during the Track Record Period. On March 30, 2023, our Board passed a resolution which proposed to declare and distribute a cash dividend of RMB104.0 million for the year ended December 31, 2022 ("**Proposed Dividend**") to all holders of our Domestic Shares listed on the NEEQ as of a record date prior to the [**REDACTED**] as part of our commitment to sharing our development results with shareholders and in line with our long-term business plan. The Proposed Dividend is subject to approval by our shareholders' general meeting and, if approved, will be made prior to the [**REDACTED**], using our profits and reserves available for distribution, in compliance with the PRC Company Laws and our Articles of Association, as advised by our PRC Legal Advisor. We believe that the distribution of the Proposed Dividend will not have a material impact on the sufficiency of our working capital after the [**REDACTED**] and we will be able to maintain sufficient funds to meet our working capital requirement and debt obligations. Our historical declarations of dividends, including the Proposed Dividend, may not be indicative of our future declarations of dividends.

We currently do not have any dividend policy to declare or pay any dividends. We will periodically review our performance and evaluate whether it would be appropriate to declare and pay dividends. Any declaration and payment as well as the amount of dividends will be subject to our Articles of Association and the PRC Company Law. The declaration and payment of any dividends in the future will be determined by our Board, in its discretion, and will depend on a number of factors, including our earnings, capital requirements, overall financial condition and contractual restrictions. Our Shareholders in a general meeting may approve any declaration of dividends, which must not exceed the amount recommended by our Board. No dividend shall be declared or payable except out of our profits and reserves lawfully available for distribution. Please see "Financial information – Dividends" for further information.

[REDACTED] STATISTICS

All statistics in the following table are based on the assumptions that (i) the [**REDACTED**] had been completed and [**REDACTED**] H Shares are issued pursuant to the [**REDACTED**]; and (ii) the [**REDACTED**] is not exercised.

	Based on an indicative price per [REDACTED] of HK$[REDACTED]	Based on an indicative price per [REDACTED] of HK$[REDACTED]
Our market capitalization(1)	HK$[**REDACTED**] million	HK$[**REDACTED**] million
Unaudited pro forma adjusted consolidated net tangible assets per Share(2)(3)	HK$[**REDACTED**]	HK$[**REDACTED**]

Notes:

(1) The calculation of market capitalization is based on [**REDACTED**] Shares expected to be in [**REDACTED**] immediately upon completion of the [**REDACTED**] (assuming the [**REDACTED**] is not exercised).

(2) The unaudited pro forma adjusted consolidated net tangible assets per Share as of December 31, 2022 is calculated after making the adjustments referred to in "Appendix II – Unaudited Pro Forma Financial Information".

(3) The unaudited pro forma adjusted consolidated net tangible assets per Share as of December 31, 2022 have not been adjusted to illustrate the effect of the Proposed Dividend of RMB104.0 million to be distributed as disclosed in the paragraph headed "Financial Information – Dividends" in this document. After taking into account the Proposed Dividend and the estimated net [**REDACTED**] from the issue of the new [**REDACTED**] pursuant to the [**REDACTED**] at the [**REDACTED**] range of HK$[**REDACTED**] and HK$[**REDACTED**] per H Share, the unaudited pro forma adjusted consolidated net tangible assets per [**REDACTED**] would have been HK$[**REDACTED**] and HK$[**REDACTED**], respectively, assuming the amounts are converted from RMB into HK$ at an exchange rate of RMB1.00 to HK$[0.8754], which was the exchange rate prevailing on March 27, 2023 with reference to the rate published by the People's Bank of China. No representation is made that the RMB amounts have been, could have been or may be converted to Hong Kong dollars, or vice versa, at that rate or any other rates or at all.

USE OF [REDACTED]

We estimate that we will receive net [**REDACTED**] from the [**REDACTED**] of approximately HK$[**REDACTED**] million, after deducting [**REDACTED**] commissions, fees and estimated expenses payable by us in connection with the [**REDACTED**], and assuming the [**REDACTED**] being not exercised and at the [**REDACTED**] of HK$[**REDACTED**] per [**REDACTED**] (being the mid-point of the indicative [**REDACTED**] range). If the [**REDACTED**] is exercised in full, the net [**REDACTED**] that we will receive will be approximately HK$[**REDACTED**] million. We currently intend to apply these net [**REDACTED**] for the following purposes:

Amount of the estimated net [REDACTED]	Intended use of net [REDACTED]
[**REDACTED**]%, or approximately HK$[**REDACTED**] million	For further expanding our private equity fund management business
[**REDACTED**]%, or approximately HK$[**REDACTED**] million	For further developing and strengthening our direct investment business
[**REDACTED**]%, or approximately HK$[**REDACTED**] million	For our general corporate purposes

For more details, please see "Future Plans and Use of [**REDACTED**]" in this document.

[**REDACTED**]

Based on the mid-point of our indicative [**REDACTED**] range and assuming the [**REDACTED**] is not exercise, the [**REDACTED**] to be borne by us are estimated to be approximately RMB[**REDACTED**] million (HK$[**REDACTED**] million) and are expected to represent approximately [**REDACTED**]% of the gross [**REDACTED**] of the [**REDACTED**] (including [**REDACTED**] commission), comprising of (i) [**REDACTED**]-related expenses, including [**REDACTED**] commission and other expenses, of RMB[**REDACTED**] million (HK$[**REDACTED**] million); and (ii) non-[**REDACTED**]-related expenses of RMB[**REDACTED**] million (HK$[**REDACTED**] million), including (a) fee prepaid and payable to Legal Advisors and Reporting Accountant of RMB[**REDACTED**] million (HK$[**REDACTED**] million); and (b) other fees and expenses of RMB[**REDACTED**] million (HK$[**REDACTED**] million). As of December 31, 2022, we incurred nil in [**REDACTED**].

We estimate that additional [**REDACTED**] of approximately RMB[**REDACTED**] million (HK$[**REDACTED**] million) (including [**REDACTED**] commissions of approximately RMB[**REDACTED**] million (HK$[**REDACTED**] million), assuming the [**REDACTED**] is not exercised and based on the [**REDACTED**] of HK$[**REDACTED**] per [**REDACTED**]) will be incurred by our Company, approximately RMB[**REDACTED**] million (HK$[**REDACTED**] million) of which is expected to be charged to our consolidated statements of profit or loss, and approximately RMB[**REDACTED**] million (HK$[**REDACTED**] million) of which is expected to be recognized as a deduction from equity upon the [**REDACTED**]. The [**REDACTED**] above are the latest practicable estimate for reference only, and the actual amount may differ from this estimate.

OUTBREAK OF COVID-19

Since December 2021, there has been a resurgence of COVID-19 cases, including the COVID-19 Delta and Omicron variant cases, in multiple cities in China. As a result, related governmental measures were imposed to contain the virus, such as travel restrictions, prolonged quarantines and lockdowns. Such measures affected the performance and financial conditions of some portfolio companies with business operations in the affected areas, and exerted pressure on the economic growth and influenced equity market volatility, which in turn impacted our investments and the performance of our funds.

In particular, in 2022, there had been an increasing number of COVID-19 cases in multiple cities in China, including but not limited to Shenzhen, Shanghai and Beijing, where some of our portfolio companies are located. To contain the spread of COVID-19, the local governments imposed various restrictions on business and social activities. Business operations of consumer goods and services providers in these cities, including some of our portfolio companies, were temporarily disrupted by a series of preventive and control measures implemented by local governments. In addition, travel restrictions hindered our ability to conduct face-to-face meetings with and due diligence on potential investment targets, which in turn imposed challenges on our investment progress. Moreover, the spread of COVID-19, together with uncertainties over economic, political and other macro conditions in China and globally, has affected the overall investor sentiment and resulted in share price volatility in capital markets, which in turn affected our financial results in 2022.

Towards the end of 2022, most of the travel restrictions and quarantine requirements were lifted in China. Despite a surge in COVID-19 cases in some regions immediately following this relaxation, this latest outbreak has been temporary and have not had any significant negative impact on the business operations or financial conditions of our Company and our portfolio companies. According to CIC, by February 2023, numerous companies in China had resumed normal operations and people had gradually returned to usual daily routines, which has facilitated the recovery of consumption. According to the same source, economic activities and market conditions, along with consumer confidence, have been gradually improving in 2023, with China's total retail sales of consumer goods returning to growth in the first two months of the year. The revival of macroeconomic conditions has not only brought about increased demands for consumer goods and services, driving the growth for companies in the consumer industry, but has also boosted investors' confidence and sentiment. This can already be seen in the upward trend of almost all China-related financial instruments since November 2022, including the Hang Seng index. Considering these developments, we believe that the relaxation of restrictive measures by the PRC government will benefit the consumer industry, which is the focus of our investments, as well as the private equity investment industry in the long run, despite the temporary impact from the latest outbreak of COVID-19 cases immediately following the relaxation.

There remains uncertainty as to the future impact of COVID-19. The extent to which the pandemic impacts our results of operations going forward will depend on future developments which are highly uncertain and unpredictable, including the frequency, duration and extent of outbreaks of COVID-19, the appearance of new variants with different characteristics, the effectiveness of efforts to contain or treat cases, and future actions that may be taken in response to these developments. Nonetheless, to the best knowledge and information of our Directors, the outbreak of COVID-19 has so far only brought about temporary impact on our business operations, and we believe COVID-19 would not bring permanent interruption or material impact to our overall business operations, as the overall economic activities and market conditions, along with improving consumer confidence, have been gradually recovering in 2023 and evolving into the new normal. We will continue to assess the impact of the COVID-19 on our operations and financial performance and closely monitor our exposure to the risks under the pandemic. We will take appropriate measures and inform our Shareholders and potential investors as and when necessary. For more details, see "Risk Factors – Risks Relating to Our Business – Our operations and business plans may be adversely affected by nature disasters, health epidemics and pandemics, civil and social disruption and other outbreak, in particular the COVID-19 outbreak" in this document.

FLUCTUATIONS OF OUR FINANCIAL PERFORMANCE AND IMPACT ON OUR BUSINESS

During the Track Record Period, we experienced fluctuations in our financial performance, particularly in 2022, which was primarily driven by the capital market headwinds in China, as well as many other countries and regions. The fluctuations in the unrealized fair value of our portfolios in turn have adversely affected the financial performance of our funds and our profitability from private equity investments. As a result, we experienced a significant decrease in our profit from continuing operation in 2022.

To pave the way through volatile markets for long-term growth in private equity investments, we have been focusing on identifying and incubating vertical leaders, and supporting the business operations of our portfolio companies, while monitoring suitable exit opportunities, growing high quality investor base, and strengthening reputation as the investor of choice for Chinese consumer companies. After considering the following factors, our Directors are of the view that despite the weakened financial performance in the near term, our business as a whole is sustainable, and are optimistic about our future profitability in the long-run:

Fluctuation is almost a constant theme for capital markets, and is by no means uncommon in the private equity industry

Equity investment, including private equity investment, is volatile in nature. This is demonstrated not only by historical and recent performance of major market indices such as the Hang Seng Index (the "**HSI**"), the Standard & Poor's 500 (the "**S&P 500**") and the CSI 300 Index (the "**CSI 300**"), but also by historical and recent performance of some of the world's largest, most prestigious, and most profitable private equity firms.

Set forth below are the performances of the major market indices in recent years. As demonstrated by the table, fluctuation is almost a constant theme for capital markets, and 2022 is an extreme year for all these major capital markets, with unusual volatility.

	2015	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**
				%				
HSI	(7.2)	0.4	36.0	(13.6)	9.1	(3.4)	(14.1)	(15.5)
S&P 500	(0.7)	9.5	19.4	(6.2)	28.9	16.3	26.9	(19.4)
CSI 300	5.6	(11.3)	21.8	(25.3)	36.1	27.2	(5.2)	(21.6)

Source: Wind, CIC.

Primarily because of such market headwinds, many large-scale, reputable private equity investors also recorded substantial decreases in their revenues and investment income in 2022, as compared with their performances in 2021, and some of them recorded significant net losses in 2022. Such trend holds true not only for large-scale private equity firms with primary focuses on the U.S. capital markets, but also for many other reputable, well-managed firms that focus on other major capital markets in the world. As confirmed by CIC, although our financial performance in 2022 was by no means ideal, it was generally in line with, and actually superior than quite a number of our peers in the industry.

Fluctuations in fair value of our investments in 2022 have been primarily resulting from a combination of various external reasons, which are not expected to last permanently

The extreme market conditions we experienced in 2022 have been primarily driven by a combination of various external reasons, which we believe are cyclical and will not last permanently. Such factors include, but are not limited to, (i) macro-economic factors, such as inflation, rising interest rates and other monetary policies in the U.S. and other countries, that flow through and affect the overall global economic system, (ii) geopolitical tensions that are disruptive to the global economic activities and affect the overall investor confidence in near term economic growth, and (iii) short-term impact on consumers' willingness or ability to spend, primarily driven by the temporary travel restrictions and quarantine measures adopted by many countries.

However, looking back at history, factors like these have been constantly changing and general market conditions have been cyclical. Take inflation for example. History has shown that in almost all the major economies in the world, inflation would not last permanently, but is a rather cyclical phenomenon. There were three major periods of rising consumer prices in the U.S. since 1965. Each period started with an inflation surprise, but as the Federal Reserve tightens its monetary policies, the inflation rates would gradually slow down. In 2022, the year-over-year inflation rate in the U.S. decreased from a peak of 9.1% as of June to 6.5% as of December, the lowest in 2022, and the Federal Open Market Committee estimates the inflation rate to fall to about 2.8% in 2023. In terms of cyclicality of interest rates, the U.S. has experienced four rate hike and rate cut cycles since 1993. Just prior to the recent rate hike cycle beginning in 2022, it went through a rate cut cycle from 2019 to 2020 and a rate hike cycle from 2015 to 2018, which significantly influenced global market conditions. Radical monetary policies, such as increasing interest rate at the current speed in the U.S., may hardly remain unchanged for a long time, as nations' central banks need to adjust money supply from time to time to smooth fluctuations in the economic cycle. Geopolitics is also constantly evolving, and overall, in the past several decades, peace and development has been the general theme for most of the world's major economies. In respect of travel restrictions, the PRC government has relaxed its restrictive measures nationwide around December 2022, and China's consumption is experiencing a rebound with continued policy support in 2023, according to CIC. Furthermore, cyclicality can also be observed in market indices. For instance, the S&P 500 index trended up from 2015 to 2017, declined sharply in 2018, and then continued to grow from 2019 to 2021 before declining sharply again in 2022. Therefore, we believe that the above-mentioned factors are all short-term in nature and the negative impact they may have on the general market conditions would not last permanently.

Furthermore, after the lifting of pandemic control procedures in China, market conditions and overall economic activities have been steadily recovering, and consumer confidence has been improving, which is expected to result in a continued upward trajectory in the foreseeable future, according to CIC. According to National Bureau of Statistics, China's GDP grew by 3.0% year-on-year in 2022, indicating that China's economy is still expanding strongly. According to NDRC, China has solidified its position as the world's second-largest consumer market, achieving RMB44 trillion in total retail sales of consumer goods in 2022, despite a minor 0.2% decrease compared to 2021. In 2023, China's consumption market has rebounded, with sustained consumer demand being one of the key drivers. According to NDRC, during the Chinese New Year period of 2023, sales revenue of consumption-related industries grew by 12.2% and domestic tourism revenue surged by 30% compared to the same period in 2021, demonstrating the vitality in the economy. Many economists and investment banks predicted that the fourth quarter of 2022 represented a cyclical low in terms of growth, and China's GDP is expected to grow by over 5% in 2023. According to CIC, driven by the rising middle class, consumption upgrade and favorable policy support, the size of China's consumer industry is expected to increase from RMB55.7 trillion in 2022 to RMB77.0 trillion in 2027 with a CAGR of 6.7%, while the market size of private equity investment institutions in China, in terms of the capital raised, is expected to grow from RMB2.2 trillion in 2022 to RMB2.5 trillion in 2027.

Based on the above, we remain confident in the resilience of China's economy and especially the long-term prospects of China's consumer industry and we are optimistic about our Company's, as well as our portfolio companies', future performances.

We designed and implemented our investment philosophy with a long-term mindset, and have established a strong track record throughout the years

We have been specialized in investments in the consumer industry for more than a decade, and have established a strong track record over the years. Despite the extreme market conditions in 2022, the funds under our management realized an average IRR of 16.0% as of December 31, 2022, and no single fund under management was in cumulative loss as of the same date. We designed and implemented our investment philosophy with a long-term mindset, and have nurtured over 60 industry leaders in their respective verticals, such as Nayuki (奈雪的茶), Pagoda (百果園), Xiaohongshu (小紅書) and Xiaoguo (笑果文化).

There are still a number of quality companies in up-and-coming industry sectors which will rise as the next generation of industry leaders, and we have the ability to identify such quality companies at their early stages and capture considerable returns from their growth. The Directors remain confident about the strong investment team we assembled, about the extensive network and deep industry insights we accumulated, about the proven investment strategies we designed, and about the brilliant and diligent management teams of our portfolio companies. These are some of the key factors contributing to our historical success, and none of them was materially affected by the short-term market volatility.

Fluctuations driven by fair value changes do not imply a deterioration in our fundamental business

According to the applicable accounting standards, marked-to-market valuation of the shares of each of our listed portfolio companies tracks its stock value at the balance sheet date of each reporting period, and the valuation of our unlisted portfolio companies typically references stock prices of comparable listed companies. As a result, our investment performance for a particular period is significantly affected by the short-term market volatility, regardless of whether the fundamentals of our portfolio companies experienced significant changes or not.

Accordingly, the fluctuations in our financial performance in 2022 were mainly caused by the fair value changes influenced by the short-term market sentiment, and do not necessarily represent deterioration of the business fundamentals of our Company or our portfolio companies. In fact, despite ups and downs from period to period, the total fair value of our investments far exceeds the investment costs as evidenced by the MOIC of our funds that ranges from 1.1x to 3.6x as of December 31, 2022. Despite fluctuations in our financial performance in 2022, the Directors believe that our business fundamentals remain resilient.

Furthermore, as most of our managed funds have a remaining fund term of 2-7 years, which can be further extended upon approval by partners' meetings, we are well positioned to embrace the market rebound and move fast when the market conditions improve.

We have sufficient working capital that can ensure our financial viability for a long time

As discussed above, the Directors believe that the negative market conditions are temporary. But even in the less ideal situation that the market conditions continue to worsen, our Directors are of the view that we still have sufficient working capital to cover our operating expenses for many years, taking into account the bank balances and cash that amounted to RMB632.7 million as of February 28, 2023, cash flows from operating activities, the option to issue corporate bonds, the payment of the Proposed Dividend and the estimated net [**REDACTED**] from the [**REDACTED**]. Even in the worst case scenario in which we cannot raise any new capital from external investors, are forced to halt all investment activities, cannot make any exit from our existing investments, we nevertheless have to continue to incur staff costs and other operating expenses at an average burn rate and bear finance costs and make repayment of outstanding borrowings, our existing cash and cash equivalents after liquidating all the available-for-sale holding of listed portfolio companies are sufficient to support our financial viability for more than 24 months, without considering the [**REDACTED**] from the [**REDACTED**].

RECENT DEVELOPMENTS AND NO MATERIAL ADVERSE CHANGE

Recent Development in Our Business Operations

Since the end of the Track Record Period, we have continuously developed our business using our best endeavour to procure investment opportunities and optimise returns for our fund investors. We have continued to closely monitor the business operations and financial performance of our portfolio companies and to empower and support the growth of our portfolio companies. Since the end of the Track Record Period, our portfolio companies maintained solid business operations. Meanwhile, we have paid close attention to exit opportunities in both the primary and secondary markets and continued to evaluate and facilitate exit options.

Regulatory Developments

Certain regulatory developments in recent years have casted impacts on us and some of our portfolio companies.

The Registration and Filing Measures of Private Investment Funds

In February 24, 2023, the AMAC published the Registration and Filing Measures of Private Investment Funds (私募投資基金登記備案辦法) (the "**Private Registration and Filing Measures**"), which will be implemented in May 2023. Pursuant to that, private fund managers must register and file records with the AMAC, and meet stipulated registration and filing requirements. In addition, applications for changes in private fund manager registration and fund filing submitted before the implementation of the Private Registration and Filing Measures will be reviewed and processed by the AMAC in accordance with the Private Registration and Filing Measures. We will ensure compliance with the Private Registration and Filing Measures in our business operations.

The Trial Administrative Measures of the Overseas Securities Offering and Listing by Domestic Enterprises

The CSRC released the Trial Administrative Measures of the Overseas Securities Offering and Listing by Domestic Enterprises (《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 guidelines on February 14, 2023, effective from March 31, 2023. Pursuant to that, after the implementation of the Overseas Listing Trial Measures, PRC domestic enterprises seeking to offer and list securities overseas must complete the filing procedure with the CSRC and submit necessary documents. However, the CSRC issued the Notice on Administration for the Filing of Overseas 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) on February 17, 2023, which, among others, clarifies that the domestic companies that have already obtained the approval from the CSRC for its overseas public offering and listing of shares may proceed with its application within the validity period of the approval. As of the Latest Practicable Date, we have already obtained the approval from the CSRC with expiration date of October 9, 2023, and therefore, we will not be required to file with the CSRC with respect to this [**REDACTED**] prior to such expiration date. We will ensure compliance with the ongoing regulatory requirements of the Overseas Listing Trial Measures after the [**REDACTED**]. For our portfolio companies, many of them may pursue overseas listings and will be responsible for ensuring compliance with the Overseas Listing Trial Measures.

Regulations Regarding Cybersecurity and Personal Data Protection

Regulations regarding cybersecurity and personal data protection have significantly enhanced during the past couple of years. On September 1, 2022, the Measures of Security Assessment for Cross-Border Data Transfer (《數據出境安全評估辦法》) came into effect, mandating a security assessment for four types of cross-border transfers involving critical or personal data collected or generated in China. Portfolio companies included in these types of transfers may be subject to a security assessment for cross-border data transfer. On September 12, 2022, the CAC issued the Notice to Seek Public Comments on the "Decision to revise the Cybersecurity Law (Draft for comments)" (《關於修改<中華人民共和國網絡安全法>的決定(徵求意見稿)》), which may increase punishment for violations of the Cybersecurity Law, including fines and additional penalties for failure to meet network security obligations and personal information infringement. These regulatory changes have not resulted in, and are not expected to cause, material adverse effects on the operations of our portfolio companies. However the uncertainties with respect to the regulatory changes may affect the investment sentiments towards companies under the spectrum of strengthening regulations, which consequently results in potential fluctuations in the value of relevant portfolio companies.

No Material Adverse Change

Our Directors confirm that there has been no material adverse change in our business, financial condition and results of operations since December 31, 2022, being the latest balance sheet date of our consolidated financial statements as set out in the Historical Financial Information included in Appendix I to this document, and up to the date of this document.