

## SUMMARY

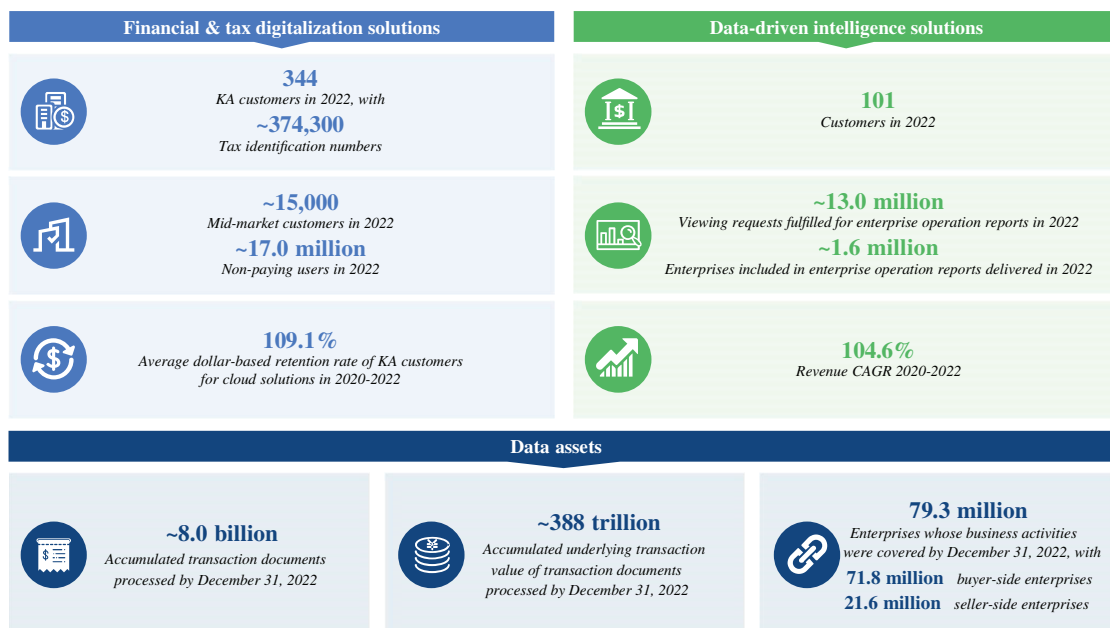
*This summary aims to give you an overview of the information contained in this document and should be read in conjunction with the full text of this document. Since this is a summary, it does not contain all the information that may be important to you. You should read the whole document, including our financial statements and the accompanying notes, before you decide to [REDACTED] in the [REDACTED]. There are risks associated with any [REDACTED]. Some of the particular risks of [REDACTED] in the [REDACTED] are set forth in the section headed “Risk Factors.” You should read that carefully before you decide to [REDACTED] in the [REDACTED].*

## OVERVIEW

We are an integrated enterprise digitalization solutions provider in China, focusing on offering financial & tax digitalization and data-driven intelligence solutions through our *Baiwang Cloud* platform. We process a variety of transaction documents, including among others, invoices, receipts, bills, and other accounting records, that accurately reflect key business transactions of enterprises. Empowered by valuable insights into voluminous transaction data and equipped with advanced big data analytics capabilities, we facilitate the automated and digitalized business decision-making by financial service providers and other enterprise customers. We believe we are well-positioned to capture the enormous market opportunities, leveraging our leadership as evidenced by the following, according to the F&S Report:

- we ranked first in China’s cloud financial and tax-related transaction digitalization market in 2022 in terms of revenue, representing a market share of 6.6%;
- we ranked first among financial and tax-related transaction digitalization solution providers in China, with approximately 0.7 billion invoice processing requests fulfilled through our cloud solutions in 2022;
- we ranked second among financial and tax-related transaction digitalization solution providers in China, with approximately 1.7 billion VAT invoices issued through our cloud solutions in 2022; and
- we ranked second in China’s transaction-based big data analytics for SMB financing market in 2022 in terms of revenue, representing a market share of 5.9%.

The following diagram illustrates our operating achievements during the periods indicated.



## SUMMARY

We strive to connect enterprises of different scales across industries and enable them to transact in a more intelligent, efficient, coordinated and compliant manner. Since our inception, we have strategically leveraged cutting-edge information security and compliance technologies, which we believe are an indispensable component of the digital transaction infrastructure, to facilitate the digitalized processing and circulation of transaction documents. We have launched a suite of digitalization solutions covering the key processes of enterprise transactions, from procurement, billing, invoicing, to automated management of account receivables and payables and tax filings. The voluminous transaction data accumulated on our platform, together with our strong big data analytics capabilities, has enabled us to obtain valuable data insights and facilitate the optimization of decision-making by financial service providers and other enterprises across industries.

Capitalizing on favorable government policies and prominent market demand, we have attracted a large base of KA customers, including some of the largest commercial banks, insurance companies, internet giants, and other industry-leading corporate conglomerates in China. The in-depth industry know-how and reputation accumulated through serving these KA customers have allowed us to attract a growing number of mid-market customers and further penetrate into more industry verticals.

As we continue to provide financial & tax digitalization solutions and with proper authorization from customers and users, we have access to a massive volume of transaction documents and data. Leveraging our big data analytics technology, we uncover business trends and insights from desensitized transaction data and develop our data-driven intelligence solutions, which are offered primarily to financial service providers to empower their business development and risk management. In 2022, we served 101 customers with our data-driven intelligence solutions, and we fulfilled approximately 13.0 million viewing requests for enterprise operation reports, with approximately 1.6 million enterprises included in the enterprise operation reports delivered.

### Our Market Opportunities

We have capitalized on the favorable government policies driving the development of China’s financial and tax-related transaction digitalization market to rapidly grow our business. The following diagram illustrates the policy evolutions in such market.



The adoption and proliferation of e-invoices have facilitated the digital transformation of enterprises’ financial and tax management. Driven by enterprises’ growing demands for operational efficiency, cost-saving and compliance, China’s financial and tax-related transaction digitalization market, in term of revenue, increased from RMB3.7 billion 2018 to RMB5.9 billion in 2022, at a CAGR of 12.4%, and is expected to reach RMB19.3 billion in 2027, at a CAGR of 26.7% from 2022 to 2027.

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In an effort to facilitate economic growth and promote employment, the PRC government has continued to promote SMB financing. However, due to the massive number of small and micro-sized businesses in China and the lack of objective and reliable metrics to assess their financial condition, financial service providers are in dire need of comprehensive risk management capabilities to accurately evaluate the financial condition of small and micro-sized businesses to make informed lending decisions. By using big data analytics as a solution to examine the transaction nature, amount, frequency and other transaction information of small and micro-sized businesses as reflected in their transaction documents, financial service providers are able to discern their scales and transaction patterns and identify their potential financing needs and the associated credit risks.

Driven by the development of SMB financing in China, big data analytics solutions have been quickly adopted by financial service providers in China for cost-effective risk management and customer acquisition. China’s transaction-based big data analytics for SMB financing market, in terms of revenue, increased from RMB1.3 billion in 2018 to RMB4.5 billion in 2022, at a CAGR of 35.2%, and is expected to reach RMB15.3 billion in 2027, at a CAGR of 28.0% from 2022 to 2027.

### Our Business Model

We have strategically developed our proprietary *Baiwang Cloud* platform, which is an intelligent business platform integrating cutting-edge technologies, such as digital certificate, digital signature, OFD, big data analytics, AI and blockchain. *Baiwang Cloud* platform enables us to provide customers in an array of industry verticals with reliable, comprehensive and modularized solutions, including: (1) financial & tax digitalization solutions, delivered in cloud and/or on-premises applications and consisting of e-invoice compliance management, intelligent financial and tax management and intelligent supply chain collaboration solutions, and (2) data-driven intelligence solutions, consisting of digital precision marketing services and risk intelligence services. During the Track Record Period, we generated revenue primarily through charging (i) recurring subscription fees and/or usage-based fees for cloud financial & tax digitalization solutions, (ii) sales-based fees, usage-based fees and/or annual subscription fees for our data-driven intelligence solutions, and (iii) software license fees, one-time implementation fees and annual maintenance fees for on-premises financial & tax digitalization solutions. The following diagram sets forth the key aspects of our business model.



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### ***Our Financial & Tax Digitalization Solutions***

*E-invoice compliance management solutions* (電子票據合規管理解決方案). Our e-invoice compliance management solutions enable enterprise customers to digitalize the full-life cycle of e-invoices, from issuance, circulation, analysis to archiving, to help enterprises improve their operational efficiency, cost-saving and compliance. The number of VAT invoices issued through our cloud solutions in 2022 was approximately 1.7 billion, representing an aggregate transaction amount of approximately RMB77.7 trillion.

*Intelligent financial and tax management solutions* (智能財稅管理解決方案). Our intelligent financial and tax management solutions streamline, digitalize and automate enterprise spending and tax management processes, including e-invoice collection, verification and certification, expenditure management, electronic accounting archiving and tax filing, which enable enterprises to gain greater control of spending, achieve cost savings, optimize tax management and improve management efficiency. The number of invoice processing requests fulfilled through our cloud solutions in 2022 was approximately 0.7 billion, and the transaction amount underlying the invoices processed was approximately RMB74.2 trillion.

*Intelligent supply chain collaboration solutions* (智能供應鏈協同解決方案). Our intelligent supply chain collaboration solutions connect enterprises with their business partners along the supply chains, automate account payment management process and streamline settlement collaboration among transaction parties, which effectively reduce labor and time costs traditionally associated with the communication among enterprises and improve transaction efficiency. As of December 31, 2022, transactions with an aggregated amount of approximately RMB68.7 billion had been processed with our intelligent supply chain collaboration solutions.

### ***Our Data-driven Intelligence Solutions***

*Digital precision marketing services* (數字精準營銷服務). Leveraging our big data analytics capabilities, we uncover enterprises’ transaction trend and financial performance based on their invoice records and analyze their financing needs. Our digital precision marketing services connect eligible potential users with suitable financial products and empower financial service providers to effectively identify, access and acquire users of financial products.

*Risk intelligence services* (智能風控服務). Our risk intelligence services comprise enterprise operation reporting services, user analytics services, and risk analytics services. Our enterprise operation reporting services enable financial service providers to develop comprehensive and meaningful understanding of relevant enterprises’ operational performance and financial well-being as reflected in their digital transaction documents. Our user analytics services identify potential users of financial products based on our analysis of their transaction data, and facilitate the user acquisition by financial service providers. Our risk analytics services devise and configure risk management system for financial service providers, and enable them to optimize their risk control strategies and enhance their ability to independently monitor, detect and manage risks.

### ***Our Data Assets***

We process a variety of transaction documents, including among others, invoices, receipts, bills, and other accounting records that accurately reflect key business activities. As of December 31, 2022, we had processed approximately 8.0 billion transaction documents, covering business activities of approximately 79.3 million enterprises, including approximately 71.8 million buyer-side enterprises and approximately 21.6 million seller-side enterprises, and representing transactions with an aggregate value of approximately RMB388 trillion. Leveraging our AI and big data capabilities, we generate differentiated and rich data insights into both internal business operations and transactions among enterprises. Our data assets continue to grow with the growing number and engagement of our customers, which have enabled us to continually expand and upgrade our solution and service offerings.

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### *Our Financial Track Record*

We experienced significant growth during the Track Record Period. In 2020, 2021 and 2022, our total revenue was RMB291.1 million, RMB453.8 million and RMB525.8 million, respectively. Our gross profit was RMB134.3 million, RMB216.2 million and RMB214.3 million in 2020, 2021 and 2022, respectively. We recorded net loss of RMB388.8 million, RMB448.4 million and RMB156.2 million in 2020, 2021 and 2022, respectively. We recorded adjusted net loss (non-IFRS measure) of RMB41.9 million, RMB16.7 million and RMB70.3 million in 2020, 2021 and 2022, respectively. See “Financial Information—Consolidated Statements of Profit or Loss and Other Comprehensive Income—Non-IFRS Measure” for details.

### COMPETITIVE STRENGTHS

We believe the following competitive strengths have contributed to our success and differentiated us from our competitors: (1) spearheading provider of integrated enterprise digitalization solutions through self-developed *Baiwang Cloud* platform; (2) comprehensive solution offerings empowering enterprises’ transaction, compliance management and business decision-making; (3) extensive network of loyal, blue-chip customers from diversified industries; (4) robust R&D and technology innovation capabilities; and (5) experienced and visionary management team.

### GROWTH STRATEGIES

We intend to pursue the following strategies to further grow our business: (1) continue to enrich solution functions and expand solution portfolio; (2) expand customer base in more industry verticals and improve monetization opportunities; (3) invest in core technologies and drive product innovation on *Baiwang Cloud* platform; and (4) cultivate business ecosystem through strategic cooperation, investment, mergers and acquisitions.

### RISKS AND CHALLENGES

Our business and the [REDACTED] involve certain risks, which are set out in the section headed “Risk Factors” in this document. Our limited history in our solution offerings and evolving business portfolio make it difficult to evaluate our prospects and the risks and challenges we face, and our historical growth is not indicative of our future performance. The PRC regulatory framework for data security and personal information protection is rapidly evolving, and we could face challenges in our continued compliance with heightened regulatory scrutiny. Our business is subject to complex and evolving laws and regulations, many of which are relatively new and could result in changes to our business practices. We had net loss, net current liabilities and net cash used in operating activities during the Track Record Period, and may continue to incur net loss, net current liabilities and net cash used in operating activities in the foreseeable future, which can expose us to liquidity risks. If we fail to improve and customize our solutions and services to suit our customers’ evolving needs and adapt to changes in relevant tax and invoice laws, we may lose our customers, which, in turn, will have a material adverse effect on our business, financial condition and results of operations. Our success depends on the growth in market acceptance for our various solutions and services. If the industries in which we operate develop more slowly than we expect, or even stagnates or shrinks, it could have a material adverse effect on our business, financial condition and results of operations. As different [REDACTED] may have different interpretations and criteria when determining the significance of a risk, you should carefully read the “Risk Factors” section in its entirety before you decide to [REDACTED] in our H Shares.

### SUMMARY HISTORICAL FINANCIAL INFORMATION

The following tables set forth summary of our financial information for the Track Record Period, and should be read together with the consolidated financial statements in the Accountants’ Report set out in Appendix I to this document, including the accompanying notes and the information set forth in “Financial Information.” Our consolidated financial information was prepared in accordance with IFRSs.

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### Summary of Consolidated Statements of Profit or Loss and Other Comprehensive Income

The following table set forth a summary of our consolidated statements of profit or loss and other comprehensive income for the periods indicated.

	Year ended December 31,					
	2020		2021		2022	
	RMB	%	RMB	%	RMB	%
	(RMB in thousands, except for percentages)					
Revenue	291,115	100.0	453,763	100.0	525,765	100.0
Cost of sales	(156,807)	(53.9)	(237,600)	(52.4)	(311,475)	(59.2)
Gross profit	134,308	46.1	216,163	47.6	214,290	40.8
Operating loss	(113,075)	(38.8)	(198,148)	(43.7)	(112,350)	(21.4)
Loss before tax	(388,800)	(133.6)	(448,373)	(98.8)	(156,025)	(29.7)
Income tax expenses	—	—	—	—	(199)	(0.0)
Loss and total comprehensive expense for the year	<u>(388,800)</u>	<u>(133.6)</u>	<u>(448,373)</u>	<u>(98.8)</u>	<u>(156,224)</u>	<u>(29.7)</u>
Loss and total comprehensive expense for the year attributable to						
– Owners of the Company	<u>(388,800)</u>	<u>(133.6)</u>	<u>(446,938)</u>	<u>(98.5)</u>	<u>(153,501)</u>	<u>(29.2)</u>
Non-IFRS measure						
Adjusted net loss <sup>(1)</sup>	<u>(41,914)</u>	<u>(14.4)</u>	<u>(16,739)</u>	<u>(3.7)</u>	<u>(70,295)</u>	<u>(13.4)</u>

- (1) Adjusted net loss is a non-IFRS measure. We define “adjusted net loss” for the period adjusted by adding back share-based payment expenses, [REDACTED], and fair value changes of financial liabilities at fair value through profit or loss (“FVTPL”). See “Financial Information—Consolidated Statements of Profit or Loss and Other Comprehensive Income—Non-IFRS Measure” for details.

### Summary of Consolidated Statements of Financial Position

The following table sets forth a summary of our consolidated statements of financial position as of the dates indicated.

	As of December 31,		
	2020	2021	2022
	(RMB in thousands)		
Total non-current assets	<u>191,559</u>	<u>303,052</u>	<u>322,308</u>
Total current assets	<u>671,697</u>	<u>1,022,807</u>	<u>938,409</u>
Total current liabilities	<u>303,487</u>	<u>512,078</u>	<u>2,483,842</u>
Total non-current liabilities	<u>1,360,516</u>	<u>1,901,483</u>	<u>10,332</u>
Net current assets/(liabilities)	<u>368,210</u>	<u>510,729</u>	<u>(1,545,433)</u>



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We had net current assets of RMB368.2 million and RMB510.7 million as of December 31, 2020 and 2021, respectively. We had net current liabilities of RMB1,545.4 million as of December 31, 2022. Our net current assets position as of December 31, 2020 and 2021 was primarily attributable to our cash and cash equivalents, financial assets at FVTPL, trade and other receivables, and short-term bank deposits with maturity over three months, partially offset by financial liabilities at FVTPL, contract liabilities and trade and other payables. Our net current liabilities position as of December 31, 2022 was primarily due to the reclassification of financial liabilities at FVTPL in connection with our shares with preferential rights from non-current to current liabilities.

### Summary of Consolidated Statements of Cash Flows

The following table sets forth a summary of our consolidated statements of cash flows for the periods indicated.

	Year ended December 31,		
	2020	2021	2022
	(RMB in thousands)		
Net cash used in operating activities	(80,069)	(13,989)	(64,276)
Net cash used in investing activities	(209,046)	(189,776)	(189,804)
Net cash generated from/(used in) financing activities	94,183	435,669	(13,720)
Net (decrease)/increase in cash and cash equivalents	(194,932)	231,904	(267,800)
Cash and cash equivalents at beginning of the year	468,034	273,102	505,006
Cash and cash equivalents at end of the year	273,102	505,006	237,206

### KEY FINANCIAL RATIOS

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

	As of/for the year ended December 31,		
	2020	2021	2022
<b>Profitability ratios</b>			
Gross profit margin	46.1%	47.6%	40.8%
Net loss margin	133.6%	98.8%	29.7%
<b>Liquidity ratios</b>			
Current ratio	2.2	2.0	0.4

See “Financial Information—Key Financial Ratios” for details.

### OUR CONTROLLING SHAREHOLDERS

As of the Latest Practicable Date, Ms. Chen controlled 43.22% of the voting power at the general meetings of our Company, comprising (1) 27.10% beneficially owned by her directly, (2) 9.23% beneficially owned by Ningbo Xiu’an, which is controlled by Ms. Chen as its general partner, and (3) 6.89% beneficially owned by Tianjin Duoying, which is controlled by Ms. Chen as its general partner. Upon the [REDACTED], Ms. Chen will control [REDACTED] of the voting power at the general meetings of our Company, comprising (i) [REDACTED] beneficially owned by her directly, (ii) [REDACTED] beneficially owned by Ningbo Xiu’an, and (iii) [REDACTED] beneficially owned by Tianjin Duoying, assuming the [REDACTED] is not exercised. Therefore, Ms. Chen, Ningbo Xiu’an and Tianjin Duoying were our Controlling Shareholders as of the Latest Practicable Date and will continue to be our Controlling Shareholders upon the [REDACTED]. See “Relationship with Our Controlling Shareholders” for details.

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### CONNECTED TRANSACTIONS

We have entered into transactions with entities that will, upon the [REDACTED], become the connected persons of our Company. Certain transactions with such entities will continue after [REDACTED] and constitute our continuing connected transactions subject to reporting, annual review and announcement requirements but exempt from independent Shareholders’ approval requirement under Chapter 14A of the Listing Rules. See “Connected Transactions” for details.

### [REDACTED] INVESTMENTS

To fund our rapid business expansion and broaden our Shareholder base, our Company historically underwent several rounds of financing. See “History and Corporate Structure—[REDACTED] Investments” for details.

### APPLICATION FOR [REDACTED] ON THE STOCK EXCHANGE

We have applied to the [REDACTED] of the Stock Exchange for the grant of the [REDACTED] of, and permission to [REDACTED], our H Shares to be [REDACTED] pursuant to the [REDACTED] (including any H Shares which may be issued pursuant to the exercise of the [REDACTED]) and the H Shares to be [REDACTED] from Domestic Shares, on the basis that, among other things, we satisfy the [REDACTED] under Rule 8.05(3) of the Listing Rules.

### [REDACTED]

We expect to incur a total of approximately [REDACTED] ([REDACTED] million) of [REDACTED] in connection with the [REDACTED], representing approximately [REDACTED] of the [REDACTED] from the [REDACTED] (assuming an [REDACTED] of [REDACTED], being the mid-point of the [REDACTED] between [REDACTED], and assuming that the [REDACTED] is not exercised), including (1) sponsor fees and [REDACTED], SFC transaction levy, Stock Exchange trading fees and AFRC transaction levy for all [REDACTED] of approximately [REDACTED] million ([REDACTED] million), and (2) [REDACTED] of approximately [REDACTED] million ([REDACTED] million), which consist of (i) fees and expenses of legal advisors and accountants of approximately [REDACTED] million ([REDACTED] million), and (ii) other fees and expenses of approximately [REDACTED] million ([REDACTED] million). Approximately [REDACTED] million is expected to be charged to our consolidated statements of profit or loss, and approximately [REDACTED] million is expected to be deducted from equity. The [REDACTED] above are the best estimate as of the Latest Practicable Date and for reference only. The actual amount may differ from this estimate.

### [REDACTED] STATISTICS

All statistics in this table are based on the assumption that (1) the [REDACTED] has been completed and [REDACTED] are issued pursuant to the [REDACTED]; and (2) the [REDACTED] is not exercised.

	Based on an [REDACTED] of [REDACTED] per [REDACTED]	Based on an [REDACTED] of [REDACTED] per [REDACTED]
[REDACTED] of our Shares <sup>(1)</sup> [REDACTED] adjusted consolidated total tangible assets less liabilities of the Group attributable to owners of the Company per Share <sup>(2)</sup>	[REDACTED] [REDACTED]	[REDACTED] [REDACTED]

(1) The calculation of [REDACTED] is based on [REDACTED] total issued Shares immediately upon completion of the [REDACTED] (assuming the [REDACTED] is not exercised).

(2) The [REDACTED] adjusted consolidated total tangible assets less liabilities of the Group attributable to owners of the Company per Share as of December 31, 2022 is calculated after making the adjustments referred to in Appendix II and on the basis of [REDACTED] total issued Shares immediately upon the completion of the [REDACTED] (assuming the [REDACTED] is not exercised).



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### FUTURE PLANS AND [REDACTED]

We estimate the [REDACTED] of the [REDACTED] which we will receive, assuming an [REDACTED] of [REDACTED] per [REDACTED] (being the mid-point of the [REDACTED] range stated in this document), will be approximately [REDACTED] million, after deduction of [REDACTED] and other estimated expenses in connection with the [REDACTED], assuming the [REDACTED] is not exercised. We intend to use the [REDACTED] of the [REDACTED] for the following purposes: (1) approximately [REDACTED] or [REDACTED] million to further upgrade and enhance the functions and features of our solutions and further expand our solution portfolio; (2) approximately [REDACTED] or [REDACTED] million to enhance R&D capabilities; (3) approximately [REDACTED] or [REDACTED] million to develop our marketing and branding initiatives; (4) approximately [REDACTED] or [REDACTED] million to selectively pursue strategic investment and acquisition opportunities to expand our existing product and service offerings, improve our technology capabilities and enhance our value propositions to our customers; and (5) approximately [REDACTED] and [REDACTED] million for working capital and general corporate purposes.

See “Future Plans and [REDACTED]” for further information relating to our future plans and [REDACTED] from the [REDACTED], including the adjustment on the allocation of the [REDACTED] in the event that the [REDACTED] is fixed at a higher or lower level compared to the midpoint of the estimated [REDACTED].

### DIVIDEND

We did not make any dividend distribution during the Track Record Period. Pursuant to our Articles of Association, an annual profit distribution proposal shall be proposed by the Board based on our profitability, capital supply and needs, which, subject to the approval by the Board, will be submitted to the Shareholders’ general meeting for consideration. We may distribute profits by cash, Shares or a combination of cash and Shares. PRC laws require that dividends be paid only out of net profits calculated according to PRC GAAP, which differ in many aspects from generally accepted accounting principles in other jurisdictions, including the IFRSs. PRC laws also require foreign invested enterprises to set aside part of their net profit as statutory reserves, which are not available for distribution as cash dividends. Distributions from our subsidiaries may also be restricted if they incur debt or losses, or in accordance with any restrictive covenants in bank credit facilities or other agreements that we or our subsidiaries may enter into in the future. Our future declarations of dividends may or may not reflect our historical declarations of dividends and will be determined by our Shareholders.

### RECENT DEVELOPMENTS

#### Regulation on Overseas [REDACTED]

On February 17, 2023, the CSRC promulgated the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies (境內企業境外發行證券和上市管理試行辦法) (the “Overseas Listing Trial Measures”) and relevant supporting guidelines, which came into effect on March 31, 2023. The Overseas Listing Trial Measures comprehensively improve and reform the existing regulatory regime for overseas [REDACTED] of PRC domestic companies’ securities and regulate both direct and indirect overseas [REDACTED] of PRC domestic companies’ securities.

Pursuant to the Overseas Listing Trial Measures, where a PRC domestic company submits an application for [REDACTED] to competent overseas regulators or overseas stock exchanges, such issuer must file with the CSRC within three business days after such application is submitted. As advised by our PRC Legal Advisor, we are required to go through the filing procedures with the CSRC under the Overseas Listing Trial Measures. We will file with the CSRC within the specific time limit as required by the Overseas Listing Trial Measures and seek guidance from the relevant regulator and/or legal advisors to ensure our compliance in all respects.

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### Regulation on Cybersecurity Review and Data Security

On December 28, 2021, the CAC and other 12 government authorities jointly issued the Measures for Cybersecurity Review (網絡安全審查辦法) (the “Cybersecurity Review Measures”), which took effect on February 15, 2022. According to the Cybersecurity Review Measures, (1) if a critical information infrastructure operator (“CIIO”) purchases network products and services or an online platform operator conducts data processing, either of which affects or may affect national security, a cybersecurity review shall be carried out according to the Cybersecurity Review Measures; (2) an issuer who is an internet platform operator holding personal information of more than one million shall file for a cybersecurity review with respect to its proposed foreign [REDACTED]; and (3) the relevant PRC governmental authorities may initiate cybersecurity review if such governmental authorities determine that the issuer’s network products or services, or data processing activities affect or may affect national security. On November 14, 2021, the CAC issued the Administrative Regulations of Cyber Data Security (Draft for Comments) (網絡數據安全管理條例(徵求意見稿)) (the “Draft Cyber Data Security Regulations”), which provides that a data processor contemplating to get [REDACTED] in Hong Kong which affects or may affect national security is required to apply for a cybersecurity review pursuant to relevant rules and regulations.

As of the Latest Practicable Date, we had not received any request from the relevant authorities to conduct cybersecurity review as a CIIO and had never been notified that we were identified as a CIIO. As of the Latest Practicable Date, we had not been involved in any investigation on cybersecurity review made by the CAC, and we had not received any inquiry, notice, warning, or sanctions in connect with such respect. However, the scope of CIIO and the scope of network products or services or data processing activities that affect or may affect national security remain unclear and are subject to interpretation by relevant government authorities. See “Risk Factors—Risks Relating to Our Business and Industry—The PRC regulatory framework for data security and personal information protection is rapidly evolving, and we could face challenges in our continued compliance with heightened regulatory scrutiny” for details.

On August 20, 2021, the Standing Committee of the National People’s Congress promulgated the Personal Information Protection Law of the PRC (中華人民共和國個人信息保護法), effective from November 1, 2021 (“PIPL”). Pursuant to the PIPL, a personal information processor is allowed to process (including to collect, store, use, transmit, provide, disclose and delete) personal information only under certain circumstances, such as processing with consent from such individual, or for the necessity of performance of a contract to which such individual is a contracting party or statutory duties, management of human resource under the labor rules and regulations developed in accordance with the law or a collective contract signed in accordance with the law, protection of public interest, or reasonable usage of legally disclosed information. Processing of sensitive personal information, such as the personal information that is likely to result in damage to personal dignity, personal or property safety once illegally disclosed, as well as the personal information of minors under the age of 14, is subject to higher regulatory requirements including specific purpose, sufficient necessity, duty of explanation to such individuals and consent from a parent or a guardian of such minors. During the Track Record Period and up to the Latest Practicable Date, we had not been and were not involved in any penalty, investigation, litigation or dispute related to data security and personal information protection which, individually or in aggregate, have had or are reasonably likely to have a material adverse effect on us, our financial performance and results of operations. As advised by our PRC Legal Advisor, we had complied with the currently effective PRC laws and regulations on data security, personal information protection and cybersecurity in material respects related to our business operations as of the Latest Practicable Date.

Our Directors and our PRC Legal Advisor are of the view that the Draft Cyber Data Security Regulations, if implemented in its current form, will not have material adverse effects on our business operations or the proposed [REDACTED], and that they do not foresee any material impediments for us to comply with the Draft Cyber Data Security Regulations, if implemented in its current form, in all material respects.

### No Material Adverse Change

Subsequent to the Track Record Period and up to the date of this document, our business operations remained stable in all material respects. Our Directors confirm that, up to the date of this document, there has been no material adverse change in our financial, operational, or trading position or prospects since December 31, 2022, which is the end date of the periods reported on in the Accountants’ Report included in Appendix I to this document, and there has been 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.