RISK FACTORS

You should carefully consider all the information in this document, including the risks and uncertainties described below and our historical financial information and the related notes, prior to investing in the H Shares. The risk factors relating to our business, industry and the PRC may not typically be associated with investing in equity securities of similar companies from other jurisdictions. Our business, financial condition, results of operations or prospects could be materially and adversely affected by any of these risks. The trading price of the H Shares could decrease due to any of these risks and you may lose all or part of your investment.

We believe that there are certain risks involved in our operations, some of which are beyond our control. These risks can be broadly categorised into: (i) risks relating to our business; (ii) risks relating to our industry; (iii) risks relating to conducting our business in the PRC; and (iv) risks relating to the [REDACTED].

RISKS RELATING TO OUR BUSINESS

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.

We attract, procure and retain insurance clients by offering a comprehensive mix of insurance products underwritten by our insurance company partners. To continue to grow our insurance client base, we seek to collaborate with more insurance companies located in our existing and new geographical markets, while maintaining comprehensive insurance product choices.

We also strive to continuously enhance our insurance agency services and IT and other services by offering more comprehensive service packages and enhanced experience. However, expansion into new product and service categories involves new risks and challenges. If we fail to respond to the changing and emerging needs and preferences of our customers and insurance clients and offer new products and services that are favored to them, we may lose out on our business volume and/or not be able to continue to attract new customers or maintain existing customers. If any of the foregoing occurs, our business, results of operations and financial condition may be materially and adversely affected.

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.

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

Relationships with our customers

We generally provide insurance agency services to our insurance company partners which are major insurance companies in the PRC and receive commissions from them for successful distributions of their insurance products. For more details, please refer to the section headed "Business — Our Business Model — (i) insurance agency business" in this document. Our relationships with these insurance company partners are governed by agreements between the insurance company partners and us. These agreements generally provide, among other things, the scope of our services and our commission rates, and typically have a term of one year and may be terminated with prior written notice. Our insurance company partners may terminate the agreement with cause, including but not limited to our breach of laws and regulations, unauthorised changes of insurance term and forgery of documents and information. There is no assurance that we would be able to renew any such agreements upon their expiry with terms that are comparable to or better than the existing ones, if at all. Any interruption to or discontinuation of our relationships with our insurance company partners may severely and negatively impact our results of operations.

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

Relationships with our suppliers

We primarily collaborate with insurance agents and strategic channel partners to expedite our market penetration and broaden our insurance client base. For more details, please refer to the section headed "Business — Sales and Marketing — Insurance Agents" and "Business — Sales and Marketing — Strategic Channel Partners" in this document. Failure to establish and maintain stable relationships with our insurance agents and strategic channel partners may materially and adversely affect our ability to expand our business scale and geographical coverage, which in turn could adversely affect our results of operations and business prospects.

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

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

We are subject to customer concentration risk. During the Track Record Period, revenue generated from our top five customers, in aggregate, accounted for approximately 73.7%, 74.5% and 63.7% of our total revenue, respectively. For the same periods, revenue generated from our largest customer accounted for 23.7%, 34.6% and 36.9% of our total revenue, respectively. For more details, please refer to the section headed "Business — Our Customers" in this document.

There are a number of factors, other than our performance, that could cause the loss of, or decrease in the volume of business from, a customer. We cannot assure you that we will continue to maintain the business cooperation with these customers at the same level, or at all. The loss of business from any of these significant customers, or any downward adjustment of the commission rates paid to us or the number of products offered to us, could materially adversely affect our revenue and profit. Furthermore, if any significant customer terminates its relationship with us, we cannot assure you that we will be able to secure an alternative arrangement with comparable insurance company partner in a timely manner, or at all.

Our Group had a concentration of major suppliers during the Track Record Period.

Our Group had a concentration of major suppliers during the Track Record Period. We rely on our suppliers to provide us with referral services and agency services for our insurance agency business and non-core IT services for our IT services business. During the Track Record Period, our purchases from our five largest suppliers amounted to approximately 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. As such, our reliance on our five largest suppliers in providing services to us during the Track Record Period was relatively high. We normally enter into collaboration agreements with our insurance agents for a term of three years and strategic channel partners for a term of one year to three years. The termination of cooperation from any of these major suppliers could materially and adversely affect our revenue and profit. Furthermore, if any major supplier terminates its relationship with us, we cannot assure you that we will be able to secure an alternative arrangement with comparable supplier in a timely manner, or at all.

Our historical business growth and profitability may not be indicative of future performance. You should not rely on the results of our operations as an indication of future revenue, profit or growth.

Our Group's operations have grown rapidly and our revenue and profit in turn have grown accordingly. Our total revenue increased from RMB93.3 million in 2020 to RMB120.0 million in 2021, and further to RMB148.4 million in 2022, representing a CAGR of 26.1% from 2020 to 2022. In addition, our net profit increased from RMB20.2 million in 2020 to RMB27.0 million in 2021, and further to RMB36.3 million in 2022, representing a CAGR of 34.1%.

However, our historical performance may not be indicative of our future growth or financial results. We cannot assure you that we will be able to deliver similar growth in the future, or avoid any decline in the future. Our growth may slow down or become negative, and revenue and net profit may decline for a number of possible reasons, including the risk factors set forth in this document. Some of the risks are beyond our control, including declining growth of our overall market or industry, increasing competition, the emergence of alternative business models, decreasing customer base, changes in rules, regulations, government policies or general economic conditions, and we may encounter unforeseen expenses, difficulties, complications, delays and other unknown factors. You should consider our business and prospects in light of these risks, and not unduly rely on our past results of operations or historical growth rate as an indicator of our future performance.

As the commission income we receive from the distribution of insurance products to insurance clients is based on premium and commission rates set by our insurance company partners, any decrease in these commission rates, or any increase in the commissions or referral fees we pay, may have an adverse effect on our results of operation.

We derive a majority of our revenue from our insurance agency business by receiving commissions from our insurance company partners for successful distribution of their insurance products to insurance clients through us. Our commissions are generally calculated based on a percentage of the premiums of insurance policies sold through us. Our revenue and results of operations are thus directly affected by the size of insurance premiums and the commission rates for such policies.

Insurance premiums and commission rates can change based on the prevailing economic, regulatory, taxation-related and competitive factors that affect insurance companies and end consumers. These factors, many of which are not within our control, include insurance companies' expectation on profits, insurance clients' demand for insurance products in the market, the availability and pricing of comparable products from other insurance companies, requirements set by the industry association, regulatory requirements and governmental policies and other factors that affect our insurance company partners at the relevant time.

On the other hand, we engage insurance agents to promote and distribute the insurance products authorised by our insurance company partners and cooperate with strategic channel partners to expand our reach to large population of corporate and household insurance clients, and we pay commissions to insurance agents and referral fees to strategic channel partners for successful purchase of insurance products by insurance clients through us. We may adjust the rates of commissions and referral fees at our discretion, depending on the competitive landscape and market conditions in the respective geographical markets. Accordingly, any increase in such rates would reduce our profit margin.

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

Any significant disruption in services on our online platforms, websites or computer systems, including events beyond our control, could materially and adversely affect our business, financial condition and results of operation.

Our business is highly dependent on the ability of our information technology systems to timely process a large number of information across different markets and products at a time when the volume of such transactions is growing rapidly. We are also increasingly relying on our online platforms, including "Quan Zhanggui (全掌櫃)" APP and our website, to facilitate the business operation. Usability and stability of our online platforms as perceived by users can influence insurance clients' satisfaction. The proper functioning and improvement of our online platforms, is critical to our business and to our ability to compete effectively. We cannot assure you that our business activities would not be materially disrupted in the event of a partial or complete failure of functions on our online platforms, which could be caused by, among other things, software malfunction, computer virus attacks or conversion errors due to system upgrading. In addition, a prolonged failure of any of our information technology systems could damage our reputation and materially and adversely affect our operations and profitability.

Any breaches to our security measures, including unauthorised access to our systems, computer viruses and cyber attacks may adversely affect our database and reduce the use of our services and damage our reputation and brand names.

Breaches to our security measures, including computer viruses and cyber attacks, may result in significant damage to our hardware and software systems and database, disruptions to our business activities, inadvertent disclosure of confidential or sensitive information, interruptions in access to our platforms, and other material adverse effects on our operations. Our security measures to protect systems and database could be breached or compromised as a result of third-party action, employee error, malfeasance or otherwise, during transfer of data or at any time, and result in persons obtaining unauthorised access to our systems and data. If our security measures are breached and unauthorised access to our systems and database is obtained, our services may be perceived as insecure, and customers and end consumers may curtail or stop using our services altogether and we may incur significant legal and financial exposure and liabilities. We may incur significant costs to protect our systems and equipment against the threat of, and to repair any damage caused by computer viruses and "hacking." Moreover, if a computer virus or cyber attack affects our systems and/or our customers or end consumers, or if it is highly publicised, our reputation and brand names could be materially damaged and the use of our services may decrease and materially and adversely affect our business, results of operations and financial condition.

Some landlords have not provided to us relevant title certificates with respect to some of our leased properties in the PRC and some of our lease agreements were not registered with the relevant government authorities.

During the Track Record Period, some of our landlords failed to provide valid title certificates with respect to some of our leased properties in the PRC. We may need to seek alternatives premises and incur additional costs for relocation, if (i) our landlords are not the owner or not authorised by the real owner to lease the properties to us, (ii) any dispute or claim arises in relation to the rights to use or lease of the properties occupied by us, or (iii) any of our leases are terminated as a result of any challenge by third-parties or any failures of our landlords to renew the leases or obtain their legal titles or the requisite government approval or consent to lease the relevant properties, which could materially and adversely impact our business, financial condition and results of operations.

Pursuant to relevant PRC regulations, parties to a lease agreement are required to file the lease agreements for registration and obtain property leasing filing certificates for their leases. The registration is subject to the cooperation from the landlords of the leased properties as the registration requires the submission of certain documents from the landlords, including their identification documentation and property ownership certificates, to the relevant authorities. As at the Latest Practicable Date, we had not filed the lease agreements for our leased properties under which we are the tenants of the leased properties. As advised by our PRC Legal Advisers, the failure to register the lease agreements does not affect the validity of the lease agreements under the relevant PRC laws and regulations. Meanwhile, we may be required by relevant government authorities to complete the registration formalities within the prescribed time limit or otherwise we may be subject to an administrative penalty for non-registration. As further advised by our PRC Legal Advisers, the risk of us being fined is low provided that we will and will be able to carry out rectification in accordance with the laws and regulations in a timely manner if the relevant regulatory authorities so order. However, there can be no assurance that the relevant government authorities would not impose administrative penalties on us as a result of the non-registration of these lease agreements. If we are liable for fines because of the non-registration of lease agreements, our business operation could be adversely affected. For more details, please refer to the section headed "Business — Properties" in this document.

Certain non-core work of our IT services are subcontracted to subcontractors. Our operations and financial results may be adversely affected by any delay or defects in their work.

We, from time to time, subcontract to subcontractors certain non-core work in our provision of IT services. During the Track Record Period, we had engaged two subcontractors for certain software technical services in our provision of IT services. During the Track Record Period, our subcontracting cost amounted to nil, RMB0.2 million and RMB5.4 million, respectively, which accounted for nil, 0.2% and 6.6%, respectively, of our total purchase, for the relevant years. For more details, please refer to the section headed "Business — Subcontracting" in this document. If our subcontractors fail to meet our requirements, the quality of our IT infrastructure and programmes may be adversely affected, thereby damaging our business reputation, hindering our opportunity to secure future projects, and potentially exposing us to litigation and damages claims from our clients. In addition, when our needs for outsourcing arise, our subcontractors may not always be readily available. There is no assurance that we would be able to maintain such relationships in the future. Our subcontractors are not obliged to provide services to us on our future projects on similar terms and conditions. We cannot assure that we would be able to find alternative subcontractors with the requisite knowledge, expertise, experience and capability that meet our project needs and work requirements and timely complete our projects in accordance with the project terms with competitive prices. Our ability to complete projects on time and with effective cost could be impaired, thereby damaging our business reputation and adversely affecting our operations and financial results if we are unable to engage such suitable alternative subcontractors.

A certain portion of our gross profit was generated from our insurance agency business for the distribution of insurance products to Haier Group. There is no assurance that Haier Group will continue to purchase insurance products through us.

During the Track Record Period, the gross profit from the distribution of insurance products underwritten by our insurance company partners attributable to Haier Group and its affiliates was approximately RMB11.6 million, RMB13.4 million and RMB17.9 million, respectively, which amounted to 34.0%, 29.6% and 30.8%, respectively, of the total gross profit generated from our insurance agency business for the distribution for insurance products. We expect that distribution of insurance products to Haier Group and its affiliates will continue to contribute a certain portion of our gross profit generated from our insurance agency business for the distribution of insurance products in the foreseeable future. There is no assurance that Haier Group and its affiliates will continue to purchase insurance products through us. In the event that Haier Group and its affiliates ceases to purchase insurance products through us, our business, results of operations, financial condition and future prospects may be adversely affected.

Our Controlling Shareholder has the ability to exert substantial influence over us and can influence our business in ways which may not act in the best interests of our independent Shareholders.

Immediately following the [REDACTED], our Controlling Shareholder will in aggregate be indirectly interested in approximately [REDACTED] of the voting rights of our Company. Our Controlling Shareholders will also, through their voting power at the shareholders meetings, have significant influence over our business and affairs, including decisions in respect of mergers or other business combinations, acquisition or disposition of assets, issuance of additional shares or other equity securities, timing and amount of dividend payments, and our management. Our Controlling Shareholders may not act in the best interests of our minority Shareholders. In addition, without the consent of our Controlling Shareholders, we could be prevented from entering into transactions that could be beneficial to us. This concentration of ownership may also discourage, delay or prevent a change in control of our Company.

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

We expect competition to persist and intensify. In our insurance agency business, we face competition from insurance companies that use their in-house sales force, exclusive sales agents, telemarketing, and Internet or mobile channels to distribute their insurance products, and from business entities that distribute insurance products on an ancillary basis, such as commercial banks and postal offices, as well as from other professional insurance intermediaries.

Some of our competitors have greater financial and marketing resources than we do, and may be able to offer products and services that we do not currently offer and may not offer in the future. The disruption of business cooperation with major insurance companies we cooperate with may cause us to lose our competitive advantages in certain areas. If we are unable to compete effectively against and stay ahead of our competitors, we may lose customers and our financial results may be negatively affected.

Our business model and our planned business developments are dependent on the proper function of our IT systems and infrastructure and our ability to continuously improve our IT systems and infrastructure and adopt advancing technologies. Breakdown of any of our major IT systems or failure to keep up with technological developments would materially and adversely affect our business, results of operations and future prospects.

Our proprietary technology and technological capabilities are critical to the development and maintenance of our IT systems and infrastructure underlying our online platforms, which in turn is vital to our business operations and planned developments. We need to keep abreast of the fast evolving IT developments, and continuously invest in significant resources, including financial and human capital resources to maintain, upgrade and expand our IT systems and infrastructure in tandem with our business growth and developments. However, research and development activities are inherently uncertain, and investments in information technologies and development of proprietary technologies may not always lead to commercialisation or monetarisation, or lead to increased business volume and/or profitability. The fast evolving IT developments may also render our existing systems and infrastructure and those that are newly developed and implemented obsolete before we are able to reap sufficient benefits to recover their investment costs, and may lead to substantial impairments which would adversely affect our results of operations. Obsolescence in our proprietary technology, IT systems and infrastructure may also significantly impair our ability to conduct and grow our business and compete effectively, which could materially and adversely impact our results of operations and business prospects. On the other hand, any significant breakdown of our IT systems and infrastructure may materially and adversely affect our business, results of operations, reputation and business prospects, and may even subject us to potential claims or even litigations, particularly as parts of our IT systems and infrastructure are linked to or connected with IT systems and infrastructure of our insurance company partners, who are mostly sizeable and reputable financial institutions whom themselves are subject to stringent regulatory supervision. As we rely heavily on our online platforms and our IT systems and infrastructure to facilitate and conduct our business, any prolonged breakdown of systems and infrastructure could also materially impact our business and results of operations.

PRC cybersecurity and data security measures and regulations could impose further restrictions on our business. Failure to comply with applicable data protection laws and regulations could subject us to regulatory actions and other legal liabilities, negatively impact our reputation and deter insurance clients from using our platforms.

In providing our services, a challenge we face is the secured collection, storage and transmission of confidential information. We acquire certain personal information of our insurance agents, insurance clients and APP registered users, such as name, ID number and telephone number during the course of our business. For more details, please refer to the sections headed " Business — Data Privacy and Data Security" and "Regulatory Overview" in this document.

The interpretation and application of laws, regulations and standards on cybersecurity, data protection and privacy are still evolving. We cannot assure you that the relevant measures we have taken are, and will be, always considered sufficient under applicable laws and regulations related to cybersecurity, data protection and privacy. Nor can we assure you that the governmental authorities will not interpret or implement the laws or regulations in ways that negatively affect us. We may be subject to investigations and inspections by governmental authorities regarding our compliance with such laws and regulations and we cannot assure you that our practices will always fully comply with all applicable rules and regulatory requirements. While we have taken steps to protect the personal data that we have access to, our security measures could be breached. Any accidental or willful security breaches or other unauthorised access to our system could cause confidential personal data to be stolen and used for criminal purposes, and could also expose us to liability related to the loss of information, time-consuming and expensive litigation and negative publicity. If security measures are breached or if we fail to protect confidentiality of the personal data of end consumers otherwise, our insurance company partners, our butler partners as well as end consumers may be deterred from choosing us, which could result in significant loss of business and we could incur significant liability, and our business and operations could be adversely affected.

We may fail to attract and retain an experienced management team, qualified personnel and insurance agents.

Our continued success depends on our ability to attract and retain an experienced management team, other employees and insurance agents with the requisite expertise and skills. Our ability to do so is influenced by a variety of factors, including the structure of the compensation package that we formulate and the competitive market position of our overall compensation package. Our management team and skilled employees may leave us or we may terminate their employment at any time. We cannot assure you that we will be able to retain our management team, skilled employees and insurance agents or find suitable or comparable replacements on a timely basis. Moreover, if any of our management team, skilled employees or insurance agents leaves us or joins a competitor, we may lose customers or insurance clients. In addition, former employees may request certain compensation arising from their resignation or retirement, which we typically negotiate on a case-by-case basis. However, if we are unable to reach a mutually acceptable resolution with such employees, they may take other actions including, but not limited to, initiating legal proceedings. Such legal proceedings may require us to pay damages, divert our management's attention cause us to incur costs and harm our reputation. Each of these foregoing factors could have a material adverse effect on our business, financial condition and results of operations.

Misconduct of our insurance agents to promote our insurance agency services is difficult to detect and deter and could harm our reputation or lead to regulatory sanctions or litigation costs.

We engage insurance agents to promote and distribute the insurance products authorised by our insurance company partners to expand our reach to large population of corporate and household insurance clients. The activities and regulatory compliance of these insurance agents associated with our insurance agency business are subject to the terms of the agreements we entered into with them and subject to applicable PRC laws. Misconduct of any of them could result in violation of law by us, regulatory sanctions, litigation or serious reputational or financial harm. Misconduct could include:

- making misrepresentation when marketing or selling insurance to insurance clients;
- hindering insurance applicants from making full and accurate mandatory disclosures or inducing applicants to make misrepresentations;
- hiding or falsifying material information in relation to insurance contracts;
- fabricating or altering insurance contracts without authorisation from relevant parties, selling false policies, or providing false documents on behalf of the applicants;

- falsifying insurance agency business or fraudulently returning insurance policies to obtain commissions;
- colluding with applicants, insured persons, or beneficiaries to obtain insurance benefits;
- engaging in false or falsified claims; or
- otherwise not complying with laws and regulations or our control policies, procedures, and undertakings.

We cannot assure you, therefore, that misconduct by any of our insurance agent may not occur, whether unintentional or otherwise, which may negatively impact our business, results of operations or financial condition. In addition, the general increase in misconduct in the industry could potentially harm the reputation of the industry and have an adverse impact on our business.

Acquisition, strategic alliances and investments could be difficult to integrate, disrupt our business and lower our result of operations and the value of your investment.

As part of our business strategy, we will evaluate and make investments in or acquisitions of complementary businesses, joint ventures, services and technologies, or enter into alliances with strategic partners in the future. Acquisitions, alliances and investments involve numerous risks, including the potential failure to achieve the expected benefits of the combination or acquisition; difficulties in, and the cost of, integrating operations, technologies, services and personnel; potential write-offs of acquired assets or investments; and downward effect on our results of operations.

In addition, if we finance acquisitions by issuing equity or convertible debt securities, shareholdings of our existing shareholders may be diluted, which could affect the market price of our shares. Further, if we fail to properly evaluate and execute acquisitions or investments, our business and prospects may be adversely affected and the value of your investment may decline.

Furthermore, we may fail to identify or secure suitable acquisition and business partnership opportunities or our competitors may capitalise on such opportunities before we do, which could impair our ability to compete with our competitors and adversely affect our growth prospects and results of operations.

We may not be able to implement our business development strategy as we plan.

Our business development plan include strengthening and expanding our geographical presence in the PRC. For more details, please refer to the sections headed "Business — Business Strategies" and "Future Plans and Use of [REDACTED]" in this document. We may not be able to effectively manage the wider scope of our operations or achieve the desired profitability from such expansion. The challenges that we may face in relation to this may include, but not limited to:

- our Directors' experience or knowledge in the new locations and the regulatory requirements applicable to such new locations;
- the different extent of market development and competitiveness in the cities in which we plan to expand our presence in;
- our ability to obtain necessary regulatory approvals and registrations;
- our ability to obtain capital at reasonable costs to fund pre-opening expenses as well as our ability to control expenses and prevent delays or cost overruns;
- our ability to identify suitable locations to establish our new branches; and
- our ability to negotiate the commercially acceptable rental arrangements for setting up our new branches.

Any of the aforementioned factors could extend the time required to achieve profitability which in turn impacts our business, financial condition, operating results and business prospects. Our expansion into new locations may present competitive and operational challenges that are different from those we currently encounter. Our failure to respond to these challenges could materially and adversely affect our business prospects and may have material adverse impact on our business operations and financial position.

If we are unable to manage our growth or execute our strategies effectively, our business and prospects may be materially and adversely affected.

Our business has grown substantially since our inception, and we expect continued growth in the scale of our business and our operations. As we pursue our business growth and strive to expand our customer base, we endeavor to establish presence in new geographical markets, introduce new insurance products and types of IT services and solutions, and work with a variety of additional business partners, including insurance company partners, insurance agents and strategic channel partners to address the evolving needs of the end consumer market. We may have limited or no experience for certain new product and service offerings, and our expansion into these new product and service offerings may not achieve broad acceptance among our customers or end consumers. These offerings may present new and difficult technological or operational challenges, and we may be subject to claims if end consumers, mainly insurance clients, do not have satisfactory experiences in general. To effectively manage the expected growth of our business and operational scale, we will need to continue improving our transaction processing, technological, operational and financial systems, policies, procedures and controls. All of these endeavours involve risks and will require significant management, financial and human resources. We cannot assure you that we will be able to effectively manage our growth or to implement our strategies successfully. If we are not able to manage our growth effectively, or at all, our business and prospects may be materially and adversely affected.

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

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

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

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

We may not be able to prevent others from making unauthorised use of our intellectual property.

We regard our software registration, trademarks, domain names, know-how, proprietary technologies and similar intellectual property as critical to our success, and we rely on a combination of intellectual property laws and contractual arrangements, including confidentiality and non-compete arrangements with our key employees and others to protect our intellectual property rights. Despite these measures, any of our intellectual property rights could be challenged, invalidated, circumvented or misappropriated, or such intellectual property may not be sufficient to provide us with competitive advantages. In addition, there can be no assurance that (i) our application for the registration of trademarks and other intellectual property rights will be approved; (ii) any intellectual property rights will be adequately protected; or (iii) such intellectual property rights will not be challenged by third parties or found by a judicial authority to be invalid or unenforceable. If the trademarks or other intellectual property rights we use could not be registered, we may fail to prevent others from using these marks or other intellectual property rights, and our business, financial condition and results of operations may be materially and adversely affected.

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

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

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

We may also face regulatory actions from time to time. A material legal liability or material regulatory enforcement could have an adverse effect on us or cause damage to our reputation, which may harm our business prospects. We are subject to periodic inspections by PRC regulatory authorities, which may impose fines and other punishments on us. During the Track Record Period, we received an administrative penalty from the CBIRC in the amount of RMB10,000 for failing to (i) ensure the accuracy of the education information of an insurance agent; and (ii) present the latest customer notification letter at one of our branch offices. Save for the above, no other administrative penalties had been imposed or was foreseeable to be imposed against us by any PRC regulatory authorities. As at the Latest Practicable Date, our Group has completed the rectification work and settled the administration penalties. While the above administrative penalty from the CBIRC did not have a material adverse effect on our business, results of operations or financial condition, we cannot assure you that future inspections by PRC regulatory authorities would not result in penalties, fines or other punishments, or the issuance of negative reports or opinions, that could materially and adversely affect our reputation, business, results of operations or financial condition.

Our limited insurance coverage could expose us to significant costs and business disruption.

We believe we maintain insurance policies covering risks in line with industry standards. We maintain limited business liability, litigation and property insurance. We do not have any business interruption insurance. Any uninsured occurrence of business disruption, litigation or natural disaster, or significant damages to our uninsured equipment or facilities could have an adverse effect on our results of operations. The insurance companies in China currently offer limited business-related insurance products. As such, we may not be able to insure certain risks related to our assets or business even if we desire to. If we were to incur substantial losses or liabilities due to natural disaster, disruption in our network infrastructure or business operations, or any material litigation, our results of operations could be materially and adversely affected. Our current insurance coverage may not be sufficient to prevent us from any loss, and we may not be able to successfully claim our losses under our current insurance policies on a timely basis, or at all. If we incur any loss beyond the coverage of our insurance policies, or the amount indemnified is significant less than our actual loss, our business, financial condition and results of operations could be materially affected.

We face risks related to natural disasters, health epidemics, civil and social disruption and other outbreaks, which could significantly disrupt our operations.

We are vulnerable to social and natural catastrophic events that are beyond our control, such as natural disasters, health epidemics, and other catastrophes, which may materially and adversely affect our business. Natural disasters may give rise to server interruptions, breakdowns, system failures, technology platform failures or internet failures, which could cause the loss or corruption of data or malfunctions of software or hardware as well as adversely affect our ability to operate our platform and provide services. Our business could also be adversely affected if our employees are affected by health epidemics. In addition, our results of operations could be adversely affected to the extent that any health epidemic harms the economy in general. The outbreak of COVID-19 has severely impacted the world. In an effort to contain the spread of COVID-19, China has taken effective precautionary measures that reduced economic activities, including temporary closure of corporate offices, retail outlets and manufacturing facilities and strict implementation of quarantine measures. These measures may have affected sales activities of our insurance agents as it became difficult for them to arrange face-to-face meetings with household clients. Such measures may have certain extent also hindered the business activities of our business partners, which may, in turn, have a negative impact on our business with these business partners. The frequency and magnitude of effect brought by these risks are beyond our control and we could not guarantee that our IT infrastructure that allow for remote access of computer systems could adequately support our business operations. Also, the outbreak may severely affect and restrict the level of economic activities as the government may impose regulatory or administrative measures quarantining affected areas or other measures to control or contain the outbreak of the infectious disease, which in turn may have a material and adverse effect on our business, financial position and results of operations. There is also no assurance that COVID-19 outbreak will not further escalate with new variant cases entailing re-imposed restrictive measures which may in turn have a material adverse effect on our results of 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 business activities and the broader economy are still difficult to assess or predict and pose uncertainties that will be difficult to quantify. Consequently, if any natural disasters, health epidemics or other public safety concerns were to affect our offices, our operations may experience material disruptions, which may materially and adversely affect our business, financial conditions and results of operations.

RISKS RELATING TO OUR INDUSTRY

Our businesses are subject to regulation and administration by the insurance regulatory authorities and other government authorities, and failure to comply with any applicable regulations and rules by us could result in financial losses or harm to our business.

We are subject to Insurance Law, "Provisions on the Regulation of Insurance Agents" (保險代理人監管規定), "Measures for the Regulation of Internet Insurance Business" (互聯網保險業務監管辦法), and related rules and regulations. Our insurance agency business, which involves distribution of property, life and health, accident and automobile insurance products, is extensively regulated by the insurance regulatory authorities, which have been given discretion in its administration of these laws, rules and regulations as well as the authority to impose regulatory sanctions on us. Under the amendments to the Insurance Law promulgated in 2009, the insurance regulatory authorities have been granted greater regulatory oversight over the PRC insurance industry, in part to afford policyholders more protection.

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

Furthermore, the regulatory authorities continuously strengthen the regulation and administration for the sale and information disclosure of insurance products, the informatisation work and internet insurance business of the insurance agencies by releasing (i) the Administrative Measures for Insurance Sales (Draft for Comments) (《保

險銷售行為管理辦法》(徵求意見稿)) on 19 July 2022; (ii) the Administrative Measures for the Disclosure of Information on Personal Insurance Products (《人身保險產品信息披露管理辦法》) on 11 November 2022, which will take effect on 30 June 2023; (iii) the Regulatory Measures for the Informatisation Work of Insurance Intermediaries (《保險中介機構信息化工作監管辦法》) on 5 January 2021; and (iv) the Notice on Commencement of Specific Rectification of Market Chaos in the Internet Insurance Industry (《關於開展互聯網保險亂象專項整治工作的通知》) in August 2021.

Regardless, failure to comply with any of the laws, rules and regulations to which we are subject could result in fines, restrictions on business expansion, which could materially and adversely affect us. The laws, rules and regulations under which we are regulated may change from time to time, and there is uncertainty associated with their interpretation and application. We cannot assure you that future legislative or regulatory changes would not have a material adverse effect on our business, results of operations and financial condition.

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

We are required by PRC laws and regulations to hold various licenses, permits and approvals issued by relevant regulatory authorities to allow us to conduct our business operations including license for operating insurance agency service. Any infringement of legal or regulatory requirements, or any suspension or revocation of these licenses, permits and approvals may have a material adverse impact on our business. The licensing requirements within the insurance and insurance agency industry are constantly evolving and we may be subject to more stringent regulatory requirements due to clarification or change in interpretation or implementation of laws and regulations, or promulgation of new regulations or guidelines in China. We may be required to obtain other licenses, permits or approvals, or otherwise comply with additional regulatory requirements in the future. We cannot assure you that we will be able to retain, obtain or renew relevant licenses, permits or approvals in the future. This may, in turn, hinder our business operations and materially and adversely affect our business, results of operations and financial condition.

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

The advancement of financial technologies and the emergence of Internet insurance products allow insurance companies to directly access to a broader client base at a low cost, and more insurance clients may decide to purchase insurance directly from insurance companies. A rising number of traditional insurance companies have established their own online platforms to sell Internet insurance products directly to insurance clients. The process of eliminating agencies as intermediaries, known as "disintermediation," could place us at a competitive disadvantage and reduce the need for our products and services. Disintermediation could also result in significant decrease in business volume and loss of commission income from our insurance agency business, which could have a material adverse effect on our business, financial condition, results of operations and prospects.

RISKS RELATING TO CONDUCTING OUR BUSINESS IN THE PRC

Economic, political and social conditions in the PRC and PRC government policies could affect our results of operations, financial condition and prospects.

We conduct our business operations within the PRC. Our operating performance has been and will continue to be affected by the PRC economy, which in turn is influenced by the global economy. The uncertainties relating to the global economy and the political environment in various regions of the world will continue to impact PRC's economic growth. We are unable to predict all the risks and uncertainties that we face as a result of current economic, political, social and regulatory developments, and many of these risks are beyond our control. All such factors may adversely affect our business, financial condition and results of operations. There can be no assurance that we will not be adversely affected by current or future government measures or reform policies or the PRC government's continuing influence on business and the economy in China.

Changes and developments in the PRC legal system and the interpretation and enforcement of PRC laws, regulations and rules may subject us to uncertainties.

Our business and operations are conducted in the PRC and are governed by PRC laws, regulations and rules. The overall effect of legislation over the past decades has significantly enhanced the protections afforded to various forms of foreign investment in China. The PRC legal system comprises statutory laws, regulations, circulars, administrative directives and internal guidelines. On the one hand, such legal system is still evolving rapidly and the PRC governmental authorities may continue to promulgate new laws and regulations regulating our business. Some of the foregoing provisions, and the interpretation, implementation and enforcement thereof are subject to policy changes and adjustments in response to changing economic, social and other conditions. On the other hand, due to the fact that the PRC legal system and economic and social conditions are growing at different paces, some degree of uncertainty exists in connection to whether and how existing laws and regulations are applicable to certain circumstances. We cannot assure you that our business operations would not be deemed to violate any existing or future PRC laws or regulations, which in turn may limit or restrict us, and could materially and adversely affect our business and operations.

Furthermore, we may have to resort to administrative and court proceedings to enforce the legal protections that we enjoy either by law or contract. Any administrative and court proceedings in China may be time-consuming, resulting in substantial costs and diversion of resources and management attention. Since PRC administrative and court authorities have certain discretion in interpreting and implementing statutory and contractual terms, it may be difficult to evaluate the outcome of administrative and court proceedings and the level of legal protection we enjoy. These uncertainties may impede our ability to enforce the contracts we have entered into and could materially and adversely affect our business, financial condition and results of operations.

We may be subject to additional regulatory requirements under new laws and regulations in connection with overseas [REDACTED] or [REDACTED] issued by PRC government authorities.

On 6 July 2021, the General Office of the State Council together with another authority jointly promulgated the Opinion on Severely Punishing Illegal Activities in Securities Market (the "**Securities Activities Opinions**") (《關於依法從嚴打擊證券違法活動的意見》), which calls for the enhanced administration and supervision of overseas-listed China-based companies, proposes to revise the relevant regulation governing the overseas issuance and listing of shares by such companies and clarifies the responsibilities of competent domestic industry regulators and government authorities. 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 [REDACTED] 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. We will file with the CSRC within the specific time limit as required by the Overseas Listing Trial Measures to ensure our compliance in all respects. Given that the Overseas Listing Trial Measures were recently promulgated, there remain uncertainties as to their interpretation, application, and enforcement and how they will affect our operations and our future financing. In addition, it is uncertain whether we can or how long it will take us to complete such filings for the [REDACTED] or our future financing activities. Any failure to complete such filings for the [REDACTED] or any of our future financing activities would subject us to sanctions by the PRC government authorities. Furthermore, such failure may adversely affect our ability to finance the development of our business and may have a material adverse effect on our business and financial condition.

Non-resident holders of H Shares are subject to PRC income tax and there are uncertainties as to the PRC tax obligations of non-resident holders of H Shares.

Under current PRC tax laws, regulations and rules, foreign individuals and foreign enterprises that are not PRC residents are subject to different tax obligations with respect to the dividends paid by us or the gains realised upon the sale or other disposition of H Shares.

Pursuant to the Notice of the State Taxation Administration on Issues Concerning the Levy and Administration of Individual Income Tax After the Repeal of Guo Shui Fa [1993] No. 45 (Guo Shui Han [2011] No. 348) (國家稅務總局關於國稅發[1993]045號文件廢止後有關個人所得稅徵管問題的通知(國稅函[2011]348號)) issued by the STA on 28 June 2011, we are required to withhold taxes from dividend payments to non-PRC resident individual holders of H Shares at rates ranging from 5% to 20% (usually 10%), depending on the applicable tax treaty between the PRC and the jurisdiction in which the non-PRC resident individual holder of H Shares resides. Non-PRC resident individual holders of H Shares who reside in jurisdictions that have not entered into tax treaties with the PRC are subject to a 20% withholding tax on dividends received from us.

Under the EIT Law and its implementation rules, for non-PRC resident enterprises that do not have offices or establishments in the PRC, or have offices or establishments in the PRC to which their income is not related, dividends paid by us and the gains realised by such non-PRC resident enterprises upon the sale or other disposition of H Shares are ordinarily subject to EIT at a rate of 10%, subject to a further reduction under a special arrangement or applicable treaty between the PRC and the jurisdiction of the relevant foreign enterprise's residence. In accordance with the Notice of the STA on the Issues Concerning Withholding the Enterprise Income Tax on the Dividends Paid by Chinese Resident Enterprises to H-Share Holders Which Are Overseas Non-resident Enterprises (Guo Shui Han [2008] No. 897) (國家稅務總局關於中國居民企業向境外H股非居民企業股東派發股息代扣代繳企業所得稅有關問題的通知(國稅函[2008]897號)), which became effective on 6 November 2008, 10% withholding tax shall be imposed on dividends paid by Chinese resident enterprises to holders of H Shares that are overseas non-resident enterprises. These holders of H Shares may apply for tax refunds in accordance with applicable tax treaties or arrangements, if any. In addition, the PRC tax laws, rules and regulations may also change from time to time. If the tax rates stipulated in the EIT Law and the related implementation rules are amended, the value of your investment in our H Shares could be materially and adversely affected. In addition, it is also unclear whether and how the individual income tax and the EIT on gains realised by non-resident holders of H shares through the sale, or transfer by other means, of H shares will be collected by the PRC tax authorities in the future. Considering these uncertainties, non-resident holders of our H Shares should be aware that they may be obligated to pay PRC income tax on the dividends and gains realised through sale or transfers of the H Shares.

China's tax laws and regulations may also change. In the event of any unfavorable changes in applicable tax laws and regulations or their interpretation or applicable, the value of your investment in our H Shares may be materially affected.

Government control of currency conversion and fluctuations in the exchange rates of the Renminbi may adversely affect our business and results of operations and our ability to remit dividends.

Substantially all of our revenue and expenses are denominated in Renminbi, which is not a freely traded currency. We may need to convert a portion of our revenue to foreign currencies to meet some of our financial obligations (e.g. to pay out declared dividends on H Shares in the [REDACTED]).

The PRC government imposes controls on the convertibility of the Renminbi into foreign currencies and, in certain cases, the remittance of currency out of China. Under existing Chinese foreign exchange regulations, payments of current account items, including dividend payments, interest payments and expenditures from trade-related transactions, can be made in foreign currencies without prior approval from SAFE by complying with certain procedural requirements. However, approval from SAFE is required for foreign currency conversions for payment under capital account items such as equity investments. The PRC government may also restrict our access in the future to foreign currencies for current account transactions when it deems necessary. As a result, we might not be able to pay dividends to the holders of our H Shares in foreign currencies.

Since a significant amount of our future cash flows from operations will be denominated in Renminbi, any existing and future restrictions on currency exchange may limit our ability to purchase goods and services outside of China or otherwise fund our business activities that are conducted in foreign currencies. This could also affect our ability of to obtain foreign debt or equity financing, including by means of loans or capital contributions from us.

Fluctuation of the exchange rate between Renminbi and Hong Kong dollars may also affect the dividends that we pay to our H Share Shareholders. To the extent that we need to convert Hong Kong dollars that we will receive from the [REDACTED] into Renminbi for our operations, appreciation of Renminbi against the Hong Kong dollar would have an adverse effect on the Renminbi amount that we will receive. Conversely, if we decide to convert our Renminbi into Hong Kong dollars for the purpose of making dividend payments on our H Shares or for other business purposes, appreciation of the Hong Kong dollar against Renminbi would reduce the Hong Kong dollar amount available to us.

It may be difficult to effect service of legal process or enforce judgements obtained from non-PRC courts against us.

Our Company is incorporated in the PRC. You may not be able to bring claims against our Company, the Directors, the Supervisors or executive officers in Hong Kong or elsewhere outside China, even if the legal claims arise out of the law in that country. A judgment of a court of another jurisdiction may be reciprocally recognised or enforced in China only if the jurisdiction has a treaty with China or if the jurisdiction has been otherwise deemed by PRC courts to satisfy the requirements for reciprocal recognition, subject to satisfaction of other requirements. However, China has not entered into any treaty for reciprocal recognition and enforcement of court judgements with the U.S., the United Kingdom, Japan and many other countries. As a result, court judgements against us obtained in other jurisdictions may be difficult or impossible to enforce in China.

Investors should be aware that a foreign judgement rendered against us or our Directors, our Supervisors or executive officers may not receive recognition and enforcement in PRC courts.

RISKS RELATING TO THE [REDACTED]

Any possible conversion of our Domestic Shares into H Shares in the future could increase the supply of our H Shares in the market and negatively impact the market price of our H Shares.

According to applicable PRC laws and regulations, all of our Domestic Shares may be converted into H Shares in the future, and such converted Shares may be listed or traded on an overseas stock exchange, provided that prior to the conversion and trading of such converted Shares any requisite internal approval by our Shareholders in a general meeting shall have been duly obtained and the filing with the CSRC shall have been completed. However, the PRC Company Law provides that in relation to the public offering of a company, the shares of that company which are issued prior to the public offering shall not be transferred within one year from the date of the listing. Therefore, upon obtaining the requisite approval and completing the requisite regulatory procedures, our Domestic Shares may be traded, after the conversion, in the form of H Shares on the Stock Exchange after one year of the [REDACTED], which could further increase the supply of our H Shares in the market and negatively impact the market price of our H Shares.

There has been no prior public market for our Shares; the liquidity and market price of our H Shares may be volatile.

Prior to the [REDACTED], there has been no public market for our H Shares. The [REDACTED] for our H Shares was the result of negotiations among our Company and the [REDACTED] on behalf of the [REDACTED] and the [REDACTED] may differ significantly from the market price for our H Shares following the [REDACTED]. We have applied for [REDACTED] in our H Shares on the Stock Exchange. A listing on the Stock Exchange, however, does not guarantee that an active and liquid trading market for our H Shares will develop, or if it does develop, will be sustained following the [REDACTED]. The market price of our H Shares may also decline following the [REDACTED]. In addition, the [REDACTED] may not result in the development of an active and liquid public trading market for our H Shares. Furthermore, the price and trading volume of our H Shares may be volatile. Factors such as the following may affect the volume and price at which our H Shares will trade:

- actual or anticipated fluctuations in our revenue and results of operations;
- loss of significant customers or material default by our customers;
- news regarding recruitment or departure of key personnel by us or our competitors;
- announcements of new investments, strategic alliances and/or acquisitions in our industry; and
- changes in earnings estimates or recommendations by financial analysts;
- potential litigation or regulatory investigations;
- general market conditions or other developments affecting us or our industry;
- the release of lock-up or other transfer restrictions on our outstanding H Shares, or sales or perceived sales of additional H Shares by us or other shareholders;
- our inability to obtain or maintain regulatory approval for our business operations; and
- the operating and stock price performance of other companies, other industries and other events or factors beyond our control.

Any such developments may result in large and sudden changes in the volume and price at which our H Shares will trade. We can give no assurance that these developments will not occur in the future.

In addition, in recent years, stock markets in general, and particularly the shares of companies with substantial operations in the PRC, have experienced increasing price and volume fluctuations, some of which have been unrelated or disproportionate to the operating performance of such companies. As a result, investors in our H Shares may experience volatility in the market price of their H Shares and a decrease in the value of H Shares regardless of our operating performance or prospects.

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

The market price of our H Shares could decline as a result of future sales of substantial amounts of our H Shares or other securities relating to our H Shares in the public market or the issuance of new H Shares, or the perception that such sales or issuances may occur. Future sales, or perceived sales, of substantial amounts of our H Shares could also materially and adversely affect our ability to raise capital in the future at a time and at a price we deem appropriate. In addition, our Shareholders may experience dilution in their holdings to the extent we issue additional H Shares in future [REDACTED].

Since there will be a gap of several days between pricing and trading of our H Shares, holders of our H Shares are subject to the risk that the price of our H Shares could fall during the period before trading of our H Shares begins.

The [REDACTED] of our H Shares is expected to be determined on the [REDACTED]. However, our H Shares will not commence trading on the Stock Exchange until they are delivered, which is expected to be several business days after the pricing date. As a result, investors may not be able to sell or deal in our H Shares during that period. Accordingly, holders of our H Shares are subject to the risk that the price of our H Shares could fall before trading begins as a result of adverse market conditions or other adverse developments, that could occur between the time of sale and the time trading begins.

Our future financing may cause dilution of your shareholding or place restrictions on our operations.

In order to raise capital and expand our business, we may consider [REDACTED] and [REDACTED] additional H Shares or other securities convertible into or exchangeable for the H Shares in the future other than on a pro rata basis to our then existing Shareholders. As a result, the shareholdings of those Shareholders may experience dilution in net asset value per Share. If additional funds are to be raised through debt financing, certain restrictions may be imposed on our operations, which may (i) further limit our ability or discretion to pay dividends; (ii) increase our risks in adverse economic conditions; (iii) adversely affect our cash flows; or (iv) limit our flexibility in business development and strategic plans.

You will experience immediate dilution and may experience further dilution if we issue additional H Shares or convert Domestic Shares into H Shares under the H Share full circulation.

Potential investors will pay a price per H Share that substantially exceeds the per H Share value of our Company's tangible assets after subtracting our Company's total liabilities and will therefore experience immediate dilution when purchasing the H Shares offered in the [REDACTED]. As a result, if our Company were to distribute its net tangible assets to our Shareholders immediately following the [REDACTED], potential investors would receive less than the amount they paid for their H Shares. In addition, if we issue additional H Shares or equity-linked securities at a price lower than the net tangible asset value per H Share at the time of issuance, you and other purchasers of our H Shares may experience further dilution in the net tangible asset value per H Share. Given the promotion of H Share full circulation by the CSRC in November 2019, we may be allowed to convert certain of our Domestic Shares into H Shares after the [REDACTED] if we are qualified pursuant to the relevant CSRC requirements. Such conversion will increase the number of H Shares and your shareholding under the class of holders of our H Shares will be diluted.

We may not be able to pay any dividends or make other distributions on our Shares.

We did not declare or pay any dividend during the Track Record Period. Our Board has discretion in determining the frequency and amount of dividend distributions, which will be subject to the approval of our Shareholders at a general meeting. A decision to declare or to pay any dividends and the amount of any dividends will depend on various factors, including but not limited to our cash flows, financial condition and results of operations, capital adequacy ratios, operating and capital expenditure requirements, distributable profits of our PRC subsidiaries as determined under PRC GAAP or IFRS (whichever is lower), our Articles of Association, statutory and regulatory restrictions on the payment of dividends and other factors that our Board deems relevant. Although the PRC GAAP are in all material aspects identical with IFRS and the differences between our distributable profits recorded under the PRC GAAP and IFRS are immaterial, the calculation of distributable profits under the PRC GAAP may be different from the calculation under IFRS in certain respects, and our operating subsidiaries may not have distributable profits as determined under the PRC GAAP even if they have profits for that year as determined under IFRS, or vice versa. Accordingly, we may not receive sufficient distributions from our PRC subsidiaries.

We have significant discretion as to how we will use the [REDACTED] of the [REDACTED], and you may not necessarily agree with how we use them.

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

We cannot assure you the accuracy of facts, forecasts and other statistics with respect to the PRC, the PRC economy and the industry in which we operate contained in this document.

We have derived certain facts, forecasts and other statistics in this document, particularly those relating to the PRC, the PRC economy and the industry in which we operate, from information provided by the PRC and other government agencies, industry associations, independent research institutes or other third-party sources. While we have taken reasonable care in the reproduction of the information, it has not been prepared or independently verified by us, the Sole Sponsor, the [REDACTED], the [REDACTED], the [REDACTED], the [REDACTED] or any of our or their respective affiliates or advisers, and, therefore, we cannot assure you as to the accuracy and reliability of such facts, forecasts and statistics, which may not be consistent with other information compiled inside or outside the PRC. Such facts, forecasts and statistics include the facts, forecasts and statistics used in "Risk Factors," "Industry Overview" and "Business." Because of possibly flawed or ineffective collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced for other economies, and you should not place undue reliance on them. Furthermore, we cannot assure you that they are stated or compiled on the same basis, or with the same degree of accuracy, as similar statistics presented elsewhere. In all cases, you should consider carefully how much weight or importance you should attach to or place on such facts, forecasts or statistics.

This document contains certain hypothetical information based on changes relative to historical events and analysis based on it, and you should not place undue reliance on this information or analysis.

This document contains certain hypothetical information and analysis based on it, which includes the use of certain accompanying assumptions. Our Company cannot offer assurances that the assumptions would have been true under the hypotheses presented or that the results of these hypothetical changes would have matched the results presented. For more details, please refer to the section headed "Financial Information — Key Factors Affecting Our Results of Operation — Cost of insurance agency business" in this document. Given the hypothetical nature of this information and the uncertainty of the assumptions made, the results that would have resulted under these hypotheses might not have occurred in the way we had expected. Accordingly, you should not place undue reliance on the hypothetical information and related analysis included in this document.

Investors should read the entire document carefully and should not place any reliance on any information contained in press articles or other media in making your investment decision.

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