***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. You should read the whole document before you decide to invest in the* [REDACTED].**

***There are risks associated with any investment. Some of the particular risks in investing in the* [REDACTED] *are set forth in the section headed "Risk Factors" of this document. You should read that section carefully before you decide to invest in the* [REDACTED].**

OUR BUSINESS

Overview

We are a digitalization solutions provider in China using our technology and apps to digitalize the business operations of enterprises that connect their business to the Internet, access their online user bases and optimize their business performance. Our digitalization solutions help consumption-related industry verticals including (i) financial institutions to reach target customers who meet their criteria of loan applications and (ii) merchandise suppliers and local merchants to match their target customers to facilitate sales of goods and services. We ranked No. 7 with a 0.7% market share in China among providers of digitalization solutions on scenarios, which are proprietary apps or websites of their own or their enterprise clients, by revenue in 2022, according to Frost & Sullivan.

China's enterprise digitalization solutions market can be divided into (1) scenario-based digitalization solutions, which refer to digitalization solutions provided on proprietary apps or websites of the solution providers themselves (such as our apps Yangxiaomie (羊小咩) and Consumption Guide (消費地圖) in our case) or their enterprise clients (such as client-owned apps or WeChat official accounts) used exclusively in consumption-related industries in which customers can make transactions and have direct interactions with enterprise clients and (2) non-scenario-based digitalization solutions[1]. The scenario-based digitalization solutions market accounted for 10.0% of the enterprise digitalization solutions market in 2022. Scenario-based digitalization solutions are exclusively applied to consumption-related businesses, such as retail, restaurant, hospitality, and financial services. Such businesses benefit from the aggregation of a diverse range of end customers, or online traffic, on established apps and websites to increase customer conversion rates, expand user bases, improve operational efficiencies and lower costs, with an aim to improving revenue and profits. Driven by increasing need to digitalize the operations of their business, which has been accelerated as a result of introduction of supportive policies and the COVID-19 pandemic, which inhibit offline channel consumption and thereby encourage more online consumption behavior, enterprises in China are seeking out digitalization solutions supported by websites or apps to precisely target and attract end customers and better serve both existing and new customers. As a result, the enterprise digitalization solutions market in China has expanded rapidly and is expected to continue to expand. See " — Our Industry and Competitive Landscape" for details.

Inspired by our mission to "move the world with digitech, enlighten life with AI (數字驅動世界，智能點亮生活)" since our inception, we provide digitalization solutions on our apps under a pay-for-performance pricing model whereby we receive service fees based on transaction volume facilitated, focusing on optimizing business performance of our business partners as a whole instead of earning a subscription fee for utilizing our solutions.

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1. Non-scenario-based digitalization solutions refer to digitalization solutions offered by solution providers to enterprise clients (i) in consumption-related industries that are either not provided on proprietary apps or websites of the solution providers (i.e. either through open online platforms or through offline applications), or cannot enable customers to make transactions or have direct interactions with enterprise clients (i.e. through middle- and back-end tools software such as customer relationship management) or (ii) in non-consumption-related industries such as the manufacturing and the medical industries.

We deploy our solutions to address the needs of our business partners in different industries across their value chain through building and operating our apps, optimizing precision marketing and digitalizing the operations of their business. Through our apps, we also help match end customers with their interested goods and services, such as consumer finance, retail products and local lifestyle services, forming a virtuous cycle through our digitalization solutions. Through our closed-loop digitalization solutions, we create a flywheel effect — as we help more business partners engage their end customer base through our solutions, we attract more interested end customers to our apps, increasing the efficacy of our solutions and allowing us to expand our solution offerings, which in turn can further help our other business partners vitalize and expand their end customer base.

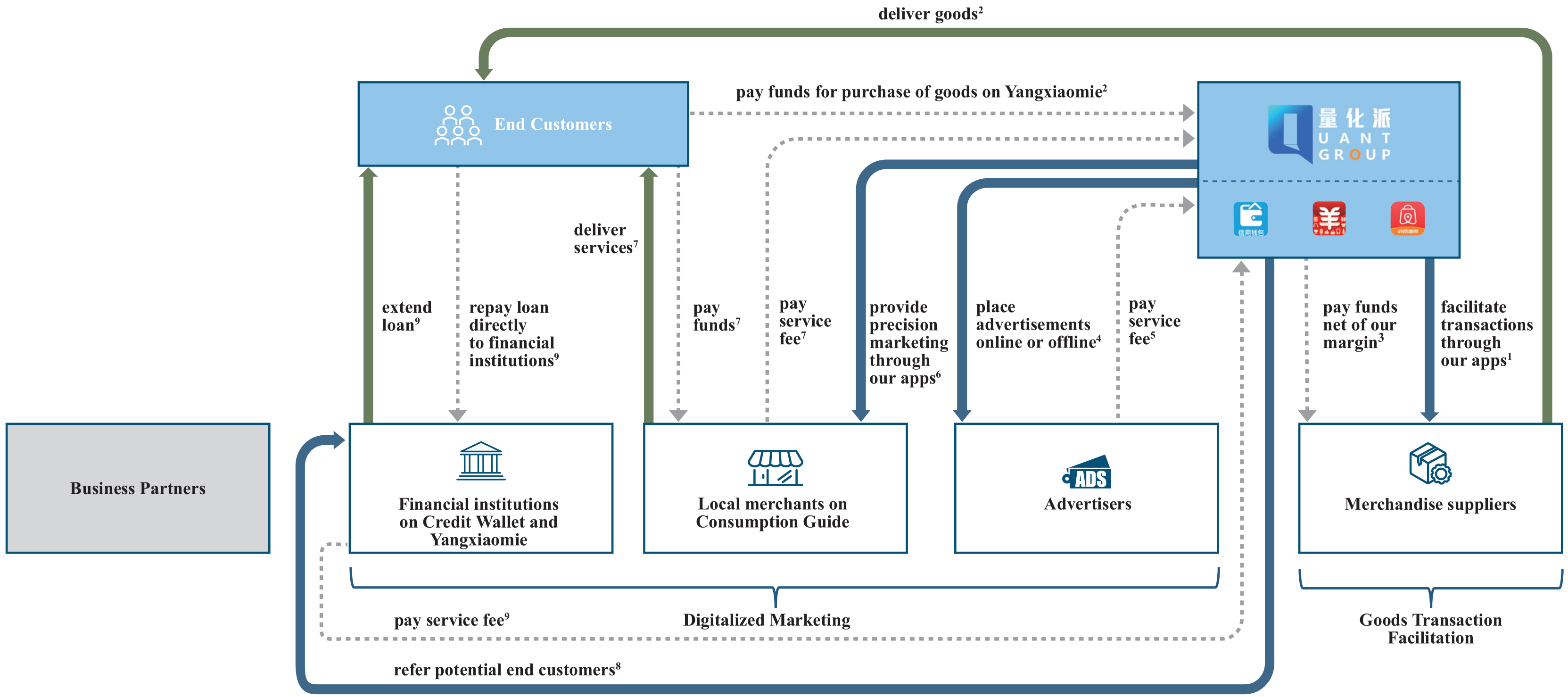
Scenario-based digitalization solutions emerged to fulfill the unmet needs for long-term measurable improvement in performance, user acquisition, transaction management and solution efficacy which enterprise clients using non-scenario-based digitalization solutions, such as customer relation management applications through offline applications, could not attain. Leveraging our AI algorithms, we provide digitalization solutions using established apps or websites through which online traffic accumulated from different apps can be interconnected and our business partners can collaboratively leverage and monetize online traffic and effectively scale. With proprietary apps and websites, scenario-based digitalization solutions providers can channel online traffic across different apps and websites through a centralized technology platform, such as QuantPlanet. For instance, through QuantPlanet, Yangxiaomie can present services from local merchants on Consumption Guide on the one hand and Consumption Guide can display goods sold on Yangxiaomie on the other hand, while targeting different groups of end customers with goods and services in different price range and standard through the assistance of our algorithms. In addition, online traffic on our own apps can be interconnected with the apps or websites of our enterprise clients through H5 or API portals, where we and our enterprise clients can present products or services from each other's apps or websites through banners or links. In contrast, offline applications, which are examples of non-scenario-based digitalization solutions, are typically subscription-fee based and provide standardized digitalization tools to serve clients' specific needs in an isolated manner. In particular, standardized digitalization tools that are offline applications (such as on-premise customer relationship management) do not promote mobility of online traffic across different apps because they are not connected to the Internet and hence cannot channel online traffic across the apps.

Our Business Model and Technology

We offer a set of digitalization solutions to help business partners market their goods and services and facilitate goods transactions whereby we engage with, expand and vitalize end customer bases for them through our technology and apps, and primarily generate revenue based on the performance of our digitalization solutions (i.e. pay-for-performance, where we earn fees when specific desirable actions, such as purchase of goods on Yangxiaomie, are performed by the end customers). To actualize our business model which seeks to digitalize and improve the performance of the operations of their business as a whole, we have predominantly adopted a pay-for-performance approach different from traditional project-based or subscription fee-based pricing model. See "Business — Pricing Terms and Other Salient Terms" for further details. Our solutions are backed by our SaaS operating systems with algorithm technology, namely QuantPlanet, which allows enterprises to integrate the provision of goods and services, transfer of funds, customer acquisition and the data management under various proprietary apps, so as to digitalize, operate and scale the operations of their business efficiently.

Notwithstanding that the services and technology we provide in our digitalization solutions for facilitating transactions of business partners' services and goods are broadly similar, our pricing model for facilitating services and that for facilitating goods transactions are different. As such, different revenue recognition policies from an accounting perspective apply to different pricing models, by which means our digitalization solutions can be further broadly divided into digitalized marketing and goods transaction facilitation. Digitalized marketing is primarily associated with facilitation of services and goods transaction facilitation is primarily associated with facilitation of goods.

The following diagram illustrates our business model:



Flow of goods and/or services provided by our business partners

Flow of funds

Flow of solutions provided by us

Notes:

1. We facilitate transactions between merchandise suppliers and end customers through our apps by matching relevant goods with interested end customers. We help merchandise suppliers attract end customers and accurately tag and differentiate various end customers through search and recommendation algorithms on our digital technology platform.
2. After end customers make purchases on our apps and pay funds for purchase of goods, the merchandise suppliers will deliver the goods to the end customers directly.
3. We pay the merchandise suppliers funds net of margin for each good transacted on our apps (i.e. primarily Yangxiaomie during the Track Record Period and also, more recently, Consumption Guide and associated local consumption scenarios.) In some circumstances during the Track Record Period, we prepay our business partners in connection with facilitating goods transactions. For more details, see "- Our Business Model and Solutions – Goods Transaction Facilitation - Transaction process in facilitating goods transactions." For some of our larger merchandise suppliers, we will pay the funds after the end customers receive the goods.
4. In 2022, we started to place advertisements through our advertisement placement capabilities for business partners by placing advertisements online through our apps and, more recently, started to help business partners place advertisements offline through physical media.
5. After we place advertisement for business partners, the advertisers will pay service fee to us.
6. We connect local merchants with their end customers by providing precision marketing targeting these end customers by recommending relevant services through our apps.
7. After the end customers pay the local merchants, local merchants deliver the relevant services to the end customers. Then, the local merchants pay pre-determined percentage of the transactions facilitated to us.
8. We connect financial institutions with their end customers by providing precision marketing targeting these end customers with financial institutions through our apps, such as Credit Wallet and Yangxiaomie.
9. After the financial institutions extend loans to potential customers, they will pay us a pre-determined percentage of the loan principal or interest facilitated to us and end customers repay loans directly to financial institutions.

- ***Digitalized marketing***. For digitalized marketing, we connect our business partners with their end customers through our apps by analyzing potential end customers' preferences and customer profiling to market to end customers that meet their target customer criteria, digitalizing the operations of their business through QuantPlanet, as well as advertising and marketing services for business partners on our apps. We earn a percentage of the transaction volume of the services facilitated. During the Track Record Period, we provided digitalized marketing mainly to financial institutions through Credit Wallet, which was later transformed into Yangxiaomie (羊小咩), in November 2020. In addition to facilitating goods transactions to connect end customers with services of business partners, Yangxiaomie connects business partners that are financial institutions with end customers seeking consumer financing for their purchases made on Yangxiaomie or for other purposes. During the Track Record Period, we helped financial institutions collect personal information required for consumer loan applications from the potential end customers and verified details of the application through tag information obtained from our suppliers of data services to reduce fraud and improve the quality of end customers we source. See "Business — Quant-enabled Scenarios and Commercial Scenarios — Quant-enabled Scenarios — Credit Wallet." In connection with the Measures for the Administration of the Credit Reporting Business issued by the PBOC (See "Business — Licenses and Permits"), starting in January 2022, we prudently approached our financial institution clients to proactively update the technology setup under our digitalization solutions for financial institutions to directly collect potential end customers' personal information through the H5 web-page redirections without our involvement ("**Technology Setup and Update**"). See "Business — Quant-enabled Scenarios and Commercial Scenarios — Quant-enabled Scenarios — Yangxiaomie (羊小咩)." We charge financial institutions based on the amount of loans approved for the end customers referred by us through Credit Wallet/ Yangxiaomie. Leveraging our experience serving business partners through first Credit Wallet and then Yangxiaomie, we built and started operating Xingfuhui (興福匯) in the second half of 2021 as well as Consumption Guide in the second quarter of 2022, through which we expanded our business partner base to include local merchants. For end customers referred by us to businesses on Consumption Guide and other commercial scenarios, we charge our business partners based on the transaction volume of the services facilitated. Starting from May 2022, we started to place advertisements for business partners online and offline through Consumption Guide and physical media, respectively.

- ***Goods transaction facilitation***. For goods transaction facilitation, we act as a digitalized bridge between our business partners and end customers through our apps by providing business partners with additional means to facilitate effective and efficient sales and distribution of goods through the modules on our digital technology platform. Through servicing the business partners, we receive a margin for each good transacted on our apps (i.e. the difference between what we receive from end customers for such good and what we pay to our business partners for such good). During the Track Record Period, we provided goods transaction facilitation mainly to business partners that are merchandise suppliers through Yangxiaomie. In addition, leveraging our experience operating Yangxiaomie, starting in the second half of 2021, we help our business partners to build their own commercial scenarios and facilitate goods and services transactions through our digital technology platform. We expect the continual optimization and expansion of our apps that provide goods will continue actualizing our business model and propelling our business growth after the Track Record Period. In addition, leveraging our experience operating Yangxiaomie and Credit Wallet, starting in the second half of 2021, we help our business partners to build their own commercial scenarios and facilitate goods and services transactions on their scenarios through our technological capabilities on our digital technology platform.

Both of our digitalized marketing and goods transaction facilitation employ our proprietary algorithms. For instance, through our proprietary technology, including our search and recommendation algorithms and look-alike algorithms, we can generate goods and services recommendations targeting the needs of end customers that match our business partners. With our proprietary AI algorithms on our digital technology platform, we can realize "A Thousand People, A Thousand Faces (千人千面)" shopping experience, which delivers recommendations for our business partners' services or goods based on an end customer's shopping history, creating individualized homepages displaying their goods or services that are tailored to each shopper.

The follow table illustrates the transaction nature, customers from whom we receive revenue, pricing model and revenue recognition method of our digitalized marketing services and goods transaction facilitation.

Transaction nature	Pricing model	Revenue recognition	Relevant App(s) (relevant period on such app(s))
I. Digitalized Marketing			
Precision Marketing			
We market business partners' services which are directly provided by our business partners (financial institutions and local merchants)	We earn a percentage of the transaction volume generated from our apps from financial institutions and local merchants. For services to financial institutions, the percentage ranged from 0.3% to 8.6%, depending on the type of services offered. For services to local merchants, the percentage ranged approximately from 6% to 22%, after deducting rebates.	Service fee	For financial institution clients: Credit Wallet (from inception to September 2020) Yangxiaomie (since September 2020) For local merchants: Consumption Guide (since April 2022) Yangxiaomie (since October 2022)
Advertisement Placement			
We place advertisements for business partners (a) online through our apps and (b) offline through physical media	We earn a fixed fee from local merchants, ranging from RMB9,800 to RMB69,800 each month, depending on the type of advertisement placed	Service fee	Consumption Guide (since May 2022)
II. Goods Transaction Facilitation			
We market business partners' goods which are transacted directly on our own apps	We receive a margin, ranging from 0% to 30%, for each good transacted on our apps (i.e. the difference between what we receive from end customers for such good and what we pay to our business partners for such good)	On a net basis	Yangxiaomie (since September 2020) Consumption Guide (since July 2022)

The following table sets forth the breakdown of revenue generated under different revenue recognition methods for the periods indicated:

	For the Year Ended December 31,					
	2020		2021		2022	
	RMB'000	%	RMB'000	%	RMB'000	%
Digitalized marketing	195,841	99.4	269,648	76.8	268,750	56.5
Precision marketing	*195,841*	*99.4*	*269,648*	*76.8*	*261,897*	*55.1*
Advertisement placement	—	—	—	—	*6,853*	*1.4*
Goods transaction facilitation	1,259	0.6	81,462	23.2	206,535	43.5
Total	**197,100**	**100**	**351,110**	**100**	**475,285**	**100.0**

See "Financial Information — Critical Accounting Policies, Judgments and Estimates — Significant Accounting Policies — Revenue Recognition" for more details on our revenue recognition policy.

Our business model integrates our digitalization solutions on our apps with our unified AI-powered digital technology platform, QuantPlanet (upgraded from QuantCube), allowing us to deliver one-stop solution offerings to our business partners on a pay-for-performance basis, empowering them to operate and scale their business efficiently and acquire and engage more end customers. Our digital technology platform, as deployed in our apps, helps provide precision marketing targeting end customers interested in different goods and services, digitalize certain business operations of our business partners and provide a unified interface that interconnect and enhance all of our solutions. QuantPlanet supports our closed-loop business model by supporting processes ranging from operational digitalization, precision marketing, customer acquisition, target customer analysis to customer vitalization. Through the five modules on QuantPlanet, namely operations, algorithm, goods and services enabling, marketing and customer service modules, since December 2021, our business partners can effectively manage the operations of their business, marketing tools, end customers and goods and services through a unified interface. QuantPlanet was upgraded from QuantCube which served the needs of our financial institution clients during the Track Record Period by offering them big data risk management for potential end customers with consumer financing needs, precision marketing for attracting such customers and a customer management platform for post-loan management. See "Business — Our QuantPlanet Platform" for further details.

Our business model is centered around the various apps we operate, which can be categorized into (1) Quant-enabled scenarios, which accounted for substantially all of our revenue during the Track Record Period and (2) to a very small extent, commercial scenarios. Our Quant-enabled scenarios refer to Credit Wallet, and its successor, Yangxiaomie as well as Consumption Guide, which we own and operate. Commercial scenarios are apps owned by our business partners where we primarily deploy digitalized marketing and goods transaction facilitation capabilities to help our business partners manage and operate their apps. See "Business — Quant-enabled Scenarios and Commercial Scenarios" for further details.

Our Operating and Financial Performance

Benefiting from our attractive business model and strong competitive advantage, we have achieved growth in our business scale during the Track Record Period. We have a broad and high-quality base of business partners with long-term relationships, with the number of business partners growing from 51 in 2020 to over 2,457 in 2022. Through serving our business partners and delivering our Quant-enabled scenarios, we have served over 46.1 million registered end customers in total from our inception to December 31, 2022. For the years ended December 31, 2020, 2021 and 2022, through our Quant-enabled scenarios, we had facilitated transactions with a transaction volume of RMB3.1 billion, RMB5.3 billion, and RMB3.6 billion respectively, through both digitalized marketing and goods transaction facilitation. Yangxiaomie offered more than 827,000 SKUs and had more than 45.8 million registered users as at December 31, 2022.

Our total revenue and profit for the year were RMB351.1 million and RMB54.0 million for the year ended December 31, 2021, and our total revenue and loss were RMB475.3 million and RMB0.3 million for the year ended December 31, 2022, respectively. Our adjusted EBITDA (non-IFRS measure) and adjusted profit (non-IFRS measure) were RMB78.2 million and RMB66.6 million for the year ended December 31, 2021, and were RMB137.4 million and RMB126.3 million for the year ended December 31, 2022, respectively. See "Financial Information — Results of Operations — Non-IFRS Measures" for details.

OUR STRENGTHS

We believe that the following competitive strengths contribute to our success and will help drive our growth in the future:

- *Invested in delivering digitalization solutions on our apps.* Inspired by our mission to "move the world with digitech, enlighten life with AI (數字驅動世界, 智能點亮生活)" since our inception, we provide closed-loop digitalization solutions on proprietary app or website of the solution providers themselves or their enterprise clients.
- *Proven track record of servicing business partners.* Being invested in delivering digitalization solutions on our apps, we were one of the few profitable companies in our industry. We have a proven track record of developing and operating various apps.
- *Effective discovery and management of goods and services.* Our transaction facilitation capabilities act as the digitalized bridge connecting our business partners with consumers under different apps, providing them with additional means to facilitate effective and efficient sales and distribution of goods and services through our QuantPlanet platform. Having over 827,000 SKUs, we had more than 2,457 business partners on our apps as of December 31, 2022.
- *Powerful technological capabilities.* As an industry veteran providing digitalization solutions on our apps, we have accumulated extensive domain-specific know-how in precision marketing and engagement powered by our proprietary algorithms. For instance, we can generate product recommendations that match both end customers' needs and the business partners' target customer profile, providing "A Thousand People, A Thousand Faces" ("千人千面") shopping experience for end customers.
- *Scalable, modularized and sophisticated technology platform.* Since inception, we have devoted significant time and resources in building and improving our technology platform. We have seven years of experience in analyzing customer profiles. We adapted different algorithms based on the goods and services offered by our business partners, helping them to source interested end customers matching their customer profile.
- *Distinguished and talented management team.* Our management team is composed of passionate innovators who have driven the digitalization of customer engagement in recent years, intelligent digitalization solutions that effectively increase customer engagement and satisfaction.

OUR STRATEGIES

We intend to pursue the following strategies to further our mission:

- *Reach different business partner groups in traditional enterprises.* We aim to continue helping traditional enterprises digitalize the operations of their business. Leveraging our established reputation, we aim to expand our business partner base to further accelerate our growth through flywheel effects.
- *Enhance our enabling capabilities with business partners in local lifestyle ecosystem*s. We will continue to expand our Consumption Guide which aggregates all associated local consumption scenarios in different geographic regions and promote our digitalization solutions through cooperating with local merchants and recruiting more talent for our on-the-ground sales team.
- *Increase investment in our technology infrastructure.* To further contribute to digitalization along our value chain, we will continue to invest in our technology infrastructure.

OUR CUSTOMERS AND SUPPLIERS

Our customers are mainly (1) business partners collaborating with us under digitalized marketing; as well as (2) Yangxiaomie Users (who are mainly individual end customers) purchasing goods directly from our Yangxiaomie platform under our goods transaction facilitation. For business partners under our goods transaction facilitation who were mainly suppliers of goods, they are considered our suppliers as we paid them the purchase amount in connection with goods transactions we facilitate, whereby we recognize revenues from these transactions under such pricing model on a net basis. During the Track Record Period, our top customers by revenue contribution were primarily financial institutions. As a result of our strategy to continuously actualize our business model, our business partners base began to expand as we transformed Credit Wallet into Yangxiaomie in November 2020. Our top five customers accounted for 93.5%, 74.0% and 19.2% of our revenues for each of the years ended December 31, 2020, 2021 and 2022, respectively, and our largest customer accounted for 43.3%, 37.8% and 7.0% of our revenues for each of the three years ended December 31, 2020, 2021 and 2022, respectively. See "Business — Top Customers and Suppliers — Top Customers" for a detailed description of our customers. However, as the revenue recognized from an enterprise client (namely the financial institutions during the Track Record Period) aggregates all fees we receive from such client in respect of all transactions between the financial institution and its end customers as borrowers, our revenue structure would invariably concentrate on the enterprise clients under a structure of customers comprising enterprise clients and individual clients. See "Risk Factors — Risks Relating to Our Business and Our Industry — We have client concentration, with a limited number of enterprise clients accounting for a substantial portion of our total revenue, and revenues from our clients may also fluctuate from time to time" and "Business — Top Customers and Suppliers — Top Customers — Our Reliance on Our Top Five Customers during the Track Record Period" for more details.

Our suppliers are primarily suppliers of Internet advertising and promotion services, business partners providing goods and services and suppliers of marketing services. Our top five suppliers accounted for 58.9%, 66.1% and 53.6% of our total purchase amounts for each of the years ended December 31, 2020, 2021 and 2022, respectively, and our largest supplier accounted for 22.2%, 28.2% and 22.5% of our total purchase amounts for each of the years ended December 31, 2020, 2021 and 2022, respectively. See "Business — Top Customers and Suppliers — Top Suppliers" for a detailed description of our suppliers.

OUR INDUSTRY AND COMPETITIVE LANDSCAPE

Our addressable market is China's market for digitalization solutions provided on proprietary apps or websites of the solution providers themselves or their enterprise clients, also known as the scenario-based digitalization solutions market, which accounted for 10.0% of the entire enterprise digitalization solutions market in China in 2022. The scenario-based digitalization solutions market in China is growing rapidly. The size of the scenario-based digitalization solutions market in China grew rapidly from RMB25.3 billion in 2018 to RMB68.8 billion in 2022, representing a CAGR of 28.4%, largely driven by the fast growth of the e-commerce market. With the growth of China's macroeconomy and the development of sub-industries such as wholesale and retail, accommodation and catering, financial services, etc., China's value-added of tertiary industry has increased from RMB49.0 trillion in 2018 to RMB63.9 trillion in 2022, representing a CAGR of 6.9%. China's value-added of tertiary industry is expected to reach RMB91.5 trillion in 2027, representing a CAGR of 7.6% from 2023 to 2027.

This growth in our addressable market is expected to continue, driven by (1) the continued fast growth of the e-commerce market, with China's online retail sales of consumer goods expected to further grow to RMB21.0 trillion in 2027, representing a CAGR of 11.8% from 2023 to 2027, (2) the development and maturity of big data, cloud computing and other supporting technologies, which will further improve the efficiency of building membership systems and scenario-based e-commerce platforms, and (3) favorable policies, such as the 14th Five-Year Plan for Digital Economy Development issued in 2022, which support large enterprises in establishing integrated digital platforms. The scenario-based digitalization solutions market is mainly divided into two types of providers, (i) pay-for-performance scenario-based digitalization solutions providers that earn fees when specific desirable actions, such as product sales, are performed by end consumers and (ii) non-pay-for-performance scenario-based digitization solution providers that collect a subscription fee or charge their clients on a per-project basis. The market size of pay-for-performance scenario-based digitization solutions has been steadily increasing. In 2022, the market size of the pay-for-performance scenario-based digitization solutions market in China increased from RMB1.2 billion in 2018 to RMB5.3 billion in 2022, representing a CAGR of 44.5%.

The key market drivers for pay-for-performance scenario-based digitalization solutions market include: (1) development of data analytics technology; (2) increasing demand from small and medium enterprises; and (3) increasing demand from decentralized platforms. See "Industry Overview" for details.

SUMMARY OF HISTORICAL FINANCIAL INFORMATION

The following tables present our summary of consolidated financial information as of and for the years ended December 31, 2020, 2021 and 2022. We have derived this summary from our audited financial information set forth in the Accountants' Report in Appendix I in this document. The summary financial data set forth below should be read together with our consolidated financial statements and the related notes, as well as the section headed "Financial Information" in this document.

Consolidated Statements of Profit or Loss

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

	For the Year ended December 31,		
	2020	2021	2022
	RMB'000	RMB'000	RMB'000
Revenue	**197,100**	**351,110**	**475,285**
Cost of sales	(45,581)	(84,727)	(162,528)
Gross profit	**151,519**	**266,383**	**312,757**
Profit/(loss) from operations	**22,566**	**54,647**	**82,971**
Profit/(loss) before taxation	**22,316**	**54,006**	**(1,281)**
Income tax (expenses)/credit	18	—	998
Profit/(loss) for the year	**22,334**	**54,006**	**(283)**
Profit/(loss) for the year attributable to:			
Equity shareholders of the Company	*22,334*	*54,009*	*(281)*
Non-controlling interests	—	*(3)*	*(2)*

Non-IFRS Measures

To supplement our consolidated financial statements, which are presented in accordance with IFRSs, we also use adjusted profit (non-IFRS measure) and adjusted EBITDA (non-IFRS measure) as additional financial measures, which are not required by, or presented in accordance with, IFRSs. We believe these non-IFRS measures facilitate comparisons of operating performance from period to period and company to company by eliminating potential impacts of items.

We believe these measures provide useful information to investors and others in understanding and evaluating our consolidated statement of profit or loss in the same manner as they help our management. However, our presentation of adjusted profit (non-IFRS measure) and adjusted EBITDA (non-IFRS measure) may not be comparable to similarly titled measures presented by other companies. The use of these non-IFRS measures has limitations as an analytical tool, and you should not consider them in isolation from, or as substitutes for an analysis of, our consolidated statement of profit or loss or financial condition as reported under IFRSs.

We define adjusted profit (non-IFRS measure) as profit/(loss) for the year, excluding share-based compensation, changes in the carrying amount of financial instruments with preferred rights and **[REDACTED]** expenses. We define adjusted EBITDA (non-IFRS measures) as EBITDA excluding share-based compensation, changes in the carrying amount of financial instruments with preferred rights and **[REDACTED]** expenses. The exclusion of share-based payment compensation, changes in the carrying amount of financial instruments with preferred rights and **[REDACTED]** expenses complies with the Guidance Letter HKEX-GL 103-19.

The following table reconciles our adjusted profit for the year (non-IFRS measure) and adjusted EBITDA (non-IFRS measures) presented to the most directly comparable financial measure calculated and presented in accordance with IFRSs, which is profit/(loss) for the year:

	For the Year Ended December 31,		
	2020	2021	2022
	RMB'000	RMB'000	RMB'000
Reconciliation of profit/(loss) to adjusted profit for the year (non-IFRS measure)			
Profit/(loss) for the year	**22,334**	**54,006**	**(283)**
Add			
Share-based compensation(1)	2,033	6,784	15,823
Changes in the carrying amount of financial instruments with preferred rights(2)	—	—	84,083
[REDACTED] expenses(3)	—	5,853	26,669
Adjusted profit for the year (non-IFRS measure)	**24,367**	**66,643**	**126,292**

	For the Year Ended December 31,		
	2020	2021	2022
	RMB'000	RMB'000	RMB'000
Reconciliation of profit/(loss) to EBITDA and adjusted EBITDA (non-IFRS measure) for the year:			
Profit/(loss) for the year	**22,334**	**54,006**	**(283)**
Add:			
Net finance costs	19	360	46
Income tax expenses/(benefit)	(18)	—	(998)
Depreciation	9,795	11,144	11,944
Amortization	50	64	155
EBITDA (Unaudited)	**32,180**	**65,574**	**10,864**
Add:			
Share-based compensation(1)	2,033	6,784	15,823
Changes in the carrying amount of financial instruments with preferred rights(2)	—	—	84,083
[REDACTED] expenses(3)	—	5,853	26,669
Adjusted EBITDA (non-IFRS measure)	**34,213**	**78,211**	**137,439**

Notes:

(1) Share-based compensation relates to the share options that we have granted under our share incentive plan, which is a non-cash expense.

(2) As disclosed in Note 27 in the Accountants' Report in Appendix I to this document, the Group recognized the financial liabilities arising from the redemption obligations at present value of redemption amount, with changes in such carrying amounts being booked in profit or loss, based on the shareholders' agreement entered into among the Company, certain members of the Group and each of the Company's shareholders in May 2022. When the preferential rights are automatically terminated upon the **[REDACTED]**, the carrying amount of the financial liabilities then will be reclassified from current liabilities to other reserve with no further gain or loss. Furthermore, changes in carrying amount of financial instruments with preferred rights are non-cash in nature.

(3) **[REDACTED]** expenses relate to expenses incurred for this **[REDACTED]** of the Company.

Revenue

During the Track Record Period, our revenue was generated from the provision of digitalization solutions to business partners. Our total revenue was RMB197.1 million, RMB351.1 million and RMB475.3 million for the years ended December 31, 2020, 2021 and 2022 , respectively. See "— Our Business Model and Solutions."

Our total revenue increased by RMB124.2 million, or 35.4%, from RMB351.1 million in 2021 to RMB475.3 million in 2022, primarily due to (i) the increase in revenue derived from the operation of Consumption Guide attributable to its rapid growth, partially offset by the decrease in revenue derived from financial institution clients primarily impacted by the progress slowdown of the Technology Setup and Update and (ii) the increase in revenue derived from goods transaction facilitation as the total amount of goods transaction volume we facilitated increased in 2022.

Our total revenue increased by RMB154.0 million, or 78.1%, from RMB197.1 million in 2020 to RMB351.1 million in 2021, primarily as a result of (i) our launch of Yangxiaomie in September 2020 which increased the number of business partners, and the growth of our goods transaction facilitation volume since then which was a result of the coming to fruition of the strategic expansion of our one-stop digitalization solutions in actualization of our business model and (ii) the recovery effects from a reduction in severity in the COVID-19 pandemic in 2021.

Cost of Sales

Our cost of sales primarily consists of (i) salaries and benefits for our business and operations staff, (ii) data service cost in relation to digitalized marketing for information verification purposes supporting precision marketing for our financial institution clients, see "Business — Quant-enabled Scenarios and Commercial Scenarios — Quant-enabled Scenarios — Credit Wallet" for details, (iii) technology and outsourcing service cost, primarily in relation to cost of technology systems integration and operational services provided by third party suppliers, (iv) cloud services cost, (v) telecommunication cost incurred from the text messages to end customers, (vi) share-based compensation for our business and operations staff and (vii) others.

Our cost of sales increased by RMB77.8 million, or 91.8%, from RMB84.7 million in 2021 to RMB162.5 million in 2022, primarily due to Internet operation cost of RMB119.3 million predominantly incurred from our cooperation with Weidaoyun as we recognized a percentage of the transaction volume on Consumption Guide facilitated from Weidaoyun as revenue and share a percentage (varying from 50% to 70%) of such revenue with Weidaoyun (See "Business – Quant-Enabled Scenarios and Commercial Scenarios - Quant-enabled Scenarios - Consumption Guide - Apps for Local Merchants - Our cooperation with Weidaoyun" for details) and marketing cost for Consumption Guide's offline and online marketing activities for promotional purposes as we commenced operation of Consumption Guide starting from the second quarter of 2022, partially offset by (i) a decrease in data service cost of RMB23.3 million as we no longer procure data from third parties for information verification purposes to support precision marketing for our financial institution clients and (ii) a decrease in technology outsourcing service cost of RMB15.3 million which was in line with the decrease in revenue derived from precision marketing as our demand for technology outsourcing services decreased.

Our total cost of sales increased by RMB39.1 million, or 85.9%, from RMB45.6 million in 2020 to RMB84.7 million in 2021, which was primarily a result of (i) an increase in salaries and benefits of 78.5% in 2021 due to the increase in employee headcount of business and operations, which is in line with the growth of our business; (ii) an increase in technology and outsourcing services cost of 225.6% in 2021 and (iii) an increase in data service costs of 46.3% in 2021 consistent with our business expansion.

Gross Profit and Gross Profit Margin

Our gross profit represents our revenue less our cost of sales. Our gross profit margin represents our gross profit as a percentage of our revenue. For the years ended December 31, 2020, 2021 and 2022, our gross profit was RMB151.5 million, RMB266.4 million and RMB312.8 million, respectively, and our gross profit margin was 76.9%, 75.9% and 65.8%, respectively.

Our gross profit increased by RMB46.4 million, or 17.4%, from RMB266.4 million in 2021 to RMB312.8 million in 2022, which was generally in line with the increase in our total revenue. Our gross profit margin decreased from 75.9% in 2021 to 65.8% in 2022, primarily because we incurred significant initial marketing startup costs in connection with Consumption Guide as we commenced its operations in the second quarter of 2022 which elevated our total cost of sales resulting in a decrease in our gross profit margin.

Our gross profit increased by RMB114.9 million, or 75.8%, from RMB151.5 million in 2020 to RMB266.4 million in 2021, which is generally in line with the growth of our total revenue. Our gross profit margin was relatively stable at 76.9% in 2020 and 75.9% in 2021, respectively.

Profit/(loss) for the Year

We turned from a profit for the year of RMB54.0 million in 2021 to a loss for the year of RMB0.3 million in 2022, primarily attributable to the changes in the carrying amount of financial instruments with preferred rights.

Our profit for the year increased by RMB31.7 million, or 141.8%, from RMB22.3 million in 2020 to RMB54.0 million in 2021, primarily attributable to the significant increase in our total revenue, partially offset by our increase in (i) cost of sales primarily due to the increase in salaries and benefits as our employee headcount increased, (ii) sales and marketing expenses primarily due to the increase in marketing expenses driven by the expansion of our business development and marketing activities which were in line with our growth in digitalized marketing and goods transaction facilitation, (iii) general and administrative expenses as our administrative employee headcount increased and (iv) research and development expenses primarily due to the increase in R&D employees headcount.

CERTAIN COMPONENTS OF OUR CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

The following table sets forth key components of 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	**86,713**	**72,354**	**43,573**
Total current assets	**132,308**	**227,357**	**358,549**
Total current liabilities	**54,891**	**83,649**	**1,491,360**
Net current assets/(liabilities)	**77,417**	**143,708**	**(1,132,811)**
Non-current liabilities			
Lease liabilities	5,826	—	141
NET ASSETS/(LIABILITIES)	**158,304**	**216,062**	**(1,089,379)**
Non-controlling interests	**—**	**(3)**	**—**

Our net assets have decreased by 41.7% from RMB271.6 million as of December 31, 2019 to RMB158.3 million as of December 31, 2020, primarily due to the dividends declared to owners of Liangzi Data in the amount of RMB175.0 million in connection with the Group's restructuring, offset by (i) the capital injection of RMB40.0 million from Liangkebang, (ii) the increase in profit and other comprehensive income for the year of RMB19.6 million and (iii) the increase in share-based compensation of RMB2.0 million. Our net assets increased by 36.5% from RMB158.3 million as of December 31, 2020 to RMB216.1 million as of December 31, 2021, primarily due to (i) the capital injection from Liangkebang of RMB125.0 million and (ii) the increase in our profit and other comprehensive income of RMB51.0 million and, offset by the dividends declared to owners of Liangzi Data of RMB125.0 million. As of December 31, 2022, we recorded net liabilities of RMB1,089.4 million as compared to net assets of RMB216.0 million as of December 31, 2021, primarily due to the recognition of financial instruments with preferred rights of RMB1,415.6 million in 2022.

Our financial instruments with preferred rights will be reclassified from current liabilities to other reserve with no further gain or loss when the preferential rights are automatically terminated upon the **[REDACTED]**. Afterwards, we expect that we will revert back to a net assets position from a net liabilities position as changes in the carrying amount of financial instruments with preferred rights no longer exists after the automatic conversion of our preferred shares to equity upon the **[REDACTED]** and are non-cash in nature. Taking into account the above and the financial resources available to us, including cash flows from operating activities, cash and cash equivalents at the end of the Track Record Period and the estimated net **[REDACTED]** of the **[REDACTED]**, the Directors are of the view that we will have sufficient funds to meet our working capital requirements and financial requirements for capital expenditure for at least the next 12 months from the date of this document.

As of December 31, 2022, we had net current liabilities of RMB1,132.8 million, compared to net current assets of RMB143.7 million as of December 31, 2021, primarily because we recognized financial instruments with preferred rights of RMB1,415.6 million as of December 31, 2022, arising out of our recognition of financial liabilities arising from the Company's obligation to buy back certain shareholders' investments upon the occurrence of any specified contingent redemption events which are not within the Company or the Group's control.

As of December 31, 2021, we had net current assets of RMB143.7 million, which increased by 85.6% compared to RMB77.4 million as of December 31, 2020, primarily due to an increase in trade receivables and cash and cash equivalents driven by our business growth and expansion and the increase in total revenue.

As of December 31, 2020, we had net current assets of RMB77.4 million, which decreased by 62.9% compared to RMB208.6 million as of December 31, 2019, primarily due to a decrease in loans receivable, that was due from the related parties, and was settled in 2020.

Selected Items from the Consolidated Statements of Cash Flows

The following table is a condensed summary of our consolidated statements of cash flows and analysis balances of cash and cash equivalents for the years indicated:

	For the year ended December 31,		
	2020	**2021**	**2022**
	RMB'000	**RMB'000**	**RMB'000**
Net cash flows generated from operating activities	45,624	24,574	763
Net cash flows (used in)/generated from investing activities	(18,864)	6,820	38,501
Net cash flows used in financing activities	(17,822)	(10,673)	(10,567)
Net (decrease)/increase in cash and cash equivalents	8,938	20,721	28,697
Cash and cash equivalents at beginning of year	18,824	27,762	48,483
Cash and cash equivalents at end of year	27,762	48,483	77,180

Key Financial Ratios

The following table sets forth certain key financial ratios as of the dates indicated:

	As of/For the year ended December 31		
	2020	2021	2022
Return on equity(1)	10.4%	28.9%	N/A
Return on total assets(2)	7.4%	20.8%	N/A
Current ratio(3)	2.4	2.7	0.2
Gross profit margin(4)	76.9%	75.9%	65.8%
Net profit/(loss) margin(5)	11.3%	15.4%	(0.1)%
Adjusted net margin (non-IFRS measure)(6)	12.4%	19.0%	26.6%
Adjusted EBITDA margin (non-IFRS measure)(7)	17.4%	22.3%	28.9%

Note:

(1) Return on equity ratio is profit for the year as a percentage of the average balance of total equity at the beginning and the end of the year and multiplied by 100%.

(2) Return on total assets ratio is profit for the year as a percentage of the average balance of total assets at the beginning and the end of the year and multiplied by 100%.

(3) Current ratio is total current assets as of year-end divided by total current liabilities as of year-end.

(4) Gross profit margin is gross profit for the year as a percentage of revenue.

(5) Net profit/(loss) margin is profit/(loss) for the year as a percentage of revenue.

(6) Adjusted net margin (non-IFRS measure) equals adjusted profit (non-IFRS measure) divided by revenues for the year and multiplied by 100%.

(7) Adjusted EBITDA margin (non-IFRS measure) equals adjusted EBITDA (non-IFRS measure) divided by revenues for the year and multiplied by 100%.

DIVIDEND

During the Track Record Period, no dividend has been paid or declared by our Company.

We are a holding company incorporated under the laws of the Cayman Islands. We recorded net liabilities during the Track Record Period, primarily due to financial instruments with preferred rights issued to investors through our shareholders' agreements. Our financial instruments with preferred rights will be reclassified from current liabilities to other reserve with no further gain or loss when the preferential rights are automatically terminated upon the **[REDACTED]**. Afterwards, we do not expect to recognize any further loss or gain from changes in carrying amount of financial instruments with preferred rights and we expect to revert back to a net assets position from a net liabilities position. In addition, as advised by Harney Westwood & Riegels, our legal advisor on Cayman Islands law, under Cayman Islands law, a position of net liabilities does not necessarily restrict our Company from declaring and paying dividends to our Shareholders out of either our profit or credit standing in 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. However, our payment and amount of any future dividend 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, which may differ in certain aspects from the generally accepted accounting principles in other jurisdictions, including IFRS, given that PRC GAAP has converged with IFRS. PRC laws also require foreign-invested enterprises to set aside at least 10% of its after-tax profits, if any, to fund its statutory reserves, which are not available for distribution as cash dividends.

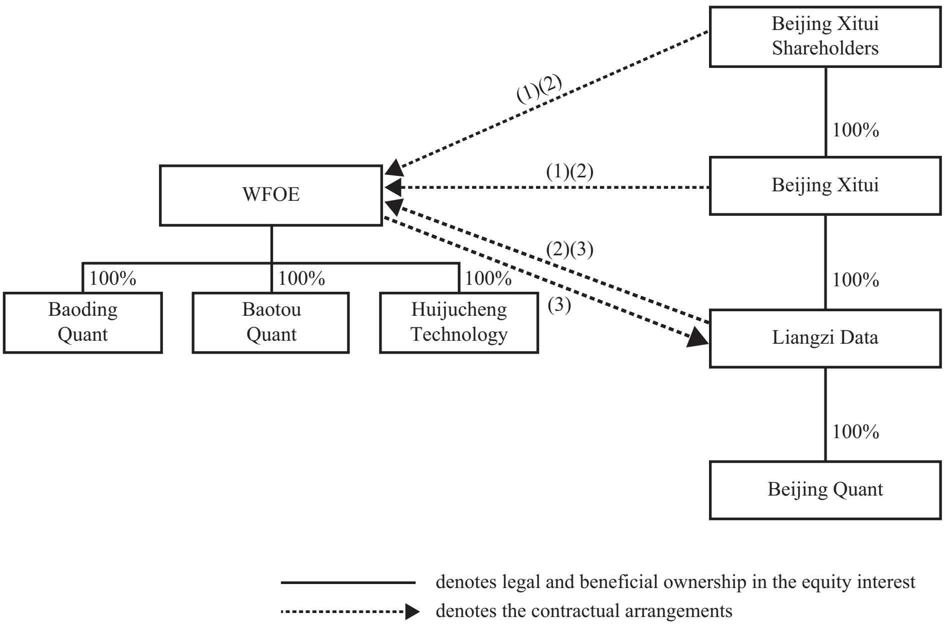
After completion of the **[REDACTED]**, our Company's Shareholders will be entitled to receive dividends we declare. Our Company currently does not have a dividend policy. Any amount of dividends we pay will be at the discretion of our Directors and will depend on our future operations and earnings, our development pipeline, capital requirements and surplus, general financial conditions, contractual restrictions and other factors that our Directors consider relevant. Any declaration and payment as well as the amount of dividends will be subject to our constitutional documents and the relevant laws. See "Appendix III — Summary of the Articles of our Company and Cayman Companies Act" for further details. No dividend shall be declared or payable except out of our profits and reserves lawfully available for distribution. Dividends declared in the past may not be indicative of our future dividend policy. Our Directors has the absolute discretion to recommend any dividend. There is no assurance that our Company will be able to declare dividends of such any amount each year or in any year.

[REDACTED]

CONTRACTUAL ARRANGEMENTS

We provide our business partners with digitalization solutions predominantly on our apps (the "**Relevant Businesses**") through our Consolidated Affiliated Entities in the PRC. Relevant PRC laws and regulations restrict foreign ownership of value-added telecommunications service providers. As a result of such restrictions, investment in certain areas of the industries in which we currently operate and may operate are subject to restrictions under current PRC laws and regulations and therefore it was not viable for our Company to hold our Consolidated Affiliated Entities directly through equity ownership. Instead, we decided that, in line with common practice in the PRC for industries subject to foreign investment restrictions, we would gain effective control over, and receive all the economic benefits generated by the businesses currently operated by our Consolidated Affiliated Entities through the Contractual Arrangements between the WFOE, on the one hand, and our Consolidated Affiliated Entities and Beijing Xitui, on the other hand. See "Contractual Arrangements" for further details.

The following simplified diagram illustrates the flow of economic benefits from our Consolidated Affiliated Entities to our Group under the Contractual Arrangements:



Notes:

(1) Beijing Xitui, the Beijing Xitui Shareholders, Liangzi Data and the WFOE executed an amended and restated exclusive pledge agreement, pursuant to which Beijing Xitui granted security interests in favor of WFOE over the entire equity interests in Liangzi Data held by Beijing Xitui. See "Contractual Arrangements — Summary of the material terms of the Contractual Arrangements — Equity Pledge Agreement."

Beijing Xitui executed a power of attorney in favor of the WFOE, for the exercise of all shareholders' rights in Liangzi Data. See "Contractual Arrangements — Summary of the material terms of the Contractual Arrangements — Power of Attorney."

(2) Beijing Xitui, the Beijing Xitui Shareholders, Liangzi Data and the WFOE executed an amended and restated exclusive option agreement, for the exclusive and irrevocable right to purchase all or part of the equity interests and/or assets in Liangzi Data and its subsidiaries. See "Contractual Arrangements — Summary of the material terms of the Contractual Arrangements — Exclusive Option Agreement."

(3) WFOE provides certain consulting and technical services to Liangzi Data and its subsidiaries in exchange for service fees. See "Contractual Arrangements — Summary of the material terms of the Contractual Arrangements — Exclusive Business Cooperation Agreement."

Given that the Contractual Arrangements constitute non-exempt continuing connected transactions of our Company and they are for a term of more than three years and without an annual cap, we have applied for, [and the Stock Exchange has granted,] a waiver from strict compliance with the requirements of, among others, limiting the term of the Contractual Arrangements to three years or less and setting an annual cap under Rule 14A.52 and Rule 14A.53 of the Listing Rules. See "Connected Transactions — Contractual Arrangements — Waiver Application" for details.

OUR CONTROLLING SHAREHOLDERS

Our Group was established by Dr. Zhou, our ultimate Controlling Shareholder, in November 2014. As of the Latest Practicable Date, Dr. Zhou, through Mars Legend, indirectly held approximately 31.54% of the total issued share capital of our Company. Mars Legend is indirectly controlled by Dr. Zhou Trust (through SJY Family Holdings, a company incorporated in the BVI and wholly owned by Dr. Zhou Trust) which was established by Dr. Zhou as the settlor and Mars Digitech Limited, a company incorporated in the BVI which is wholly owned by Dr. Zhou, as beneficiary. In addition, our employee shareholding platforms, namely Jupiter Rock and Venus Energy, entered into the Voting Proxy Arrangement, pursuant to which Dr. Zhou was entitled to exercise the voting power associated with approximately 15% and 4.12% of issued share capital of our Company as of the Latest Practicable Date held by the Jupiter Rock and Venus Energy, respectively. Hence, as at the Latest Practicable Date, Dr. Zhou, through its indirect shareholding in Mars Legend and the Voting Proxy Arrangement, was entitled to exercise the voting power associated with approximately 42.83% of the issued share capital of our Company in aggregate on a general shareholders' meeting of the Company and was a controlling shareholder of the Company together with Mars Legend and SJY Family Holdings as at the Latest Practicable Date. Prior to the **[REDACTED]**, (i) 39,132,354 Shares, representing 7.83% of the issued share capital of the Company as of the Latest Practicable Date, will be transferred from Jupiter Rock back to Mars Legend in correspondence with the equity interest in the Company originally contributed by Dr. Zhou himself for share incentive purpose within March 2023, and (ii) the remaining un-granted RSUs associated with 13,378,416 underlying Shares held by Jupiter Rock and Venus Energy will be granted to other participants pursuant to the 2022 RSU Scheme I and the 2022 RSU Scheme II. Hence, prior to the **[REDACTED]**, all Shares underlying the RSUs held by Jupiter Rock and Venus Energy will be granted and no further RSUs will be granted pursuant to the 2022 RSU Scheme I and the 2022 RSU Scheme II. Upon completion of the transfer and immediately after the **[REDACTED]** (assuming the **[REDACTED]** is not exercised), as the Voting Proxy Arrangement will automatically expire upon the **[REDACTED]**, Dr. Zhou will be entitled to exercise the voting power associated with approximately **[REDACTED]**% of the issued share capital of our Company at general meetings of the Company.

None of our Controlling Shareholders nor any of our Directors was, as of the Latest Practicable Date, interested in or engaged in any business, which, compete or is likely to compete, either directly or indirectly, with our Group's business and which requires disclosure pursuant to Rule 8.10 of the Listing Rules.

CONNECTED TRANSACTIONS

In addition to the Contractual Arrangements, we have entered into and are expected to continue to provide precision marketing to Yingtan Guangda after the **[REDACTED]**, which will constitute partially exempt continuing connected transactions under Chapter 14A of Listing Rules upon **[REDACTED]**. See "Connected Transactions" and "Waivers from Strict Compliance with the Listing Rules" for further details.

RISK FACTORS

Our business and the **[REDACTED]** involved certain risks, which are set out in the section headed "Risk Factors" in this document. You should read that section in its entirety before you decide to invest in the **[REDACTED]**. Some of the major risks we face include:

- Due to our limited operating history in new and developing markets, our ability to accurately predict our future operating results and prospects is limited and subject to a number of uncertainties.
- We have client concentration, with a limited number of enterprise clients accounting for a substantial portion of our total revenue, and revenues from our clients may also fluctuate from time to time.
- If we fail to improve and enhance the functionality, performance, reliability, design, security, and scalability of our solutions and services to suit our business partners' evolving needs, our business partners may not continue to purchase our solutions and services, which in turn will have a material and adverse impact on our business, financial condition, results of operations and prospects.
- Any material change in end customer demand or preferences, or any unexpected situation with a negative impact on market demand may materially and adversely affect our business and results of operations.

- Our historical growth rates may not be indicative of our future growth, and, if we are unable to manage our growth or execute our strategies effectively, our business and prospects may be materially and adversely affected.
- We face intensive competition in the markets in which we operate and may not be able to compete successfully against our existing and future competitors.
- As we expand our business partner base and increase the size and capabilities of our organization, we may experience difficulties in managing and sustaining our growth.
- Our arrangements with our business partners are typically not exclusive. Failure to maintain relationships with existing business partners, especially our major business partners, or develop new ones may materially and adversely affect our business and results of operations.
- Our business, growth and prospects are significantly affected by the growth in digital channels and usage of digitalization solutions on proprietary websites or apps of the solution providers themselves or their enterprise clients in China.
- Misconduct or other improper activities by our employees, business partners and other third parties could harm our business and reputation.
- If our machine learning and analytics algorithms for assessing and differentiating customers are or become flawed or ineffective, or if our digitalization solutions fail to improve the marketing results for our business partners, our reputation and market share may be materially and adversely affected.
- If our solutions and services or the goods and services of our business partners contain serious errors or defects, we may lose our sources of revenue and our business partners may lose confidence in our solutions and services. In addition, we may incur significant costs defending or settling claims with our business partners or end customers as a result of such serious errors or defects.
- If we fail to obtain or maintain the requisite licenses, permits and approvals applicable to our business, or fail to obtain additional licenses that become necessary as a result of enactment or promulgation of new laws and regulations or the expansion of our business, our business, financial condition and results of operations may be materially and adversely affected.
- Occurrence of widespread health epidemic or other outbreaks, including the current COVID-19 pandemic, could have a material adverse effect on our business, financial condition and results of operations.
- Our business and prospects depend on our ability to build our brand and reputation, which may not be effective, and our brand and reputation could be harmed by negative publicity with respect to us, our services and operations, our management or our business partners.

[REDACTED] EXPENSES

Assuming an **[REDACTED]** of HK$**[REDACTED]** per Share (being the mid-point of the indicative **[REDACTED]** range stated in this document), the **[REDACTED]** fees, commissions, together with the Hong Kong Stock Exchange **[REDACTED]** fee, SFC transaction levy; AFRC transaction levy and Hong Kong Stock Exchange trading fee, legal and other professional fees, printing and other expenses relating to the **[REDACTED]**, which are payable by us are estimated to amount in aggregate to be approximately RMB**[REDACTED]**. For the year ended December 31, 2021 and 2022, **[REDACTED]** expenses charged to our consolidated profit or loss was RMB**[REDACTED]** and RMB**[REDACTED]**, respectively. The estimated remaining **[REDACTED]** expenses of RMB**[REDACTED]** is expected to be charged to our consolidated statement of profit or loss during the year ending December 31, 2023 and approximately RMB**[REDACTED]** million, which accounts for **[REDACTED]**% of the total gross **[REDACTED]**, is expected to be deducted from equity following the **[REDACTED]**. The **[REDACTED]** expenses above are the latest practicable estimate and are provided for reference only, and actual amounts may differ. The aggregate **[REDACTED]** for the **[REDACTED]** is expected to be determined following book closing after publication of this document, and is subject to a number of factors, including, amongst others, the final **[REDACTED]**, the quality of investors brought in by the relevant **[REDACTED]** and the subscription level of the **[REDACTED]**.

USE OF [REDACTED]

We estimate that we will receive net **[REDACTED]** from the **[REDACTED]** of approximately HK$**[REDACTED]** million, after deducting **[REDACTED]**, fees and estimated expenses paid and payable by us in connection with the **[REDACTED]** and assuming that the **[REDACTED]** is not exercised, and at the **[REDACTED]** of HK$**[REDACTED]** per Share (being the mid-point of the indicative **[REDACTED]** range of between HK$**[REDACTED]** and HK$**[REDACTED]** per Share).

- Approximately **[REDACTED]**%, or HK$**[REDACTED]**, will be allocated to enhance our research and development capabilities and improve our technology infrastructure, including (1) enhancing our precision marketing capabilities and solution offerings and building and purchasing big data storage capacity; and (2) recruiting more talent in our research and development team;
- Approximately **[REDACTED]**%, or HK$**[REDACTED]**, will be allocated to build and expand our local consumption scenarios and promoting our business model, such as building and promoting our brand by cooperating with upstream and downstream business partners to vitalize local economies with our apps and recruiting more talent in on-the-ground sales team to enhance our sales capabilities;

See "Future Plans and Use of **[REDACTED]**" for further details.

RECENT DEVELOPMENT

Regulatory Changes

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 will become effective on March 31, 2023. The Overseas Listing Trial Measures comprehensively reform the existing regulatory regime for overseas securities offering and listing by PRC domestic companies, either directly or indirectly, and will regulate them 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 through direct or indirect means, need 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(s) 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(s) or by other shareholder(s) that are controlled by the controlling shareholder(s) and/or actual controller.

The Overseas Listing Trial Measures also provide that if the issuer meets both of the following criteria, the overseas securities offering and listing conducted by such issuer will be deemed as an 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(s) 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(s) who have completed overseas offerings and listings.

Officials from the CSRC clarified at a press conference held for these new regulations that 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 required to file with the CSRC only when subsequent corporate actions are involved. Further, according to the officials 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 it 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 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. Based on the foregoing, if we cannot pass the hearing for the listing application on or before March 31, 2023, or if we pass the hearing for the listing application on or before March 31, 2023 but fail to complete this **[REDACTED]** and listing on or before September 30, 2023, our PRC Legal Advisor is of the view that we will be required to complete the filing procedures with the CSRC in connection with the **[REDACTED]**. At the Latest Practicable Date, the Company expects to pass the Listing Committee hearing for the **[REDACTED]** on or before March 31, 2023 and to complete this **[REDACTED]** and **[REDACTED]** on or before September 30, 2023, and accordingly, our Directors are of the view that we will not be required to complete the aforesaid filing procedures with the CSRC in connection with the **[REDACTED]**. See "Risk Factors — Risks Relating to Conducting Business in China — The approval, filing or other requirements of the CSRC or other PRC government authorities may be required under PRC laws."

Regulations Relating to Data Security and Financial Industry

Recent developments in the regulatory environment have affected us and our business partners' business operations, including changes in regulation relating to data collection and security and regulations relating to the financial industry. Newly published regulations, such as the Measures for the Supervision and Administration of

Online Transactions (《網絡交易監督管理辦法》) published in March 2021 and the Administration of Mobile Internet Applications Information Services (《移動互聯網應用程序信息服務管理規定》) which were promulgated by the CAC on June 2022 and came into effect on August 1, 2022 imposed data security and protection requirements on our operations. See "Regulatory Overview — Regulations Related to Operations — Regulations on Value-added Telecommunications Services." These regulations impose detailed limitations on collection and use of personal data that we had to get familiarize with and make special adjustments to our internal control policies as needed. See "Business — Risk Management — Data Privacy and Information Security Risk Management" for details of the relevant internal control policies. Regulations on the financial industry, such as the draft Interim Measures for the Administration of Online Micro-lending issued by PBOC and the CBIRC in November 2020, raised the compliance requirements in providing online financial services, which affected the demand for our digitalization solutions from some of our financial institution clients. In addition, on July 7, 2022, the CAC published the Security Assessment Measures for Outbound Data Transfers (《數據出境安全評估辦法》) (the "**Security Assessment Measures for Outbound Data Transfers**"), which became effective on September 1, 2022. See "Regulatory Overview — Regulations Related to Operations — Regulations relating to Cybersecurity — Security Assessment Measures for Outbound Data Transfers" for details of the relevant compliance requirements in providing online financial services. Although our business does not entail outbound data transfer, the Security Assessment Measures for Outbound Data Transfers may affect our business if we plan to conduct our business abroad in the future.

Business Update

Technology Setup and Update

Pursuant to the Measures for the Administration of the Credit Reporting Business (《徵信業務管理辦法》) issued by the PBOC on September 27, 2021, which became effective on January 1, 2022, the PRC government clarified the scope of credit reporting businesses and "credit data" and included "alternative data" into the regulations. After the measures were issued, we prudently approached our financial institution clients and other potential financial institutions with whom we wish to collaborate with to proactively update the technology setup under our digitalization solutions to streamline the scope of our cooperation and to amend or sign the relevant agreements (the "**Technology Setup and Update**"), so that our financial institutions would be responsible for collecting any personal information of the end customers for credit assessment and no such personal information would flow through us. Due to the logistics and travel restrictions imposed in response to the COVID-19 pandemic in 2022, we could not conduct business travel to complete necessary steps that involve on-site and face-to-face meeting with all of our existing or potential new financial institution clients, such as on-the-ground system testing and operation demonstration, to comply with the stringent requirements in data security and privacy applicable to financial institutions. In addition, relevant personnel of the commercial bank ("**Bank A**"), which designated one of our top five customers, Shaanxi Tianbang Financial Guarantee Company, to provide guarantee for the end customers referred by us, was unable to return to its branch to apply corporate seal and wet-ink signature in order to complete agreement execution with us. See "Business — Top Customers and Suppliers — Top Customers." Therefore, our updating progress was slowed down which resulted in less digitalized marketing volume with financial institution clients.

However, we expect that our ability to provide digitalized marketing to financial institutions that we wish to collaborate with will normalize (i.e., we would be able to collaborate with them as and when we wish notwithstanding the implementation of the Measures for the Administration of the Credit Reporting Business) within the first quarter of 2023, taking into consideration the loosening of anti-pandemic measures in certain areas of China starting from November 2022 despite the recent resurgence of COVID-19 pandemic. As of the Latest Practicable Date, we (i) have successfully completed the Technology Setup and Update with two of our top five financial institution clients in 2021, namely Yingtan Guangda and Bank A and (ii) were in the process of negotiating with seven financial institutions for the Technology Setup and Update among which we have successfully entered into framework agreements with two of them to further our Technology Setup and Update, and we will continue to materialize business negotiations with the remaining five within the first half of 2023 barring unforeseeable circumstances. As at the Latest Practicable Date, we do not have plans to resume our cooperation with the other three of the top five financial institution clients in 2021 and no Technology Setup and Update with them would be needed. The cessation of cooperation with the other three top five customers in 2021 was primarily due to our business considerations out of the concern for our financial institution clients' general business viability. Namely, (a) the financial institution associated with Shaanxi Tianyi Financial Guarantee Company which is the contractual customer of the Group has been conducting a potential merger with other three financial institutions which caused a temporary suspension of business operation, the resumption of which is subject to the completion of the merger, (b) an Internet technology company (namely Company E in the table under "— Top Customers and Suppliers — Top Customers") failed to settle its service fees in both 2021 and 2022 for services rendered by the Group, and (c) a financial institution (namely Company F in the table under "— Top Customers and Suppliers — Top Customers") reduced the scale of its lending business in 2020 based on its commercial decision. Although the total revenue contribution of our financial institution clients continue to decrease which is consistent with our business strategy to expand our customer base to include more business partners from other industry verticals, we did not experience any material adverse impact on our overall financial performance from the Technology Setup and Update for the full year of 2022, considering the revenue contribution from goods transactions facilitation on Yangxiaomie and digitalized marketing on Consumption Guide. During the Track Record Period and as of the Latest Practicable Date, financial institutions to whom we provide digitalized marketing from time to time have continued to be able to meet the demand for loan applications from the Yangxiaomie Users.

Recent Collaboration

Recently, we entered into cooperation with a prominent technology company in China to allow its users to purchase goods and services from Yangxiaomie, enabling the technology company to sell goods and services through its website. The technology company launched a financial service tool based on its own app, currently providing services, such as personal loan, insurance and wealth management, to serve its users who have financing needs. With our experience operating different apps, we are able to help the technology company actualize its existing financial loan services through our goods transaction facilitation, by setting up a portal to allow its users to purchase goods and services from Yangxiaomie. As we have experience attracting and servicing end customers with financing needs, our search and recommendation algorithms are tailored to this specific group of end customers, which can optimize the efficiency in vitalizing the technology company's customer base. We are currently undergoing the testing stage and expect to officially launch the functions within the first quarter of 2023.

Impact of COVID-19

The outbreak of COVID-19 has severely impacted China and the rest of the world. In an effort to contain the spread of COVID-19, China has taken precautionary measures that reduced economic activities, including temporary closure of corporate offices, retail outlets and manufacturing facilities and strict implementation of quarantine measures. Although our services are provided online, the spread and the recent resurgence of COVID-19 resulted in the progress slowdown of the Technology Setup and Upgrade (See "Business — Quant-enabled Scenarios and Commercial Scenarios — Quant-enabled Scenarios — Yangxiaomie"), leading to a decrease in our provision of digitalized marketing to financial institutions. As many of the precautionary measures have later been lifted or relaxed, our business partners gradually resumed normal operations since the second quarter of 2020. However, relaxation of restrictions on economic and social activities may also lead to new cases which may lead to re-imposed restrictions. In addition, there has been an increasing number of COVID-19 cases, including the COVID-19 variant cases, in multiple cities in China. More recently, there have been regional outbreaks of COVID-19 variants, including highly transmissible Delta and Omicron. To contain the resurgence, local governments in PRC have reinstated various restrictions on business and social activities, including stringent travel restrictions, heightened quarantine measures and mandated temporary suspension of business operations across certain regions, causing disruptions to business operations of companies from various industries in major cities in the PRC to varying degrees, and we may have to adjust various aspects of our operations. The longer-term trajectory of COVID-19 and the effects of mutations in the virus, both in terms of scope and intensity of the pandemic, together with their impact on our industry and the broader economy are still difficult to assess or predict and pose significant uncertainties that will be difficult to quantify.

While the lock-down and various social distancing initiatives adopted during the COVID-19 pandemic have led to reduced business activities in general, we believe the COVID-19 pandemic significantly accelerated the business digitalization process of Chinese enterprises, increasing the demand for our solutions. We believe our offerings of digitalization solutions on our apps will continue to grow as we continue to upgrade our solutions, expand and deepen the services provided to existing and potential business partners.

The extent to which the COVID-19 pandemic may affect our operations and financial performance will depend on future developments, which are highly uncertain and cannot be predicted. See "Risk Factors — Risks Relating to Our Business and Our Industry — Any material change in end customer demand or preferences, or any unexpected situation with a negative impact on market demand may materially and adversely affect our business and results of operations" for details. In December 2022, the PRC government announced ten new measures for dealing with COVID-19 which eased the restrictions previously imposed with respect to pandemic control. As a result, regional lockdowns, quarantine requirements and inter-region travel restrictions have been gradually lifted. With the relaxation of anti-pandemic measures, many offline business operations across China resurged, fuelling the development of Consumption Guide, which promotes offline transactions through online marketing.

After due and careful consideration of our Directors, the Directors confirm that, up to the date of this document, there has been no material adverse change in our financial or trading position or prospects since December 31, 2022, being the latest date of our consolidated financial statements as set out in Appendix I to this document, and there is no event since December 31, 2022 that would materially affect the information as set out in the Accountants' Report included in Appendix I to this document.