
SUMMARY

This summary aims to give you an overview of the information contained in this document. Because this is a summary, it does not contain all the information that may be important to you. You should read the entire 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 out in “Risk Factors”. You should read that section carefully before you decide to invest in the [REDACTED]. Various expressions used in this section are defined in “Definitions” and “Glossary of Technical Terms”.

OVERVIEW

Our mission is to promote the development of digitalisation of the insurance intermediary industry in the PRC.

We are a digital-first fast growing insurance agency service and solution provider in the PRC. We have developed an integrated online and offline service model which covers major stages of insurance business including risk assessment, provision of scenario-based advice, distribution of insurance products and insurance claims. Leveraging on our integrated online and offline service model and through the concept of “Collaboration and Creating Mutual Benefits”, we have built an ecosystem that empowers participants to: (i) enhance their values and user experience; and (ii) improve their service efficiency. Our ecosystem connected with: (i) over 60 insurance companies covering top three insurance groups in the PRC in terms of market capitalisation during the Track Record Period; (ii) over 8,600 insurance agents covering more than 10 cities across Shandong, Hebei, Henan and Jilin provinces as at 31 December 2022; (iii) nearly 20 strategic channel partners during the Track Record Period; and (iv) over 12,000 corporate insurance clients and 250,000 household insurance clients during the Track Record Period.

We are committed to research and development which is critical to our success. Our research and development efforts mainly focus on developing digitalised solutions using advanced technologies such as AI and data analytics. Leveraging on our proprietary technologies, we have developed online platforms, namely (i) Quan Zhanggui (全掌櫃) APP, a well-known insurance APP in Shandong province which is designed for our insurance agents and household insurance clients; and (ii) “Corporate Insurance Interactive Service Platform (企業保險交互服務平台)”, an easy-to-navigate website which is designed for our corporate insurance clients, both of which assisted insurance clients in identifying and selecting insurance products that meet their needs through scenario-based settings and managing insurance products portfolios. Based on our in-depth and comprehensive understanding of insurance clients’ needs and behaviours, our online platforms offer real-time quotations, product comparisons and digitalised tools that empower insurance agents to develop their business and provide insurance clients with insurance support services such as online insurance claims assistance and management of insurance policies.

We achieved rapid growth during the Track Record Period which was mainly contributed by (i) steady growth in both households and corporate insurance clients in terms of commission income; and (ii) our offering of comprehensive mix of insurance products underwritten by our insurance company partners, which include four major categories of insurance products: (a) property insurance products; (b) life and health insurance products; (c) accident insurance products; and (d) automobile insurance products. During the Track Record Period, our revenue increased from RMB93.3 million in 2020 to RMB148.4 million in 2022, representing CAGR of 26.1% during the same period and our net profit increased from RMB20.2 million in 2020 to RMB36.3 million in 2022, representing a CAGR of 34.1%.

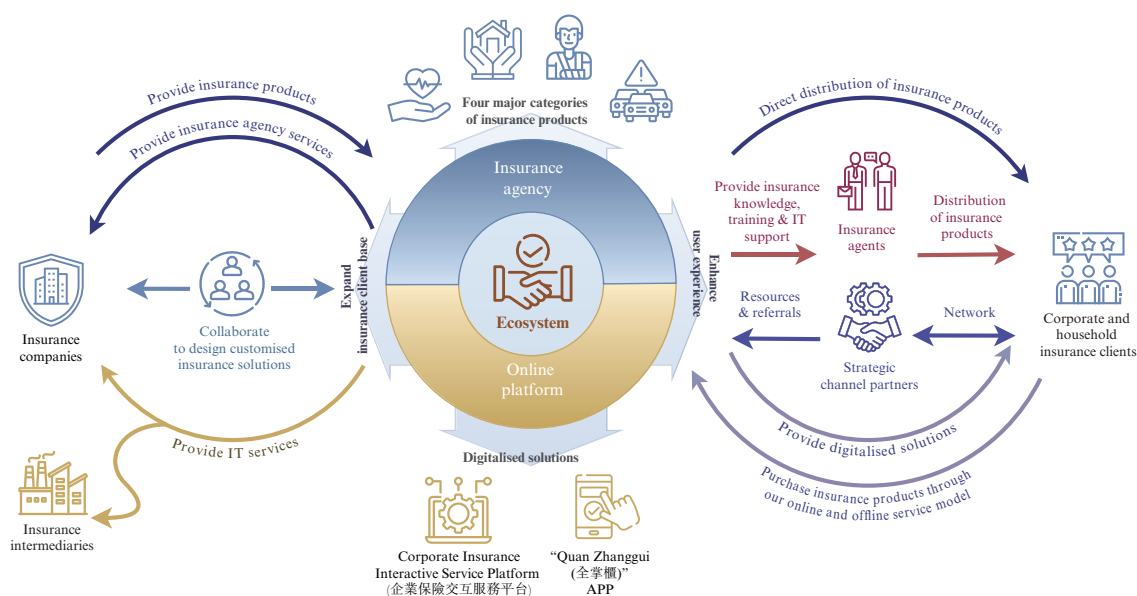
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Leveraging our strong technological capabilities, we offer IT services to Haier Group and companies from different industries by designing and developing digitalised solutions based on their requirements. Our reputation as an innovative insurance agency service and solution provider and experience in developing online platforms have enabled us to provide insurance company partners and insurance intermediaries with insurance business related digitalised solutions. We envision our IT services will play an important role in further promoting digitalisation of the insurance intermediary industry in the PRC and will continue to expand our IT service offerings going forward. We also provide other services which include recruitment services and marketing and promotion services to fulfill their needs.

OUR BUSINESS MODEL

Our Ecosystem

We have built a “Collaboration and Creating Mutual Benefits” ecosystem where we collaborate and cooperate with different industry participants, including insurance company partners, insurance agents and strategic channel partners, to promote and distribute insurance products from our insurance company partners to corporate and household insurance clients. We aim to create value and share value amongst each participant in our ecosystem. The diagram below illustrates our ecosystem:



Value Proposition for our Ecosystem

Our Group proactively explores and deepens cooperation along the industry chain, improves the quality and efficiency of the industrial development. We have built an ecosystem that empowers participants to: (i) enhance their values and user experience; and (ii) improve their service efficiency. Within our ecosystem, our primary role is to explore opportunities and integrate the available resources in the industry chain and connect all participants, enabling them to establish their presence and enhance their profit potential. Leveraging our technologies, we promote digitalisation of the insurance intermediary industry in the PRC.

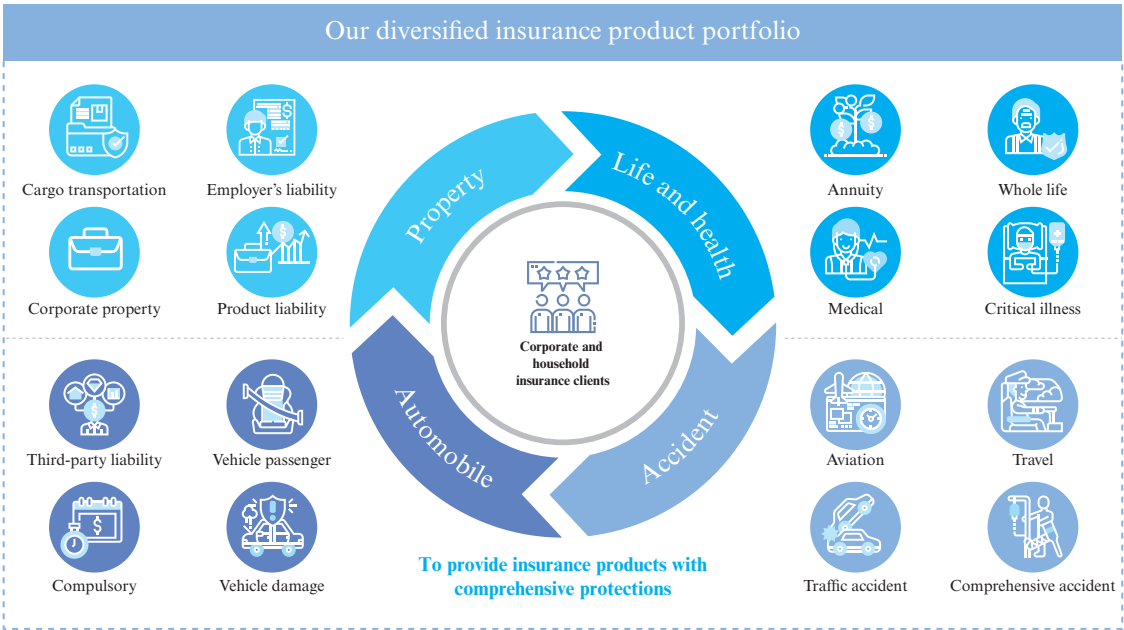
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Our Business

Our business mainly consists of two segments: (i) insurance agency business; and (ii) IT and other services.

- **Insurance agency business.** We distribute insurance products to insurance clients through our insurance agents and we cooperate with strategic channel partners to expand our reach to larger population of corporate and household insurance clients. We have developed our online platforms, which can be accessed on the Internet and mobile internet, including our website and APP, in order to optimise the transaction process and better appeal to participants in our ecosystem.
- **IT and other services.** We offer IT services to insurance company partners, insurance intermediaries and companies from different industries by designing and developing digitalised solutions based on their requirements. In addition to IT services, we also provide other services including the provision of recruitment services and marketing and promotion services.

We primarily distribute four categories of insurance products: (i) property insurance products; (ii) life and health insurance products; (iii) accident insurance products; and (iv) automobile insurance products. These insurance products are underwritten by insurance company partners directly, and we are not a party to the insurance policy or other agreements with the purchasers of the policies. The diagram below illustrates our diversified insurance product portfolio:



For more details on our business, please refer to the section headed “Business” in this document.

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OUR COMPETITIVE STRENGTHS

We believe the following competitive strengths contribute to our success:

- we are a digital-first fast growing insurance agency service and solution provider;
- we have established an ecosystem equipped with digital capabilities to achieve “Collaboration and Creating Mutual Benefits”;
- we strategically target both corporate and household insurance client markets;
- we have established stable relationship with our top insurance company partners; and
- we have a visionary and experienced management with excellent corporate culture.

For more details, please refer to the section headed “Business — Competitive Strengths” in this document.

OUR STRATEGIES

Our Company will continue to focus on the two main business segments of providing insurance agency services and IT and other services. To achieve rapid development in these two main business segments, we intend to adopt the following business strategies:

- expand our household and corporate insurance client base;
- continue to strengthen our technological capabilities and further develop our IT service offerings;
- promote our brand awareness and market presence; and
- selective investments and acquisitions in insurance intermediary and insurance technology industry.

For more details, please refer to the section headed “Business — Business Strategies” in this document.

RISK FACTORS

Our business and the [REDACTED] involve certain risks, which are set out in the section headed “Risk Factors” in this document. You should read that section in its entirety carefully before you decide to invest in the [REDACTED]. Some of the major risks we face include: (i) we may not be able to provide diversified insurance products and services to effectively address our insurance clients’ needs, which could have a material adverse effect on our business, results of operations and financial condition; (ii) if we fail to maintain stable relationships with our business partners, our business, results of operations, financial condition and business prospects could be materially and adversely affected; (iii) we are subject to customer concentration risk. Our growth and revenue could be materially and adversely affected if we lose any significant customer, or if any significant customer fails to cooperate with us at anticipated levels; (iv) our Group had a concentrating of major suppliers during the Track Record Period; and (v) our historical business growth and profitability may not be indicative of future performance.

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SUMMARY OF CONSOLIDATED FINANCIAL INFORMATION

Summary Consolidated Statements of Profit or Loss and Other Comprehensive Income

	Year ended 31 December		
	2020	2021	2022
	RMB'000	RMB'000	RMB'000
Revenue	93,253	119,974	148,398
Cost of sales	<u>(57,121)</u>	<u>(71,925)</u>	<u>(81,139)</u>
Gross profit	36,132	48,049	67,259
Other income	3,005	7,682	8,176
Research and development costs	(4,447)	(4,739)	(6,843)
General and administrative expenses	(6,873)	(11,383)	(12,854)
Sales and marketing costs	(3,794)	(6,836)	(9,948)
(Provision for)/reversal of impairment loss	<u>(14)</u>	<u>11</u>	<u>(44)</u>
Profit from operations	24,009	32,784	45,746
Finance costs	<u>(164)</u>	<u>(176)</u>	<u>(154)</u>
Profit before taxation	23,845	32,608	45,592
Income tax	<u>(3,622)</u>	<u>(5,616)</u>	<u>(9,243)</u>
Profit for the year	<u>20,223</u>	<u>26,992</u>	<u>36,349</u>
Attributable to:			
Equity shareholders of our Company	20,223	27,047	37,776
Non-controlling interests	<u>—</u>	<u>(55)</u>	<u>(1,427)</u>
Profit for the year	<u>20,223</u>	<u>26,992</u>	<u>36,349</u>

Selected Consolidated Statements of Profit or Loss Items and Other Comprehensive Income

Revenue by business segments

During the Track Record Period, we primarily generated revenue from our insurance agency business. The following table sets forth the breakdown of our revenue by business segments during the Track Record Period:

	For the year ended 31 December					
	2020		2021		2022	
	RMB'000	% of revenue	RMB'000	% of revenue	RMB'000	% of revenue
Insurance agency business	90,735	97.3	116,056	96.7	130,721	88.1
IT and other services ^(Note)	<u>2,518</u>	<u>2.7</u>	<u>3,918</u>	<u>3.3</u>	<u>17,677</u>	<u>11.9</u>
Total	<u>93,253</u>	<u>100.0</u>	<u>119,974</u>	<u>100.0</u>	<u>148,398</u>	<u>100.0</u>

Note: For the years ended 31 December 2020, 2021 and 2022, revenue from provision of other services amounted to RMB0.2 million, RMB2.7 million and RMB2.7 million, respectively, representing 0.2%, 2.2% and 1.8% of our total revenue during the same periods, respectively. Other services mainly include recruitment services and marketing and promotion services.

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Revenue by insurance products

We offer a comprehensive mix of insurance products, providing insurance clients with broad selections and adequate options to choose from in order to satisfy their protection needs in different scenarios and at different life stages. We primarily distribute four categories of insurance products, namely (i) property insurance products; (ii) life and health insurance products; (iii) accident insurance products; and (iv) automobile insurance products. These insurance products are underwritten by insurance companies directly, and we are not a party to the insurance policy or other insurance agreements with the purchasers of the policies. The table below sets forth the GWP, commission income generated from insurance company partners for distribution of their insurance products and average commission rate for each category of insurance products we offered during the Track Record Period:

	2020				For the year ended 31 December 2021				2022			
	GWP	Commission income	Percentage of commission income	Average commission rate	GWP	Commission income	Percentage of commission income	Average commission rate	GWP	Commission income	Percentage of commission income	Average commission rate
	RMB'000	RMB'000	%	%	RMB'000	RMB'000	%	%	RMB'000	RMB'000	%	%
Property insurance products	170,572	28,733	31.7	16.8	228,554	39,658	34.2	17.4	290,994	47,620	36.4	16.4
Life and health insurance products	120,437	41,387	45.6	34.4	176,086	48,332	41.6	27.4	223,853	36,156	27.7	16.2
Accident insurance products	26,053	7,318	8.1	28.1	55,465	16,171	13.9	29.2	82,116	24,096	18.4	29.3
Automobile insurance products	109,060	13,297	14.6	12.2	206,276	11,895	10.3	5.8	421,411	22,849	17.5	5.4
Total	426,122	90,735	100.0	21.3	666,381	116,056	100.0	17.4	1,018,374	130,721	100.0	12.8

Our commission income from insurance agency business increased by RMB25.4 million from RMB90.7 million in 2020 to RMB116.1 million in 2021, mainly due to the increase in commission income from the distribution of property, life and health and accident insurance products in 2021. Our revenue from insurance agency business further increased by RMB14.6 million to RMB130.7 million in 2022 mainly due to the increase in commission income from the distribution of property, accident and automobile insurance products, which is partially offset by the decrease in commission income from the distribution of life and health insurance products in 2022 as a result of the COVID-19 pandemic. The decrease in average commission rate of the automobile insurance product since 2021 is mainly due to the Guiding Opinions on the implementation of the Comprehensive Reform of Automobile Insurance (《關於實施車險綜合改革的指導意見》) issued by CBIRC that came into effect in September 2020, which lowered the premium paid to insurance companies leading to lower the average commission rate of automobile insurance products. However, GWP of automobile insurance products we facilitated were almost double during 2021 and 2022, respectively, which alleviated the financial impact on our Group. The decrease in average commission rate of life and health insurance products during the Track Record Period was mainly due to (i) the decrease in commission income for distribution of long-term life insurance products with higher average commission rate and increase in commission income for distribution of short-term life insurance products with comparatively lower average commission rate; (ii) the increase in renewal of existing long-term insurance policies, whereas a comparatively lower commission rate to the insurance agents for the policy renewal.

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Revenue by insurance clients

We define our insurance clients as purchasers of the insurance policies we distribute, which include (i) corporate insurance clients; and (ii) household insurance clients. Through offering a comprehensive mix of insurance products, we have accumulated a wide base of insurance clients and are able to provide them with various options to choose to serve their protection needs in different scenarios and at different life stages.

The table below sets forth the GWP we facilitated, commission income generated from insurance company partners for distribution of their insurance products and the average commission rate by each type of insurance clients during the Track Record Period:

	For the year ended 31 December											
	2020		2021		2021		2022		2022		2022	
	GWP	Commission income ⁽¹⁾	Percentage of commission income	Average commission rate	GWP	Commission income ⁽¹⁾	Percentage of commission income	Average commission rate	GWP	Commission income ⁽¹⁾	Percentage of commission income	Average commission rate
	RMB'000	RMB'000	%	%	RMB'000	RMB'000	%	%	RMB'000	RMB'000	%	%
Household insurance clients	247,478	60,347	66.5	24.4	429,127	74,641	64.3	17.4	708,461	80,498	61.6	11.4
Corporate insurance clients	178,644	30,388	33.5	17.0	237,254	41,415	35.7	17.5	309,913	50,223	38.4	16.2
— Haier Group ⁽²⁾	120,790	14,645	16.1	12.1	152,484	18,288	15.8	12.0	192,856	23,809	18.2	12.3
— Non-Haier Group	57,854	15,743	17.4	27.2	84,770	23,127	19.9	27.3	117,057	26,414	20.2	22.6
Total	426,122	90,735	100.0	21.3	666,381	116,056	100.0	17.4	1,018,374	130,721	100.0	12.8

Notes:

- (1) Commission income represents commission received from insurance company partners for distribution of their insurance products to corporate and household insurance clients.
- (2) Haier Group includes its subsidiaries and their respective affiliates.

Summary Consolidated Statements of Financial Position

	As at 31 December		
	2020	2021	2022
	RMB'000	RMB'000	RMB'000
Total non-current assets	9,007	9,328	9,191
Total current assets	121,405	275,506	317,909
Total assets	130,412	284,834	327,100
Total non-current liabilities	753	164	—
Total current liabilities	27,476	27,992	34,073
Total liabilities	28,229	28,156	34,073
Net current assets	93,929	247,514	283,836
Total equity	102,183	256,678	293,027

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Summary Consolidated Statements of Cash Flows

During the Track Record Period, we have funded our operations primarily with net cash generated from our operations. The following table summaries for the years indicated, our consolidated statements of cash flows:

	Year ended 31 December		
	2020	2021	2022
	RMB'000	RMB'000	RMB'000
Cash generated from operations	19,954	30,260	34,913
Income tax paid	(1,839)	(5,674)	(7,711)
Net cash generated from operating activities	<u>18,115</u>	<u>24,586</u>	<u>27,202</u>
Net cash used in investing activities	<u>(17,569)</u>	<u>(151,039)</u>	<u>(19,753)</u>
Net cash generated from/(used in) financing activities	<u>4,866</u>	<u>127,148</u>	<u>(1,891)</u>
Net increase in cash and cash equivalents	5,412	695	5,558
Cash and cash equivalents at the beginning of the year	<u>11,881</u>	<u>17,293</u>	<u>17,988</u>
Cash and cash equivalents at the end of the year	<u>17,293</u>	<u>17,988</u>	<u>23,546</u>

KEY FINANCIAL RATIOS

The following table sets forth our key financial ratios for the year/as at the dates indicated:

	Year ended 31 December		
	2020	2021	2022
Gross profit margin ⁽¹⁾	38.7%	40.0%	45.3%
Net profit margin ⁽²⁾	21.7%	22.5%	24.5%
Return on equity ⁽³⁾	22.6%	15.0%	13.2%
Return on total assets ⁽⁴⁾	17.7%	13.0%	11.9%

	As at 31 December		
	2020	2021	2022
Current ratio ⁽⁵⁾	4.4 times	9.8 times	9.3 times
Quick ratio ⁽⁶⁾	4.4 times	9.8 times	9.3 times
Gearing ratio ⁽⁷⁾	N/A	N/A	N/A
Debt to equity ratio ⁽⁸⁾	N/A	N/A	N/A

Notes:

- (1) Gross profit margin for the years ended 31 December 2020, 2021 and 2022 was calculated based on gross profit divided by revenue for the respective year.
- (2) Net profit margin for the years ended 31 December 2020, 2021 and 2022 was calculated based on net profit divided by revenue for the respective year.
- (3) Return on equity for the years ended 31 December 2020, 2021 and 2022 was calculated based on net profit of the respective year, divided by the arithmetic mean of the opening and closing balances of total equity and multiplied by 100%.

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- (4) Return on total assets for the years ended 31 December 2020, 2021 and 2022 was calculated based on net profit of the respective year, divided by the arithmetic mean of the opening and closing balances of total assets and multiplied by 100%.
- (5) Current ratio as at 31 December 2020, 2021 and 2022 was calculated based on the total current assets divided by the total current liabilities.
- (6) Quick ratio as at 31 December 2020, 2021 and 2022 was calculated based on the total current assets less inventories and divided by the total current liabilities.
- (7) Gearing ratio as at 31 December 2020, 2021 and 2022 was calculated based on the total borrowings as at the respective date divided by total equity as at the respective year and multiplied by 100%.
- (8) Debt to equity ratios as at 31 December 2020, 2021 and 2022 was calculated based on the total borrowings net of cash and cash equivalents as at the respective dates divided by total equity as at the respective year and multiplied by 100%.

For more details on our key financial ratios, please refer to the section headed “Financial Information — Key Financial Ratios” in this document.

OUR CUSTOMERS AND SUPPLIERS

Our customers for the insurance agency business are insurance companies in the PRC, which we consider as our “insurance company partners”. In the PRC insurance market, local branches of insurance companies generally have the authority to enter into contracts in their own names with insurance intermediaries. In general, we enter into and maintain business relationships with our insurance company partners at the local level primarily in Shandong, the PRC. During the Track Record Period, we had established business relationships with over 60 insurance companies in the PRC. We cooperate with our insurance company partners to offer their standardised insurance products or to design and develop tailor-made insurance products. We need to keep the growth of our business, brand influence and risk management capabilities so as to strengthen the cooperation with our existing insurance partners while attracting more insurance companies to build cooperative relationships with us. For the years ended 31 December 2020, 2021 and 2022, the aggregate revenue generated from our top five customers amounted to RMB68.8 million, RMB89.4 million and RMB94.4 million, respectively, representing 73.7%, 74.5% and 63.7% of our total revenue, respectively. Our largest customer in terms of total revenue contribution aggregately accounted for 23.7%, 34.6% and 36.9% of our total revenue in 2020, 2021 and 2022, respectively. For more details, please refer to the section headed “Business — Our Customers” in this document.

Our suppliers primarily consist of: (i) insurance agents; (ii) strategic channel providers; (iii) IT services providers; and (iv) other suppliers for insurance and consulting services. We generally enter into legally binding agreements with our suppliers for a term of one year to three years. For the years ended 31 December 2020, 2021 and 2022, purchases from our five largest suppliers amounted to RMB27.8 million, RMB41.8 million and RMB58.2 million, respectively, accounting for 48.7%, 58.1% and 71.8% of our total purchases, respectively, while purchase from our largest supplier amounted to RMB12.2 million, RMB26.5 million and RMB31.9 million, respectively, accounting for 21.3%, 36.8% and 39.3% of our total purchases, respectively. For more details, please refer to the sections headed “Business — Our Suppliers” and “— Subcontractors” in this document.

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MARKET AND COMPETITION

The China’s insurance intermediary industry has experienced significant growth. According to Frost & Sullivan, the China’s insurance intermediary industry will maintain a rapid growth trend, and the scale of underwriting premium in the industry is expected to grow at a CAGR of 14.5% between 2023 and 2027, reaching RMB1,600.4 billion in 2027. The China’s insurance intermediary industry is highly competitive and fragmented. According to Frost & Sullivan, there were approximately 2,800 insurance intermediary companies in the PRC, with nearly 200 of them headquartered in Shandong province. At the same time, due to the national nature of the insurance intermediary license, competitors from other provinces have also entered the market to compete for market share. In this highly competitive market environment, our Company stood out in the insurance intermediary industry in Shandong province with comprehensive mix of insurance products strong digital operation capabilities. According to Frost & Sullivan, we ranked fifth among all insurance intermediaries headquartered in Shandong province, the PRC, in terms of GWP nationwide facilitated in 2022. We compete with online and offline insurance agencies and insurance companies to distribute insurance products. As competition in the China’s insurance intermediary industry intensifies, we believe it is important for us to utilise our technological capabilities to achieve cost reduction and improve efficiency. Notwithstanding the above, it is unlikely that there will be material impact on our Group in terms of competition given the existing major entry barriers of the market as stated in the section headed “Industry Overview” in this document.

SALES AND MARKETING

We promote and distribute insurance products mainly through (i) insurance agents; (ii) strategic channel partners; and (iii) direct sales. As at 31 December 2022, we had built a sales network consisting of over 8,600 insurance agents covering over 10 cities across Shandong, Hebei, Henan and Jilin provinces and nearly 20 strategic channel partners. In order to comply with the relevant laws and regulations and better serve our insurance clients, we set up branch offices at locations where we conduct our insurance agency business.

OUR CONTROLLING SHAREHOLDERS

As at the Latest Practicable Date, Haier Group indirectly through its subsidiaries and voting rights arrangements from limited partnership, holds indirectly through Haier COSMO approximately 60.44% of the voting rights of our Company (as to approximately 52.88% held by Qingdao Haiyinghui and as to approximately 7.56% held by Qingdao Haichuanghui). Immediately following the completion of the [REDACTED] (assuming the [REDACTED] is not exercised), Haier Group will hold an aggregate of approximately [REDACTED] of the voting rights of our Company through Qingdao Haiyinghui, Qingdao Haichuanghui and Haier COSMO. As such, Haier Group, Qingdao Haiyinghui, Qingdao Haichuanghui and Haier COSMO are the Controlling Shareholders of our Company under the Listing Rules. Haier Group, together with its associates are therefore our connected persons by virtue of the Listing Rules.

For more details, please refer to the sections headed “Relationship with Controlling Shareholders” and “Connected Transactions” in this document.

OUR PRE-[REDACTED] INVESTORS

Our Company obtained several rounds of investments from the Pre-[REDACTED] Investors through subscriptions for new registered capital of our Company between September 2019 and February 2021. For more details on the Pre-[REDACTED] Investments and identities and background of the Pre-[REDACTED] Investors, please refer to the section headed “History and Development — Pre-[REDACTED] Investments” in this document.

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DIVIDEND POLICY

No dividends had been declared during the Track Record Period and up to the Latest Practicable Date. Subject to the our constitutional documents and the PRC Company Law, any future plan of declarations and payments of dividends will be formulated by our Directors and determined by our Shareholders, and will depend on our actual and expected results of operations, cash flow and financial position, general business conditions and business strategies, expected working capital requirements and future expansion plans, legal, regulatory and other contractual restrictions, and other factors which our Directors and Shareholders consider relevant. No dividend shall be declared or payable except out of our profits and reserves lawfully available for distribution. According to relevant PRC laws, any future net profit that we make will have to be first applied to make up for our historically accumulated losses, after which we will be obliged to allocate 10% of our net profit to our statutory common reserve fund until such fund has reached more than 50% of our registered capital.

FUTURE PLANS AND USE OF [REDACTED]

We estimate that the [REDACTED] we will receive from the [REDACTED] (after deducting [REDACTED], fees and anticipated expenses payable by us in connection with the [REDACTED]) will be approximately [REDACTED], assuming the [REDACTED] is not exercised and an [REDACTED] of [REDACTED], being the mid-point of the [REDACTED] range of [REDACTED] to [REDACTED] as stated in this document. Our Directors presently intend to apply such net [REDACTED] as follows:

- [REDACTED], or approximately [REDACTED], will be used for the development of our insurance agency business in the next three years;
- [REDACTED], or approximately [REDACTED], will be used for enhancing our IT service offerings and research and development capabilities in the next three years;
- [REDACTED], or approximately [REDACTED], will be used for pursuing selective investment and acquisitions of two to three target companies in insurance intermediary and insurance technology industry that have complementary or synergistic effects on our current business to further accelerate the development of our business and strengthen our competitiveness. We also intend to apply our internal resources of approximately RMB[REDACTED] million to finance the abovementioned investment and acquisitions to further allow us for more selections; and
- [REDACTED], or approximately [REDACTED], will be used for our general working capital and general corporate purpose.

The above allocation of the net [REDACTED] from the [REDACTED] will be adjusted on a pro rata basis in the event that the [REDACTED] is fixed at a higher or lower level compared to the mid-point of the indicative [REDACTED] range stated in this document. If the [REDACTED] is exercised in full, the net [REDACTED] that we will receive will be approximately [REDACTED], assuming an [REDACTED] of [REDACTED] per Share (being the mid-point of the indicative [REDACTED] range). In the event that the [REDACTED] is exercised, we intend to apply the additional net [REDACTED] to the above purposes in the proportions stated above. For more details, please refer to “Future Plans and Use of [REDACTED]” in this document.

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STATISTICS OF THE [REDACTED]

The statistics below are based on the assumption that [REDACTED] are issued under the [REDACTED]:

	Based on the low end of the indicative [REDACTED] range of [REDACTED]	Based on the high end of the indicative [REDACTED] range of [REDACTED]
Our market capitalisation ⁽¹⁾	HK\$[988.37] million	HK\$[1,976.74] million
Unaudited [REDACTED] adjusted consolidated net tangible assets per Share ⁽²⁾	[REDACTED]	[REDACTED]

Notes:

- (1) The calculation of market capitalisation is based on the assumption that [REDACTED] will be in issue immediately following the completion of the [REDACTED], assuming the [REDACTED] is not exercised.
- (2) The unaudited [REDACTED] adjusted consolidated net tangible assets per Share is calculated after the adjustments referred to in the section headed “Financial Information — Unaudited [REDACTED] Financial Information”.

LEGAL PROCEEDINGS AND COMPLIANCE

During the Track Record Period and up to the Latest Practicable Date, there was no litigation or arbitration pending or threatened against our Group or any of our Directors which could have a material adverse effect on our Group’s financial condition or results of operations.

We are of the view that, we had complied, in all material respects, with all relevant laws and regulations in the PRC during the Track Record Period and up to the Latest Practicable Date. As confirmed by our PRC Legal Advisers, during the Track Record Period, our business operation in the PRC complied with the relevant PRC laws and regulations in all material respects, and no material administrative penalties imposed on us have been found that may have a material adverse effect on our Group’s business operations.

[REDACTED] EXPENSES

Assuming an [REDACTED] of [REDACTED], being the mid-point of the indicative [REDACTED] range of [REDACTED], the total estimated [REDACTED] expenses in connection with the [REDACTED] (including underwriting commission) was [REDACTED]. During the Track Record Period, we did not incur any [REDACTED] expenses. For the year ending 31 December 2023, we expect to incur [REDACTED] expenses of [REDACTED], of which an estimated amount of [REDACTED] will be charged to profit or loss and [REDACTED] will be accounted for as a deduction from equity upon successful [REDACTED] under relevant accounting standards. The [REDACTED] expenses above are the best estimate as at the Latest Practicable Date and for reference only and the actual amount may differ from this estimate.

SUMMARY

RECENT DEVELOPMENTS

Impact of the COVID-19 Outbreak

In 2022, there was a resurgence of COVID-19 pandemic including the highly transmissible Delta and Omicron variant across the world, which has adversely affected the economy. As a result, certain of our business operations and financial performance were negatively affected, primarily because (i) consumers’ consumption confidence for certain non-necessity products or services was weakened due to the increased uncertainty in economic outlook; and (ii) sales activities of our insurance agents were affected. In particular, revenue generated from the distribution of life and health insurance products was reduced in 2022 as compared to 2021 as it became difficult for our insurance agents to arrange face-to-face meetings with household insurance clients. Despite the challenges posed by COVID-19 pandemic, the impact on our business had not been significant during the Track Record Period as our overall revenue reached RMB93.3 million in 2020, RMB120.0 million in 2021 and RMB148.4 million in 2022, representing a CAGR of 26.1%. This is mainly contributed by our diversified product portfolio and sales channels, which allow us to respond to changing market and mitigate risk by reducing reliance on any single product or sales channel. While we recorded rapid growth during the Track Record Period, we cannot assure you that we will be able to deliver similar growth in the future, or avoid any decline in the future. For more details, please refer to the section headed “Risk Factors — If we are unable to manage our growth or execute our strategies effectively, our business and prospects may be materially and adversely affected” in this document.

Recent Regulatory Update Relating to Overseas Listing Trial Measures

On 17 February 2023, the CSRC released the Overseas Listing Trial Measures, which became effective on 31 March 2023 and stipulates that domestic companies that seek to offer or list securities overseas, both directly and indirectly, shall complete the filing procedures and report relevant information to the CSRC. Pursuant to the Overseas Listing Trial Measures, where a PRC domestic company submits an application for initial public offering or listing to competent overseas regulators or overseas stock exchanges, such issuer must file with the CSRC within three business days after such application is submitted. For more details, please refer to the paragraphs headed “Risk Factors — Risks Relating to Conducting Our Business in the PRC — We may be subject to additional regulatory requirements under new laws and regulations in connection with overseas offering or listing issued by PRC government authorities” and “Regulatory Overview — Regulations Related Overseas Securities Offering and Listing and Full Circulation” in this document.

Recent Regulatory Update Relating to Cybersecurity and Data Protection

On 28 December 2021, the CAC, together with certain other PRC governmental authorities, promulgated the Cybersecurity Review Measures (《網絡安全審查辦法》) that replaced the previous version and took effect from 15 February 2022. On 14 November 2021, the CAC published the Administrative Regulations on Cyber Data Security (Draft for Comments) (《網絡數據安全管理條例(徵求意見稿)》). As at the Latest Practicable Date, this draft has not been formally adopted, and uncertainties exist with respect to whether and when such draft regulations will be enacted, and if enacted, its interpretation and implementation. For more details, please refer to the section headed “Regulatory Overview” in this document.

As at the Latest Practicable Date, we have not yet been informed, approached, or designated as a critical information infrastructure operator under the applicable PRC laws and regulations by any PRC governmental authorities. We have not received any inquiry, notice, warning, or sanction regarding cybersecurity from any PRC governmental authorities nor been involved in any investigations on cybersecurity review made by any

SUMMARY

PRC governmental authorities. Meanwhile, during the verbal consultation conducted on 5 May 2023 with the China Cybersecurity Review Technology and Certification Centre (CCRC), our PRC Legal Advisers also inquired on the implications of the Draft Regulations on our Company and the [REDACTED], and were advised that no guidance or consultation with respect to the Draft Regulations could be provided at this stage because the Draft Regulations have not been officially adopted. Furthermore, our PRC Legal Advisers were also advised during such consultations that our Company is not required to file an application for cybersecurity review under Article 7 of the Cybersecurity Review Measures with respect to the [REDACTED].

We are of the view that, as at the date of this document, the Cybersecurity Review Measures and the Draft Regulations, if implemented in their current form, have not had, and are not expected to have, any material adverse effect on our business, results of operations or financial conditions, or on the proposed [REDACTED], on the basis that (i) we have implemented comprehensive measures, including internal policies and system settings, to ensure secured collection, processing, storage, use, transmission and elimination of data, to prevent any unauthorised access or use of data, and to enhance our compliance with the Cybersecurity Review Measures and the Draft Regulations and other relevant laws and regulations; (ii) as at the date of this document, there had been no material leakage of data or personal information or violation of data protection and privacy laws and regulations by us which will have a material adverse impact on our business operations; (iii) as at the date of this document, we had not been subject to material fines or administrative penalties imposed by any government authorities in relation to infringement of data security laws and regulations; and (iv) we will closely monitor the legislative and regulatory developments in connection with cybersecurity and data protection, including the Draft Regulations and the interpretation or implementation rules of laws and regulations, and adjust and enhance our data protection measures as appropriate.

National Administration of Financial Regulation (國家金融監督管理總局)

On 10 March 2023, the First Session of the Fourteenth National People’s Congress approved the Decision on Reform Plan for Party and State Institutions (《黨和國家機構改革方案》). The plan stipulates, among others, that the State will establish the National Administration of Financial Regulation on the basis of the CBIRC, and delegate the PBOC’s daily regulatory responsibilities for financial holding companies and other financial groups and financial consumer protection responsibilities as well as the CSRC’s investor protection responsibilities into it. Upon the establishment of the National Administration of Financial Regulation, the CBIRC will no longer be retained.

The National Administration of Financial Regulation was officially established on 18 May 2023 and has replaced the CBIRC to become the new insurance regulatory body in China.

NO MATERIAL ADVERSE CHANGE

During the four months ended 30 April 2023, our revenue remained stable as compared to the corresponding period in 2022. Our Directors confirm that, there has been no material adverse change in our business, financial condition and results of operations since 31 December 2022, being the latest balance sheet date of our consolidated financial statements as set out in the Accountants’ Report included in Appendix I to this document, and up to the date of this document.