
HISTORY, REORGANIZATION AND CORPORATE DEVELOPMENT

OVERVIEW

Our history can be traced back to the establishment of Shanghai Trueland by Mr. Zhao and Ms. ZHAO Fangqi (趙芳琪) with their own financial resources in 2009. For details of biographies of Mr. Zhao and Ms. ZHAO Fangqi, see “Directors and Senior Management” of this document. Following the incorporation of Shanghai Trueland, we offer marketing and sales SaaS solutions through our Marketingforce platform to serve enterprises of any size with a variety of needs.

Rooted in Mr. Zhao’s professional background in mechanical engineering and automation, and driven by the wave of development of Internet industry in China, Mr. Zhao deepened his understanding of the Internet industry and tapped into the potential of SaaS business, and therefore founded Shanghai Trueland. Since our establishment in 2009, we, as led by our founder Mr. Zhao, have been dedicated to marketing-related business development, and have gradually launched individual products, such as website building and online content distribution, which later were integrated as functional modules in our SaaS products over the years. In 2011, the development of the Internet technology and relevant online services had led to a growing number of Internet users. As the amount of online traffic increased, enterprises recognized online advertising as an essential channel for customer acquisition. We were keenly aware of the increasing customer demand, and leveraged our existing experience in online marketing to engage in precision marketing services. We established Shanghai Kaililong specialized in precision marketing services for advertising on top-tier media platforms. At the initial stage of the business, we mainly cooperated with and procured traffic from major media platforms at the time including Baidu, Sina and Tencent. Our management team has witnessed the rapid development and major changes in China’s marketing market, and actively explores business models that are more in line with the market trend to seek more business opportunities. With the rapid development of technologies such as cloud computing, the demand for enterprises to improve marketing efficiency continues to emerge. Our management team deeply recognizes the huge development prospects of the SaaS business model and launched SaaS business through Shanghai Trueland in 2013. In 2013, we commenced designing and construction of our Marketingforce platform, the starting point of our journey to offer all-in-one marketing and sales solutions to Chinese enterprises. After two years of product development, in 2015, we released our signature product, the one-stop marketing SaaS product T Cloud, at the 360 software open platform.

From 2015 to 2019, we continued to expand our business coverage and successively set up branch offices in Shenzhen, Chengdu, Suzhou, Wenzhou, Hangzhou, and Ningbo. During this period, we continued to improve our products and offerings to gain greater competitive advantages. In 2017, we started to integrate various products in T cloud and offered as a package, including major functions such as online customer service, remarketing campaigns, and H5 page design. We introduced major updates for two main categories of functions, namely, intelligent official platform building and smart marketing content distribution, and launched various key functions including mini program development, hot topic identification and promotion materials generation. In addition, we substantially upgraded our official website building and mini program development functions to enable visualized design. In 2018, we added key customer management functions based on the WeChat platform as well as mini-program e-commerce tools, helping our customers improve operation efficiency. In 2019, we also transitioned T Cloud from client version to a web-based product, linking the various functions, data produced, and customer accounts together.

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Starting from 2019, with various governmental policies favorable to the development of SaaS enterprises being introduced, our management team predicted that the Chinese marketing and sales SaaS market would enter a rapid development stage. Therefore, we made further investments in research and development activities and expanded our sales network in order to gain first-mover advantages. Our R&D team expanded from more than 140 staff in 2019 to more than 200 staff in 2020. As of January 1, 2020, we provided 35 functional modules under our SaaS business, and we have continued to expand our offerings since then, with the number of functional modules growing to 52 as of December 31, 2020 and further to 237 as of December 31, 2023. With the rise of short video platforms, we continued to enrich the modules for short video marketing product in our products in 2020. We launched our one-stop sales SaaS product, True Client, in 2021, continuously enriching our SaaS product matrix. Starting from 2021, we expanded our operations and set up offices in more than ten cities, such as Zhongshan, Guangzhou, Nanjing, and Dongguan. Our sales offices for SaaS business covered nine cities as of December 31, 2019, which extended to 23 cities as of December 31, 2023. Our sales team expanded from more than 510 staff as of December 31, 2019 to more than 670 staff as of December 31, 2020, and further to more than 900 staff as of December 31, 2023. Meanwhile, our administrative team expanded from more than 210 staff as of December 31, 2019 to more than 390 staff as of December 31, 2020 and remained at 391 staff as of December 31, 2023, respectively. Benefiting from our efforts in refining SaaS products and increasing marketing and promotional activities, we expanded our customer base of SaaS business, which increased from 24,127 in 2021 to 25,495 in 2023. The average contract value per user concurrently increased from RMB45,026 in 2021 to RMB51,238 in 2023. While we once experienced reduced marketing activities and higher customer attrition under the adverse impact of the pandemic in 2022, we had resumed with the expansion of our SaaS business since early 2023, leveraging our established sales network.

Our Company was incorporated as an exempted company with limited liability in the Cayman Islands on February 23, 2021, as the holding company of our business as a whole.

MILESTONES OF DEVELOPMENT

Our Group has experienced significant growth in its scale of operations since 2009 and the following is a summary of our Group’s key development milestones:

Year	Event
2009	Shanghai Trueland was established in Shanghai.
2011	Shanghai Kaililong was established in Shanghai.
2013	Shanghai Trueland launched SaaS service business.
	We commenced designing and construction of our Marketing force platform.

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Year	Event
2014	Wuxi Trueland was established in Wuxi.
2015	We launched our signature all-in-one marketing SaaS product T Cloud at 360 software open platform. Guangdong Trueland was established in Guangdong.
2019	We won the Second Prize for National Science and Technology Progress Award. We upgraded T Cloud from client version to a web-based software.
2020	We introduced the functional modules for short videos production, distribution and management on T Cloud.
2021	We launched our signature all-in-one sales SaaS product True Client.
2022	Hubei Trueland Digital Intelligent Technology Co., Ltd. was established in Hubei.

See “Business – Awards and Recognitions” for further details.

CORPORATE DEVELOPMENT OF OUR GROUP

Our Major Subsidiaries and Consolidated Affiliated Entities

The principal business activities, place of establishment and date of establishment of each member of our Group that made a material contribution to our results of operation during the Track Record Period are shown below:

Name of company	Place of establishment	Principal business activities	Date of establishment
Shanghai Trueland	PRC	SaaS business and operation of cloud services business through our data middle platform	September 25, 2009

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Name of company	Place of establishment	Principal business activities	Date of establishment
Wuxi Trueland	PRC	precision marketing business and SaaS business	May 20, 2014
Shanghai Kaililong	PRC	precision marketing business	May 16, 2011

Commencement of our business and onshore equity financing

We commenced operations in September 2009, Shanghai Trueland was established by Mr. Zhao and Ms. ZHAO Fangqi with their own personal wealth, a limited liability company established in the PRC with a registered share capital of RMB0.5 million and was owned by Mr. Zhao and Ms. ZHAO Fangqi as to 90% and 10%, respectively. Our business was held through Shanghai Trueland and conducted by itself and its subsidiaries.

On April 25, 2011, the registered share capital of Shanghai Trueland was increased from RMB0.5 million to RMB10 million through a capital injection of a total amount of RMB9.5 million, among which RMB8.55 million was contributed by Mr. Zhao and RMB0.95 million was contributed by Ms. ZHAO Fangqi. Immediately after the capital increase, Shanghai Trueland was owned by Mr. Zhao and Ms. ZHAO Fangqi as to 90% and 10%, respectively.

During the period from December 2015 to February 2021, Shanghai Trueland conducted multiple rounds of onshore financings, through which the onshore affiliates of the Pre-[REDACTED] Investors invested in our business. See “Appendix IV Statutory and General Information – A. Further Information about Our Group – 3. Changes in Share Capital of Our Subsidiaries and Consolidated Affiliated Entities” for details of change of share capital in Shanghai Trueland within two years immediately preceding the date of this document. The capital structure of Shanghai Trueland following such onshore financings and additional transfers among shareholders immediately prior to the Reorganization is set out in the table below.

Item	Name of shareholder of Shanghai Trueland	Registered capital contributed (RMB)	Equity Interest in Shanghai Trueland (%)
1	Mr. Zhao	10,997,400	35.2865%
2	Ms. Zhu	9,300,000	29.8402%
3	Shanghai Hongyu ⁽¹⁾	3,000,000	9.6259%

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Item	Name of shareholder of Shanghai Trueland	Registered capital contributed (RMB)	Equity Interest in Shanghai Trueland (%)
4	Hangzhou Charm Equity Investment Partnership (Limited Partnership) (杭州長焱股權投資合夥企業(有限合夥), “ Hangzhou Charm ”) ⁽²⁾	3,000,000	9.6259%
5	Ms. ZHAO Fangqi (趙芳琪) ⁽³⁾	2,400,000	7.7005%
6	Shanghai Zhiyu ⁽⁴⁾	702,600	2.2544%
7	Mr. TAN Kaihua (譚凱華) ⁽⁵⁾	600,000	1.9252%
8	Jiaxing Hengjie Equity Investment Partnership (Limited Partnership) (嘉興恆捷股權投資合夥企業(有限合夥), “ Jiaxing Hengjie ”) ⁽⁶⁾	566,000	1.8162%
9	Ms. XU Wenhua (許文華) ⁽⁵⁾	441,400	1.4164%
10	Mr. GUO Peimin (郭培民) ⁽⁵⁾	158,600	0.5088%
Total		31,166,000	100%

Notes:

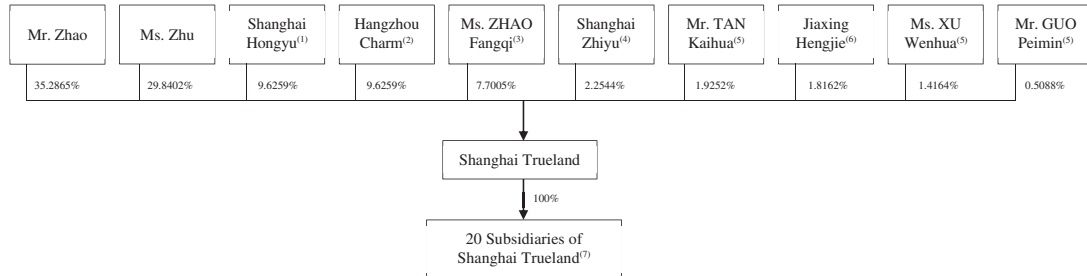
- (1) Shanghai Hongyu is a limited partnership incorporated in the PRC as our employee stock ownership platform held by Mr. XU Jiankang, our executive Director and senior vice president, as to 39.41% interest as general partner, and other 15 staff of the Group as to 60.59% interest as limited partners, none of whom holds one-third or more interest in Shanghai Hongyu.
- (2) Hangzhou Charm held our Shares through Shanghai Shunying Business Information Consulting Partnership (Limited Partnership) (上海順灤商務信息諮詢合夥企業(有限合夥), “**Shanghai Shunying**”). Shanghai Shunying was held by Hangzhou Charm (as the limited partner) and Hangzhou Shengpan Investment Management Company Limited (杭州盛潘投資管理有限公司, “**Hangzhou Shengpan**”) (as the general partner) as to 99.995% and 0.005%, respectively. Please refer to “– Early Investments in Shanghai Trueland and Pre-[REDACTED] Investments – 3. Information on the Pre-[REDACTED] Investors – Shanghai Shunying” for details.
- (3) Ms. ZHAO Fangqi is the sibling of Mr. Zhao and the sister-in-law of Ms. Zhu.
- (4) Shanghai Zhiyu is a limited partnership incorporated in the PRC on November 13, 2015 held by SUN Yongchao (the general partner), BI Kefa (a limited partner) and the other four limited partners as to 2.68%, 71.71% and 25.61%, respectively, all of whom are Independent Third Parties to our Company.
- (5) Each of Mr. TAN Kaihua, Ms. XU Wenhua and Mr. GUO Peimin is an Independent Third Party.
- (6) For details, please refer to “– Early Investments in Shanghai Trueland and Pre-[REDACTED] Investments – 3. Information on the Pre-[REDACTED] Investors – Jiaxing Hengjie” below.

Our PRC Legal Advisor has confirmed that relevant approvals or filings have been obtained or made, as applicable, for the capital increases and equity transfers in China by Shanghai Trueland.

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REORGANIZATION

The following chart sets forth the shareholding structure of Shanghai Trueland, being the then key operating entity of the Group’s business, immediately prior to the Reorganization:



Notes:

For notes (1) to (6), please refer to “– Corporate Development of Our Group – Commencement of Our Business and Onshore Equity Financing” in this section.

(7) There were 20 subsidiaries of Shanghai Trueland immediately prior to the Reorganization, namely, Trueland Network, Chengdu Trueland, Shanghai Kaililong, Wuxi Kaililong, Kaililong (Guangzhou) Information Technology Co., Ltd. (凱麗隆(廣州)信息科技有限公司), Guangdong Trueland, Ningbo Trueland Information Technology Co., Ltd. (寧波珍島信息技術有限公司), Wenzhou Trueland Information Technology Co., Ltd. (溫州珍島信息技術有限公司), Suzhou Trueland Information Technology Co., Ltd. (蘇州珍島信息技術有限公司), Hangzhou Trueland Information Technology Co., Ltd. (杭州珍島信息技術有限公司), Shanghai Trueland Intelligence Technology Group Co., Ltd. (上海珍島智能技術集團有限公司), Trueland Digital, Dongchali, Jinhua Trueland Information Technology Co., Ltd. (金華市珍島信息技術有限公司), Zhongshan Trueland Information Technology Co., Ltd. (中山珍島信息技術有限公司), Taizhou Trueland Information Technology Co., Ltd. (台州珍島信息技術有限公司), Kunshan Trueland Information Technology Co., Ltd. (崑山珍島信息技術有限公司), Wuxi Trueland, Wuxi Trueland Intelligence Technology Co., Ltd (無錫珍島智能技術有限公司) and Shanghai Kaililong Big Data Technology Group Co., Ltd. (上海凱麗隆大數據科技集團有限公司).

(8) Pursuant to an acting-in-concert agreement dated September 8, 2021 (“**AIC Agreement**”), with a view to acknowledging the control status at the level of Shanghai Trueland before our Company obtaining control over Shanghai Trueland and its subsidiaries through the existing Contractual Arrangements as the offshore holding entity of the whole Group, Mr. Zhao and Ms. Zhu confirmed and acknowledged, among other things, they had been aligning their votes at the board and/or shareholders’ meetings of Shanghai Trueland in accordance with the consensus achieved between them, and therefore were acting in concert in practice; and in the event that they were unable to reach consensus on any matter presented, they agreed to vote in accordance with the opinion of Mr. Zhao. Pursuant to a termination agreement dated September 15, 2023 and a supplemental agreement dated April 1, 2024, Mr. Zhao and Ms. Zhu further clarified and confirmed that the AIC Agreement was to confirm that they had been acting in concert at the level of Shanghai Trueland before the date when the existing Contractual Arrangements became effective, namely, September 8, 2021. Based on the above, as advised by our PRC Legal Advisor, the AIC Agreement does not affect (i) the effective control of Shanghai Trueland according to the Contractual Arrangements, or (ii) the legality of the Contractual Arrangements.

In February 2021, we commenced the Reorganization of our Group in preparation for the [REDACTED], whereupon our Company became the holding company and [REDACTED] vehicle of our Group and our PRC operations were conducted primarily by our Company through the Contractual Arrangements.

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1. Incorporation of our Company

Our Company was incorporated as an exempted company with limited liability in the Cayman Islands on February 23, 2021 to act as the holding company of our Group for the [REDACTED]. The initial authorized share capital of our Company was US\$50,000.00 divided into 500,000,000 shares of US\$0.0001 each. Upon incorporation, one ordinary share was allotted and issued to the initial subscriber (an Independent Third Party) at par value, and was subsequently transferred, on the same day, to Willam Zhao Limited, a limited liability company incorporated in BVI, which is ultimately controlled by Mr. Zhao.

On the same day, the Company allotted an aggregate of 885,578 shares to the following entities at par value of US\$0.0001 each, the consideration of which was settled in full on February 23, 2021:

Name	Number of shares	Consideration paid	Approximate % of shareholding in the Company after the allotment
Willam Zhao Limited ⁽¹⁾	352,864	US\$35.2864	39.85%
Shuina Zhu Limited ⁽²⁾	298,402	US\$29.8402	33.70%
Shanghai Hongyu Limited ⁽³⁾	96,259	US\$ 9.6259	10.87%
Fangqi Zhao Limited ⁽⁴⁾	77,005	US\$7.7005	8.70%
Shanghai Zhiyu Limited ⁽⁵⁾	22,544	US\$2.2544	2.55%
Kaihua Tan Limited ⁽⁶⁾	19,252	US\$1.9252	2.17%
Peimin Guo Limited ⁽⁷⁾	5,088	US\$0.5088	0.57%
Wenhua Xu Limited ⁽⁸⁾	14,164	US\$1.4164	1.60%

Notes:

For notes (5)-(8), please refer to “ – Early Investments in Shanghai Trueland and Pre-[REDACTED] Investments – 3. Information on the Pre-[REDACTED] Investors” below for details.

As of the Latest Practicable Date,

- (1) Willam Zhao Limited, a company incorporated on February 8, 2021 in BVI, was wholly owned by Mr. Zhao.
- (2) Shuina Zhu Limited, a company incorporated on February 8, 2021 in BVI, was wholly owned by Ms. Zhu.
- (3) Shanghai Hongyu Limited, a company incorporated on February 9, 2021 in BVI as our offshore employee stock ownership platform, was owned by Mr. XU Jiankang, our executive Director and senior vice president, and other 15 staff of our Group as to 39.41% and 60.59%, respectively. Save for Mr. XU Jiankang, none of the remaining employees holds 30% or more interest in Shanghai Hongyu Limited.
- (4) Fangqi Zhao Limited, a company incorporated on February 8, 2021 in BVI, was wholly owned by Ms. ZHAO Fangqi.

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2. Incorporation of Marketingforce (HongKong) Limited and WFOE

Marketingforce (HongKong) Limited was incorporated under the laws of Hong Kong with limited liability on March 17, 2021. On the same day, Marketingforce (HongKong) Limited allotted one subscriber share to our Company, pursuant to which Marketingforce (HongKong) Limited became a wholly-owned subsidiary of our Company.

Marketingforce Network was established as our PRC holding company in the PRC on April 20, 2021 with an initial registered capital of US\$30 million, which was increased to US\$100 million on May 18, 2021. As of the Latest Practicable Date, Marketingforce Network was wholly owned by Marketingforce (HongKong) Limited.

3. Offshore Restructuring and Capital Reduction of Shanghai Trueland

With a view to reflecting the respective shareholding interests in Shanghai Trueland held by Hangzhou Charm as to 9.6259% and Jiaxing Hengjie as to 1.8162% at the level of the Company, on July 15, 2021, our Company allotted and issued 96,259 Series A-1 Preferred Shares at the consideration of RMB96,000,000 to Shanghai Shunying which is determined based on the early investment amount calculated by aggregating Hangzhou Charm’s original investment in Shanghai Trueland and 18,162 Series A-2 Preferred Shares at the consideration of RMB32,560,000 to Jiaxing Hengjie which was determined based on its original investment amount in Shanghai Trueland. For further details, please refer to notes (7) and (10) of “– Early Investments in Shanghai Trueland and Pre-[REDACTED] Investments” below. Following such share allotment, our Company was held by Willam Zhao Limited, Shuina Zhu Limited, Shanghai Hongyu Limited, Shanghai Shunying, Fangqi Zhao Limited, Shanghai Zhiyu Limited, Kaihua Tan Limited, Jiaxing Hengjie, Wenhua Xu Limited and Peimin Guo Limited as to 35.2865%, 29.8402%, 9.6259%, 9.6259%, 7.7005%, 2.2544%, 1.9252%, 1.8162%, 1.4164% and 0.5088%, respectively.

Accordingly, in August 2021, the registered share capital of Shanghai Trueland was decreased from RMB31.166 million to RMB27.6 million through reduction of capital contribution in the amount of RMB3 million and RMB0.566 million by Hangzhou Charm and Jiaxing Hengjie, respectively. Upon the completion of such capital reduction, Shanghai Trueland was held by Mr. Zhao, Ms. Zhu, Shanghai Hongyu, Ms. ZHAO Fangqi, Shanghai Zhiyu, Mr. TAN Kaihua, Mr. GUO Peimin and Ms. XU Wenhua as to 39.846%, 33.696%, 10.870%, 8.696%, 2.546%, 2.174%, 0.575% and 1.599%, respectively.

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4. Entering into the Contractual Arrangements

On September 8, 2021, Marketingforce Network entered into various agreements that constitute the Contractual Arrangements with, among others, Shanghai Trueland, under which all economic benefits arising from the business of our PRC Consolidated Affiliated Entities are transferred to the WFOE to the extent permitted by the PRC laws and regulations. The Contractual Arrangement [has been] further amended and restated in preparation for the [REDACTED]. For further details on the Contractual Arrangements, please refer to the section headed “Contractual Arrangements” in this document.

5. Transfer of two Hong Kong subsidiaries

As part of our internal business restructuring, Shanghai Trueland transferred 100% interest of AMERICAN KAILILONG INTERNATIONAL HOLDING (H.K.) LIMITED to Marketingforce Management Ltd on August 27, 2021, while Wuxi Trueland transferred 100% interest of KAILILONG INTERNATIONAL HOLDING (H.K) LIMITED to Marketingforce Management Ltd on May 25, 2023.

MAJOR ACQUISITIONS, DISPOSALS AND MERGERS

During the Track Record Period, we have not conducted any acquisitions, disposals or mergers since our inception that we consider to be material to us.

ALLOTMENT OF SHARES PURSUANT TO THE RSU SCHEME

On November 10, 2021, the Board resolved to allot and issue an aggregate of 52,632 shares in the Company with a par value of US\$0.0001 to Isle Wealth, which hold our Shares pursuant to the RSU Scheme on trust for and on behalf of the grantees or our Company (as the case may be). Please refer to the section headed “Statutory and General Information – F. RSU Scheme” in Appendix IV to this document for further details.

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EARLY INVESTMENTS IN SHANGHAI TRUELAND AND PRE-[REDACTED] INVESTMENTS

1. Overview

Details of early investments in Shanghai Trueland and the Pre-[REDACTED] Investments are summarized below in chronological order.

Relevant Pre-[REDACTED] Investor	Acquisition method	Date of the subscription/ transfer agreement	Ordinary Shares acquired ⁽¹⁾	Series A-1 Preferred Shares acquired ⁽¹⁾⁽⁴⁾	Series A-2 Preferred Shares acquired ⁽¹⁾	Series B Preferred Shares acquired ⁽¹⁾	Total consideration	Investment cost per Share ⁽²⁾	Settlement date of the consideration	Number of Shares held immediately upon the [REDACTED]	Investment cost per Share immediately upon the [REDACTED] (HKD)	Premium/ (Discount) to the [REDACTED] ⁽³⁾
Mr. GUO Peimin	Interest in Shanghai Trueland transferred from Ms. Zhu	December 24, 2015	5,088 ⁽⁵⁾	-	-	-	RMB3,700,000 ⁽⁵⁾	RMB727	May 9, 2017	1,017,600 ⁽⁵⁾	[REDACTED]	[REDACTED] ⁽⁵⁾
Shanghai Zhiyu	Interest in Shanghai Trueland transferred from Mr. Zhao	December 25, 2015	22,344 ⁽⁶⁾	-	-	-	RMB16,400,000	RMB727	January 22, 2016	4,508,800	[REDACTED]	[REDACTED] ⁽⁶⁾
Shanghai Shunying ⁽⁷⁾⁽⁸⁾	Interest in Shanghai Trueland transferred from YU Ping and GUO Peimin to Hangzhou Charm and Subscription by Hangzhou Charm	March 30, 2017 ⁽⁷⁾	-	96,259	-	-	RMB96,000,000	RMB997	June 22, 2021 ⁽⁷⁾	5,629,200	[REDACTED] ⁽⁸⁾	[REDACTED] ⁽⁸⁾

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Relevant Pre-[REDACTED] Investor	Acquisition method	Date of the subscription/transfer agreement	Ordinary Shares acquired ⁽¹⁾	Series A-1 Preferred Shares acquired ⁽¹⁾⁽⁴⁾	Series A-2 Preferred Shares acquired ⁽¹⁾	Series B Preferred Shares acquired ⁽¹⁾	Total consideration	Investment cost per Share ⁽²⁾	Settlement date of the consideration	Number of Shares held immediately upon the [REDACTED] (HKD)	Investment cost per Share immediately upon the [REDACTED]	Premium/ (Discount) to the [REDACTED] ⁽³⁾
Ms. XU Wenhua	Interest in Shanghai Trueland transferred from Mr. Guo Peimin	December 26, 2019	14,164 ⁽⁹⁾	-	-	-	RMB20,350,000	RMB 1,437	April 17, 2020	2,832,800 ⁽⁹⁾	[REDACTED]	[REDACTED]%
Jiaxing Hengjie ⁽¹⁰⁾	Interest in Shanghai Trueland transferred from Shanghai Tenghui Venture Capital Partnership Enterprise (Limited Partnership) (“Tenghui”)	October 12, 2020	-	-	18,162	-	RMB32,560,000	RMB 1,793	July 21, 2021 ⁽⁷⁾	3,632,400	[REDACTED]	[REDACTED]%
Mr. TAN Kaihua	Interest in Shanghai Trueland transferred from Beijing Huaxi	February 6, 2021	19,252 ⁽¹¹⁾	-	-	-	RMB14,000,000	RMB777	October 20, 2021	3,850,400 ⁽¹¹⁾	[REDACTED]	[REDACTED]%
NB DIGITAL Evergreen Investment Limited Partnership (“NB Digital”) ⁽¹²⁾	Transferred from Willian Zhao I Limited	May 28, 2021 ⁽¹³⁾	-	53,928	-	-	RMB133,200,000	RMB2,470	November 18, 2021	10,785,600	[REDACTED]	[REDACTED]%
	Subscription	June 9, 2021 and June 18, 2021	-	-	-	33,835	US\$22,500,000	US\$665	June 21, 2021	6,767,000	[REDACTED]	[REDACTED]%

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Relevant Pre-[REDACTED] Investor	Acquisition method	Date of the subscription/ transfer agreement	Ordinary Shares acquired ⁽¹⁾	Series A-1 Preferred Shares acquired ⁽¹⁾⁽⁴⁾	Series A-2 Preferred Shares acquired ⁽¹⁾	Series B Preferred Shares acquired ⁽¹⁾	Total consideration	Investment cost per Share ⁽²⁾	Settlement date of the consideration	Number of Shares held immediately upon the [REDACTED] (HKD)	Investment cost per Share immediately upon the [REDACTED] (Discount) to the [REDACTED] ⁽³⁾	Premium/ (Discount) to the [REDACTED] ⁽³⁾
LIHONG INVESTMENT CO., LIMITED (“Lihong”) ⁽¹⁵⁾	Subscription	June 18, 2021	-	-	-	4,511	US\$3,000,000	US\$665	June 22, 2021	0	[REDACTED]	[REDACTED]%
Top Mountain Shuye LP (“Top Mountain”) ⁽¹⁴⁾	Transferred from William Zhao Limited	June 28, 2021	7,519	-	-	-	US\$4,000,000	US\$532	July 30, 2021	1,503,800	[REDACTED]	[REDACTED]%
Great Boom Group ⁽¹⁴⁾ Limited (旺佳集團有限公司) (“Great Boom”)	Transferred from William Zhao Limited	July 20, 2021	9,398	-	-	-	US\$5,000,000	US\$532	July 30, 2021	1,879,600	[REDACTED]	[REDACTED]%
Zhenjun HE ⁽¹⁴⁾	Transferred from William Zhao Limited	July 26, 2021	13,158	-	-	-	US\$7,000,000	US\$532	August 10, 2021	2,631,600	[REDACTED]	[REDACTED]%
Multi Link Corporate ⁽¹⁴⁾ Development Limited (港聯企業發展有限公司) (“Multi Link”)	Transferred from William Zhao Limited	July 30, 2021	5,639	-	-	-	US\$3,000,000	US\$532	August 4, 2021	1,127,800	[REDACTED]	[REDACTED]%
CCBI Overseas	Subscription	August 27, 2021 ⁽¹⁶⁾	-	-	-	30,075	US\$19,999,875	US\$665	November 10, 2021	6,015,000	[REDACTED]	[REDACTED]%
Haorong Co., Limited (“Haorong”)	Subscription	September 10, 2021	-	-	-	6,974	US\$4,638,000	US\$665	September 14, 2021	1,394,800	[REDACTED]	[REDACTED]%
Rongjing Co. Limited (“Rongjing”)	Transferred from William Zhao Limited	September 17, 2021	-	-	-	45,113	US\$30,000,000	US\$665	September 21, 2021 and September 22, 2021	9,022,600	[REDACTED]	[REDACTED]%

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Relevant Pre-(REDACTED) Investor	Acquisition method	Date of the subscription/ transfer agreement	Ordinary Shares acquired ⁽¹⁾	Series A-1 Preferred Shares acquired ⁽¹⁾⁽⁴⁾	Series A-2 Preferred Shares acquired ⁽¹⁾	Series B Preferred Shares acquired ⁽¹⁾	Total consideration	Investment cost per Share ⁽²⁾	Settlement date of the consideration	Number of Shares held immediately upon the (REDACTED)	Investment cost per Share immediately upon the (REDACTED) (HKD)	Premium/ (Discount) to the (REDACTED) ⁽³⁾
												(REDACTED)%
NB Digital	Subscription	September 28, 2021	-	-	-	18,045	US\$12,000,000	US\$665	September 29, 2021	3,609,000	(REDACTED)	(REDACTED)%
Miracle International Development Limited ("Miracle International") ⁽¹⁵⁾	Transferred from Lihong	December 29, 2021	-	-	-	4,511	US\$3,000,000	US\$665	January 4, 2022	902,200	(REDACTED)	(REDACTED)%

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Notes:

- (1) The numbers of Ordinary Shares and Preferred Shares acquired by the Pre-[REDACTED] Investors as set out in the above table has not taken into account the subsequent adjustment as a result of the 2022 Share Subdivision and the Share Subdivision. For the numbers of Shares held by each of the Pre-[REDACTED] Investors as of the Latest Practicable Date following the 2022 Share Subdivision, please see “– Shareholding Structure of our Company” below. Upon the [REDACTED] and the completion of the Share Subdivision and the [REDACTED], all the Preferred Shares will be automatically converted into Ordinary Shares. Please see “Share Capital” in this document for details.
- (2) Calculated based on the number of shares acquired by the Pre-[REDACTED] Investors as set out in the above table without taking any subsequent adjustment as a result of the 2022 Share Subdivision and the Share Subdivision.
- (3) For the purpose of better illustrating the premium or discount to the [REDACTED], the premium/discount here is calculated as if the 2022 Share Subdivision and the Share Subdivision had taken place before the closing of the Pre-[REDACTED] Investments and on the assumption that the [REDACTED] is HK\$[REDACTED], being the mid-point of the indicative [REDACTED] range. With respect to the investment in the Company made by Shanghai Zhiyu Limited, Kaihua Tan Limited, Peimin Guo Limited and Wenhua Xu Limited, for the purpose of better illustrating the discount to the [REDACTED] as compared to the investment cost per Share, the discounts here are calculated based on (i) the early capital investment in Shanghai Trueland made by Shanghai Zhiyu, Mr. TAN Kaihua, Mr. GUO Peimin and Ms. XU Wenhua in the total amount of RMB16,400,000, RMB14,000,000, approximately RMB3,700,000 and RMB20,350,000, respectively; divided by (ii) the total amount of shares allotted by the Company to Shanghai Zhiyu Limited, Kaihua Tan Limited, Peimin Guo Limited and Wenhua Xu Limited in 2021, as further adjusted by the 2022 Share Subdivision and the Share Subdivision.
- (4) Mr. Zhao, our Controlling Shareholder, acquired 14,185 Series A-1 Preferred Shares through Willian Zhao I Limited, a limited company incorporated on May 7, 2021 in BVI and wholly owned by Mr. Zhao through Willam Zhao Limited.
- (5) As part of the Reorganization, on February 23, 2021, our Shareholders approved the issue and allotment of 5,088 Shares to Peimin Guo Limited, which is wholly-owned by Mr. GUO Peimin, at par value, in order to reflect the remaining balance, amounting to approximately RMB3,700,000, of the early investment made by Mr. GUO Peimin in Shanghai Trueland in 2015 and the shareholding of Mr. GUO Peimin in Shanghai Trueland immediately prior to the Reorganization.

The amount of approximately RMB3,700,000 is the remaining early investment amount calculated based on Mr. GUO Peimin’s original investment of RMB21 million into Shanghai Trueland in 2015 for the acquisition of 3% equity interest in Shanghai Trueland and further reduced and adjusted by Mr. GUO Peimin’s divestments in Shanghai Trueland (i) by transferring his 1% equity interest in Shanghai Trueland to Hangzhou Charm in 2017 and (ii) by transferring approximately 441,400 shares of Shanghai Trueland, accounting to approximately 1.416% of the then total share capital of Shanghai Trueland, to Ms. XU Wenhua in 2019, taking into account such impact as a result of the two capital increases in Shanghai Trueland in 2017.

- (6) As part of the Reorganization, on February 23, 2021, our Shareholders approved the issue and allotment of 22,544 Shares to Shanghai Zhiyu Limited at par value, in order to reflect the early investment made by Shanghai Zhiyu in Shanghai Trueland in 2015 and the shareholding of Shanghai Zhiyu in Shanghai Trueland immediately prior to the Reorganization.
- (7) As part of the Reorganization, on April 22, 2021, our Company, Shanghai Shunying and Jiaxing Hengjie entered into a preferred share subscription agreement, pursuant to which Shanghai Shunying agreed to subscribe 96,259 Series A-1 Preferred Shares at the consideration of RMB96,000,000 in order to reflect the early investment made by Hangzhou Charm in Shanghai Trueland in 2017 and the shareholding of Hangzhou Charm in Shanghai Trueland immediately prior to the Reorganization, being 9.6259%.

The amount of RMB96,000,000 is the early investment amount calculated by aggregating Hangzhou Charm’s original investment of (i) RMB63,000,000 and RMB9,000,000 as the consideration to YU Ping, an Independent Third Party to the best knowledge of the Company, and GUO Peimin, respectively, in March 2017, for the acquisition of 7% and 1% equity interest in Shanghai Trueland, and (ii) RMB24,000,000 contributed into Shanghai Trueland for the subscription of 600,000 shares of Shanghai Trueland in October 2017, upon

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which Hangzhou Charm held 9.8039% equity interest in Shanghai Trueland, which was diluted to 9.6259% in aggregate immediately prior to the Reorganization due to the investment made by Jiaxing Hengjie as mentioned in note 10 below. For the capital reduction of 9.6259% equity interest in Shanghai Trueland by Hangzhou Charm in August 2021, please refer to “– Reorganization” in this section for further details. Shanghai Shunying received Series A-1 Preferred Shares, reflecting Hangzhou Charm’s special rights in Shanghai Trueland, due to Hangzhou Charm’s early investment in 2017 provided financial support to the Company at a critical stage. For the relationship between Shanghai Shunying and Hangzhou Charm, please refer to “– 3. Information on Pre-[REDACTED] Investors” below for details.

- (8) On November 25, 2021, Shanghai Shunying transferred 68,113 Series A-1 Preferred Shares to Willian Zhao I Limited at a consideration of RMB130 million and following such share transfer, Shanghai Shunying held the remaining 28,146 Series A-1 Preferred Shares. For the purpose of better illustrating the discount to the [REDACTED] as compared to the investment cost per Share, the cost per Share of Shanghai Shunying’s pre-[REDACTED] investment immediately upon the [REDACTED] does not take into account the decrease of 68,113 Series A-1 Preferred Shares due to the aforementioned transfer.
- (9) As part of the Reorganization, on February 23, 2021, our Shareholders approved the issue and allotment of 14,164 Shares to Wenhua Xu Limited, which is wholly-owned by Ms. XU Wenhua, at par value, in order to reflect the early investment made by Ms. XU Wenhua in Shanghai Trueland in 2019, which is in line with our organic growth and the investments made by the Pre-[REDACTED] Investors in 2015 and 2017, and the shareholding of Ms. XU Wenhua in Shanghai Trueland immediately prior to the Reorganization.
- (10) As part of the Reorganization, on April 22, 2021, our Company, Shanghai Shunying and Jiaxing Hengjie entered into a preferred share subscription agreement, pursuant to which Jiaxing Hengjie agreed to subscribe 18,162 Series A-2 Preferred Shares at the consideration of RMB32,560,000 in order to reflect the early investment made by Jiaxing Hengjie in Shanghai Trueland in 2020 and the shareholding of Jiaxing Hengjie in Shanghai Trueland immediately prior to the Reorganization, being 1.8162%.

The amount of RMB32,560,000 is Jiaxing Hengjie’s original investment amount of RMB32,560,000 paid to Tenghui, an Independent Third Party, in October 2020 for the acquisition of 1.8162% equity interest in Shanghai Trueland. For the capital reduction of 1.8162% equity interest in Shanghai Trueland by Jiaxing Hengjie in August 2021, please refer to “– Reorganization” in this section for further details.

- (11) As part of the Reorganization, on February 23, 2021, our Shareholders approved the issue and allotment of 19,252 Shares to Kaihua Tan Limited, which is wholly-owned by Mr. TAN Kaihua, at par value, in order to reflect the early investment made by Mr. TAN Kaihua in Shanghai Trueland in 2021 and the shareholding of Mr. TAN Kaihua in Shanghai Trueland immediately prior to the Reorganization. Mr. TAN Kaihua acquired the shares in Shanghai Trueland from Beijing Huaxi Investment Development Co., Ltd (北京華曦投資發展有限公司) (“**Beijing Huaxi**”), of which Mr. TAN Kaihua is a minority shareholder and the consideration was determined based on the investment price paid by Beijing Huaxi in 2015. Accordingly, the consideration for such transfer was in line with that by Shanghai Zhiyu and Mr. GUO Peimin, who invested in Shanghai Trueland at the same round.
- (12) NB Digital, our strategic partner, was expected to maintain long-term investments in our Company and increased its shareholding in our Company during the Series B investment. For strategic considerations, the price of the Series A-1 Preferred Shares acquired by NB Digital was at a certain discount to further enhance strategic mutual trust between NB Digital and our Company, taking into account the business potentials of our Company. The consideration of the Series B Preferred Shares subscribed by NB Digital was consistent with other Series B investors.
- (13) Pursuant to a share purchase agreement entered into among Willian Zhao I Limited, NB Digital and the Company on May 28, 2021, Willian Zhao I Limited agreed to sell and NB Digital agreed to purchase 53,928 series A-1 preferred shares of the Company (the “**Sale Shares**”) at a consideration of RMB133,200,000, which shall be reclassified as ordinary shares of the Company. Pursuant to an amendment agreement entered into among Willian Zhao I Limited, NB Digital and the Company on November 12, 2021, parties agreed to reclassify and re-designate the Sale Shares as series A-1 preferred shares of the Company.

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- (14) Top Mountain, Great Boom, Zhenjun He and Multi Link, being optimistic about the prospect of the Company and confident of the management team, invested in our Company at the same time with the Series B investors and acquired the then-issued ordinary Shares from Willam Zhao Limited. A 20% discount was applied to the investment price of the relevant Ordinary Shares as compared to that of the Series B Preferred Shares, taking into account the absence of special rights of the Series B Preferred Shares. For the special rights granted to the Pre-[REDACTED] Investors, please refer to “– Principal Terms of the Pre-[REDACTED] Investments” for further details.
- (15) The subscription price of Lihong was settled in cash, among which US\$2,000,000 was provided by an affiliate of Miracle International. Accordingly, Lihong held two thirds of such shares subscribed on behalf of Miracle International. On December 29, 2021, 4,511 Shares held by Lihong were transferred to Miracle International at a consideration of US\$3,000,000. Following such transfer, Lihong ceased to be a Shareholder of the Company.
- (16) Pursuant to a preferred share subscription agreement (the “**Subscription Agreement**”) entered into among Willam Zhao Limited, Shuina Zhu Limited, Mr. Zhao, Ms. Zhu Shuina, CCBI Overseas and the Company on August 27, 2021, the Company agreed to issue and CCBI Overseas agreed to subscribe 45,112 series B preferred shares of the Company at a consideration of USD29,999,480. Pursuant to a supplemental letter agreement entered into among Willam Zhao Limited, Shuina Zhu Limited, Mr. Zhao, Ms. Zhu Shuina, CCBI Overseas and the Company on November 8, 2021, parties agreed that each number of “29,999,480” and “45,112” contained in the Subscription Agreement shall be amended and replaced by “19,999,875” and “30,075”, respectively.

For the avoidance of doubt, Willian Zhao I Limited is a BVI company incorporated on May 7, 2021 and was wholly owned by Mr. Zhao, the founder of the Company, through Willam Zhao Limited. Therefore, 14,185 Series A-1 Preferred Shares acquired by Mr. Zhao through Willian Zhao I Limited in November 2021 is not regard as the Pre-[REDACTED] Investment of the Company for financial benefits and investment return purpose.

2. Principal Terms of the Pre-[REDACTED] Investments

Use of proceeds from the Pre-[REDACTED] Investments : We will utilize the entire proceeds our Company obtained from the Pre-[REDACTED] Investments for strategic investments, new business and product development, technology infrastructure, personnel recruitment and sales and marketing, as well as other general corporate purposes. As of the Latest Practicable Date, the proceeds have been fully utilized.

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Strategic benefits the Pre-[REDACTED] Investors brought to our Company : At the time of the Pre-[REDACTED] Investments, we were of the view that our Company can benefit from the additional capital injected by the Pre-[REDACTED] Investors’ investments in our Company. We also believe that our Group would be able to benefit from the business knowledge and network of the Pre-[REDACTED] Investors, in particular, the insights on business expansion and strategic development of institutional investors including CCBI Overseas, Shanghai Shunying and Top Mountain, who have made investments in similar industries. Our Directors are also of the view that the investments made by the reputable investors would further increase our brand awareness and facilitate our marketing efforts. Their investments also demonstrated their confidence in our Group’s operations. Particularly, leveraging the banking background of CCBI Overseas, as well as the analysis of the digital needs in the financial industry and the knowhow of business operations and marketing shared with us, we have further deepened the understanding of the banking and financial industry and have expanded our client base in the financial industry.

Basis of determining the consideration paid : The consideration for the Pre-[REDACTED] Investments were determined based on arm’s length negotiations between our Company (or the respective selling shareholders, as applicable) and the Pre-[REDACTED] Investors with reference to various factors, including (a) the appraised market value of equity interests in Shanghai Trueland or our Company (as the case may be); (b) the timing of the investments and the organic expansion and growth of the Group prior to the relevant investments; (c) the rights may be enjoyed by the Pre-[REDACTED] Investors; (d) the Pre-[REDACTED] Investors’ strategic input in the management and general corporate governance practices of our Company; (e) the knowledge, resources and experience of the Pre-[REDACTED] Investor in capital markets, and business networks; and (f) the prospects of our business in the long run.

Lock-up period Each holder of the Ordinary Shares agrees to be subject to a maximum of 180-day lock-up period commencing on the date of this document and ending on a date specified by the Company and the [REDACTED].

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Special rights

Special rights granted to the Pre-[REDACTED] Investors pursuant to the second amended and restated shareholders’ agreement and the fourth amended and restated memorandum and articles of association include the customary protective provisions, rights of first refusal and co-sale, pre-emptive right, director election rights, redemption rights, information rights and etc. The redemption right shall cease to be exercisable when our Company filed its [REDACTED] application and be discontinued immediately upon completion of the [REDACTED], while all other special rights shall be terminated upon completion of the [REDACTED].

3. Information on the Pre-[REDACTED] Investors

Shanghai Zhiyu Limited

Shanghai Zhiyu Limited, a company incorporated on February 9, 2021 in BVI, is primarily engaged in equity investment and was owned by SUN Yongchao, BI Kefa and the other four individual shareholders as to 2.68%, 71.71% and 25.61%, respectively, all of whom are PRC citizens and Independent Third Parties as at the Latest Practicable Date. Mr. SUN Yongchao is an associate professor of the advertising department of Shanghai University with extensive teaching and practical experience in the field of advertising and marketing. He has participated in various types of marketing and advertising schemes in the industries of retail, clothing, real estate, and in state-owned enterprises, and has held critical positions in well-known Internet companies. Mr. Sun has successively invested in and participated in the management and operation of the Internet and education and training enterprises. Mr. Sun and Mr. Zhao, the founder of our Company, have been friends for more than 20 years. He invested into our Company through Shanghai Zhiyu as he appreciated our operation philosophy, agreed with our operation mode, and was optimistic about the development trend of our Group’s technical marketing.

Kaihua Tan Limited

Kaihua Tan Limited, a company incorporated on February 8, 2021 in BVI, is primarily engaged in equity investment and was wholly owned by Mr. TAN Kaihua, a PRC individual investor with extensive experience in real estate industry, including project feasibility study, project marketing, sales and implementation, and an Independent Third Party as at the Latest Practicable Date. Mr. TAN Kaihua has been acquainted with Mr. Zhao, our founder, executive Director, chairman and chief executive officer, through mutual friends for more than ten years, and have been interested in the prospects of digitalized marketing and sales industry. Following several rounds of negotiation and visits to the Group’s headquarters, Mr. Tan invested in our Group as he was optimistic about the prospect of our Group and the management team.

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Peimin Guo Limited

Peimin Guo Limited, a company incorporated on February 8, 2021 in BVI, is primarily engaged in equity investment and was wholly owned by Mr. GUO Peimin, a PRC citizen and Independent Third Party as at the Latest Practicable Date. Mr. GUO Peimin is primarily engaged in business operation and management. In the past ten years, he has focused on equity investment in the fields of vocational education and cultural creation. Mr. GUO Peimin became acquainted with Mr. Zhao through mutual friends in 2015. Based upon on-site inspection, due diligence and prudent evaluation, Mr. GUO Peimin invested in our Group with the belief of the promising development potential of our Company.

Wenhua Xu Limited

Wenhua Xu Limited, a company incorporated on February 8, 2021 in BVI, is primarily engaged in equity investment and was wholly owned by Ms. XU Wenhua, a PRC citizen and Independent Third Party as at the Latest Practicable Date. Ms. Xu has 30 years of financial work experience in the industries of machinery and engineering investment. She has been acquainted with Mr. Zhao, our founder, executive Director, chairman and chief executive officer, through mutual friends in 2019. Following several rounds of communication with Mr. Zhao and profound evaluation, Ms. Xu invested in our Group as she was optimistic about the prospect of our Group and the management team.

Mr. Zhenjun HE

Mr. Zhenjun HE, an Australian citizen and a private investor primarily engaged in equity investments. He previously also invested in company focusing on artificial intelligence. Mr. Zhenjun HE is an Independent Third Party as at the Latest Practicable Date, and became acquainted with us through mutual friends. Following several rounds of negotiation and visits to the Group’s headquarters, Mr. He invested in our Group as he was optimistic about the prospect of our Group and the management team.

Great Boom

Great Boom is an investment vehicle incorporated on January 11, 2013 in the BVI ultimately controlled by Mr. YU Yusheng. It engages in global financial investments including foreign exchange products, stocks and structured products. Mr. YU Yusheng, being the ultimate beneficial owner and sole director of Great Boom, also engages in property development in China and Australia and has over 20 years of extensive experience in both property development and financial investment, and was an Independent Third Party as at the Latest Practicable Date.

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Top Mountain

Top Mountain is a limited partnership incorporated on March 29, 2021 in BVI. It is primarily engaged in enterprise investment and ultimately controlled by TOP MOUNTAIN INTERNATIONAL GROUP CO., LTD. and YANG Xiaoning (楊小寧) as the general partners and eight Independent Third Parties as limited partners as to 12.5%, 7.5% and 80%, respectively, none of which holds more than 30% equity interest in Top Mountain. TOP MOUNTAIN INTERNATIONAL GROUP CO., LTD. is wholly owned by an Independent Third Party, namely, ZHANG Mingyi (張明義), who participated in various investments in new economy companies in electric vehicles sector, internet healthcare and consumer products industry. Mr. YANG Xiaoning, being the founding partner and chairman of Chifortune Venture Capital (紫峰資本), has participated in the investments of more than 20 companies, including companies engaging in electric vehicle production and other advanced technologies. He is also named by WISH China (維犀中國) as one of the Top 40 New Energy Pioneer Investors in 2022. Each of ZHANG Mingyi, YANG Xiaoning and the eight limited partners of Top Mountain are Independent Third Parties. Top Mountain invested into us as it was optimistic about the prospect of our Company and the management team.

Multi Link

Multi Link is a limited company incorporated on July 29, 2013 in BVI. It is primarily engaged in investment and wholly owned by Wu Yi (吳毅), an Independent Third Party. Multi Link was an Independent Third Party as at the Latest Practicable Date. Mr. WU Yi invested into our Group through Multi Link as he was optimistic about the future prospects of SaaS in the marketing and sales field in the PRC with the belief that our Company could boost its business in line with the development of this industry.

Shanghai Shunying

Shanghai Shunying is a limited partnership formed on August 3, 2018 in the PRC held by Hangzhou Shengpan as the general partner and Hangzhou Charm as a limited partner as to 0.005% and 99.995%, respectively. Hangzhou Charm is a limited partnership formed on April 15, 2016 in the PRC held by Hangzhou Shengpan as the general partner and the other 42 Independent Third Parties as limited partners. Each of such 42 limited partners held less than 10% of equity interest in Hangzhou Charm. Hangzhou Shengpan is held by YANG Yan and XIAO Lei as to 50% and 50%, respectively, both of whom are Independent Third Parties. Hangzhou Charm is a private fund primarily investing in equity and equity-related securities of companies with main operations in the PRC with Morgan Stanley (China) Private Equity Investment Management Co., Ltd. (摩根士丹利 (中國) 股權投資管理有限公司) (“**MSPE China**”) acting as its private fund manager. MSPE China has been focusing on managing RMB private equity investment funds since 2014. MSPE China is a subsidiary of Morgan Stanley, which is a company listed on the New York Stock Exchange.

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Jiaxing Hengjie

Jiaxing Hengjie is a limited partnership incorporated in the PRC on June 22, 2020. It is primarily engaged in equity investment and managed and controlled by Tianjin Hongdao North Beta Technology Development Co., Ltd. (天津弘道北拓科技發展有限公司, “**Tianjin Hongdao North Beta**”) being the general partner as to 5.70% interest. The remaining interest in Jiaxing Hengjie is held by 16 limited partners. Save for Mr. HUANG Shaodong, our non-executive Director, who holds approximately 13.39% interest in Jiaxing Hengjie as a limited partner, each of the remaining limited partners is an Independent Third Party. Tianjin Hongdao North Beta is a wholly owned subsidiary of Beijing Lianchuang North Beta Investment Holding Co., Ltd. (北京聯創北拓投資控股股份有限公司), which is in turn ultimately controlled by Mr. ZHU Zhengguo (朱正國), who is a mature investor and has been focusing on and deeply cultivating the digital technology industry.

NB Digital

NB Digital is an exempted limited partnership incorporated on January 11, 2021 in the Cayman Islands. It is primarily engaged in enterprise investment and owned by NBC Capital Management Co., Ltd. (“**NBC**”) as the general partner and other four Independent Third Parties as the limited partners. Save for one limited partner, PORTERFIELD VENTURES S.A., a company incorporated in BVI which is wholly owned by an individual who is an Independent Third Party, namely CHAN Chung Yung, none of the other three limited partners held more than 30% interest in NB Digital as at the Latest Practicable Date. NBC is also ultimately controlled by Mr. ZHU Zhengguo (朱正國), who is a mature investor and has been focusing on and deeply cultivating the digital technology industry.

CCBI Overseas

CCBI Overseas is a limited liability company incorporated in Hong Kong. It is a direct wholly-owned subsidiary of CCB International (Holdings) Limited (“**CCBI**”). CCBI is a financial and investment services company which is indirectly wholly-owned by China Construction Bank Corporation, a joint-stock company incorporated in the PRC and listed on the Main Board of the Stock Exchange (stock code: 0939) and the Shanghai Stock Exchange (stock code: 601939). In terms of industry coverage, CCBI vigorously engaged in emerging industries such as high and new technology, Internet (mobile Internet) and biomedicine, and made equity investments in a number of outstanding new economy unicorns. Besides, CCBI also pays attention to traditional industries including consumer, conventional pharmaceuticals, environmental protection & energy conservation, and real estate. CCBI has invested several unicorns whose valuation is more than USD10 billion, as well as dozens of disruptive innovative enterprises with great development potential in recent years. CCBI is the sole shareholder of CCB International Capital Limited, one of our Joint Sponsors.

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Haorong

Haorong is a company incorporated on July 6, 2021 in the BVI and a wholly-owned subsidiary of Shanghai Haorong Enterprise Management Centre Partnership (Limited Partnership) (上海顥榮企業管理中心(有限合夥), “**Shanghai Haorong**”). Shanghai Haorong is a limited partnership established on July 1, 2021 in the PRC. It is primarily engaged in enterprise management and consultation and was owned by Shanghai Yitu Enterprise Management Co., Ltd. (上海羿圖企業管理有限公司) (“**Shanghai Yitu**”) as the general partner and Shanghai Kuyu Network Technology Co., Ltd. (上海酷雨網絡科技有限公司) (“**Shanghai Kuyu**”) as the limited partner as to 1% and 99%. Shanghai Yitu is a limited company held by three Independent Third Parties, namely LI Ang (李昂), XIAO Yubiao (肖宇彪) and LI Zhengyuan (李征媛) as to 46%, 44% and 10%, and is primarily engaged in business management and consulting, investing in smart technology, service software, creative culture and other fields with its own funds. Shanghai Kuyu is owned by three Independent Third Parties, namely LI Zhengyuan (李征媛), DONG Meng (董萌) and Shanghai Yitu as to 98%, 1% and 1%, respectively. Haorong invested into us as it was optimistic about the prospect of our Company and the management team.

Rongjing

Rongjing is a company incorporated on July 9, 2021 in BVI. It is primarily engaged in equity investment and was wholly owned by Shark Entertainment Limited (飛鯊娛樂有限公司) as at the Latest Practicable Date. Shark Entertainment Limited is wholly owned by an Independent Third Party, namely Chen Chi (陳馳). Rongjing invested into us as it was optimistic about the prospect of our Company and the management team.

Miracle International

Miracle International is a company incorporated on March 15, 2021 in Hong Kong. It is primarily engaged in equity investment in the fields of IT software, hardware and medical laboratory equipment and was wholly owned by an Independent Third Party, namely Fu Gang (付剛), as at the Latest Practicable Date. Miracle International invested into us as it was optimistic about the prospect of our Company and the management team.

As of the Latest Practicable Date and to the best knowledge of our Directors, save as disclosed above in “Information on the Pre-[REDACTED] Investors” with respect to the relationship between our Company and the Pre-[REDACTED] Investors, none of the Pre-[REDACTED] Investors as mentioned in this section has any past or present relationship (including, without limitation, family, business, financing, or employment) with our Company, the subsidiaries of our Company, our shareholders, Directors, senior management or any of their respective associates.

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4. Compliance with the Guide for New Listing Applicants on Pre-[REDACTED] Investment

On the basis that (i) the consideration for the Pre-[REDACTED] Investments was settled more than 28 clear days before the date of our first submission of the [REDACTED] to the Stock Exchange in relation to the [REDACTED] and (ii) special right regarding redemption granted to the Pre-[REDACTED] Investors in respect of our Company has been suspended upon filing of a [REDACTED] application and will be terminated upon [REDACTED], with the other special rights granted to the Pre-[REDACTED] Investors to be terminated upon [REDACTED] as well, the Joint Sponsors have confirmed that the Pre-[REDACTED] Investments are in compliance with Chapter 4.2 of the Guide for New Listing Applicants.

CONTEMPLATED PRC LISTING

In the second half of 2017, we commenced the preparation for the listing of our Group on the ChiNext market of the Shenzhen Stock Exchange (the “**Contemplated A Share Listing**”) and in this regard, in November 2017, Shanghai Trueland entered into a guidance agreement (the “**Guidance Agreement**”) (輔導協議) for receiving preparation guidance in accordance with the relevant PRC rules. The Guidance Agreement was terminated in December 2018.

By late 2018, after taking into consideration a number of factors, including (i) the business scale of Shanghai Trueland at the relevant time; and (ii) the Stock Exchange being the listing venue chosen by the Company’ peers, Shanghai Trueland decided not to proceed with the Contemplated A Share Listing and accordingly terminated the Guidance Agreement in December 2018. The Company considers that the Stock Exchange, as an internationally recognized and reputable stock exchange, will help to promote the Group to overseas investors and provide direct access to foreign capital.

Since the execution of the Guidance Agreement and up to the date of its termination, Shanghai Trueland had not submitted its listing application to the ChiNext market of the Shenzhen Stock Exchange and therefore no comment was received by Shanghai Trueland from CSRC or the relevant stock exchange. Our Directors confirm that, to the best of their knowledge, there were no other matters in relation to the Contemplated A Share Listing that need to be brought to the attention of potential investors under the [REDACTED].

Having performed the relevant due diligence on the Contemplated A Share Listing, including (i) discussing with the management of our Company regarding the Contemplated A Share Listing; (ii) conducting interviews with the then professional parties engaged by our Group for the purpose of the Contemplated A Share Listing; and (iii) reviewing documents relating to the Contemplated A Share Listing, the Joint Sponsors, not possessing the relevant qualification or expertise in relation to advising on the Contemplated A Share Listing, were not aware of any material findings in relation to the Contemplated A Share Listing that need to be brought to the attention of the potential investors under the [REDACTED] or the Stock Exchange.

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2022 SHARE SUBDIVISION

On August 8, 2022, each issued and unissued shares of a par value of US\$0.0001 each in the capital of our Company was sub-divided into 20 Shares of a par value of US\$0.000005 each, such that following the 2022 Share Subdivision, the authorized share capital of our Company was US\$50,000 divided into 10,000,000,000 Shares of a par value of US\$0.000005 each.

SHAREHOLDING STRUCTURE OF OUR COMPANY

Set out below is a summary of the shareholding structure of our Company as of the Latest Practicable Date and immediately before the completion of the Share Subdivision and the [REDACTED]:

Shareholders	Number of Shares held	Approximate % of shareholding in the Company
Willam Zhao Limited ⁽¹⁾	5,440,760	23.74%
Shuina Zhu Limited ⁽²⁾	5,968,040	26.04%
Shanghai Hongyu Limited ⁽³⁾	1,925,180	8.40%
Fangqi Zhao Limited ⁽⁴⁾	1,540,100	6.72%
Shanghai Zhiyu Limited ⁽⁵⁾	450,880	1.97%
Kaihua Tan Limited ⁽⁶⁾	385,040	1.68%
Peimin Guo Limited ⁽⁷⁾	101,760	0.44%
Wenhua Xu Limited ⁽⁸⁾	283,280	1.24%
Isle Wealth	1,052,640	4.59%
Zhenjun He ⁽⁹⁾	263,160	1.15%
Multi Link ⁽¹⁰⁾	112,780	0.49%
Great Boom ⁽¹¹⁾	187,960	0.82%
Top Mountain ⁽¹²⁾	150,380	0.66%
Shanghai Shunying ⁽¹³⁾	562,920	2.46%
Willian Zhao I Limited ⁽¹⁴⁾	283,700	1.24%
NB Digital ⁽¹⁵⁾	2,116,160	9.23%
Jiaxing Hengjie ⁽¹⁶⁾	363,240	1.58%
Haorong ⁽¹⁷⁾	139,480	0.61%
CCBI Overseas ⁽¹⁸⁾	601,500	2.62%
Rongjing ⁽¹⁹⁾	902,260	3.94%
Miracle International ⁽²⁰⁾	90,220	0.39%
Total	22,921,440	100%

Notes:

For notes (1) to (20), see “– Corporate Structure – Corporate structure immediately following the [REDACTED]” in this section.

HISTORY, REORGANIZATION AND CORPORATE DEVELOPMENT

SHARE SUBDIVISION

We expect to conduct the Share Subdivision immediately before the [REDACTED], pursuant to which each Ordinary Share and Preferred Share with par value US\$0.000005 in our issued and unissued share capital will be subdivided into [ten] Shares with par value US\$0.000005 each, following which our issued share capital will consist of (i) 178,619,600 Ordinary Shares with par value of US\$0.000005 each, (ii) 19,251,800 Series A-1 Preferred Shares with par value of US\$0.000005 each, (iii) 3,632,400 Series A-2 Preferred Shares with par value of US\$0.000005 each and (iv) 27,710,600 Series B Preferred Shares with par value of US\$0.000005 each. All the Preferred Shares will be converted into Ordinary Shares upon the [REDACTED] and the completion of the [REDACTED].

PUBLIC FLOAT

Upon the [REDACTED], the Shares controlled by our Controlling Shareholders, Shanghai Hongyu Limited, Fangqi Zhao Limited, Jiaying Hengjie and NB Digital will not be counted towards the public float of the Company. Save as disclosed above, to the best of our Directors' knowledge, information and belief, all other existing Shareholders of our Company are not core connected persons of our Company, and therefore a total of [REDACTED] Shares held by other existing Shareholders, representing approximately [REDACTED]% of the total issued Shares upon [REDACTED] (assuming the [REDACTED] is not exercised), will be counted towards the public float.

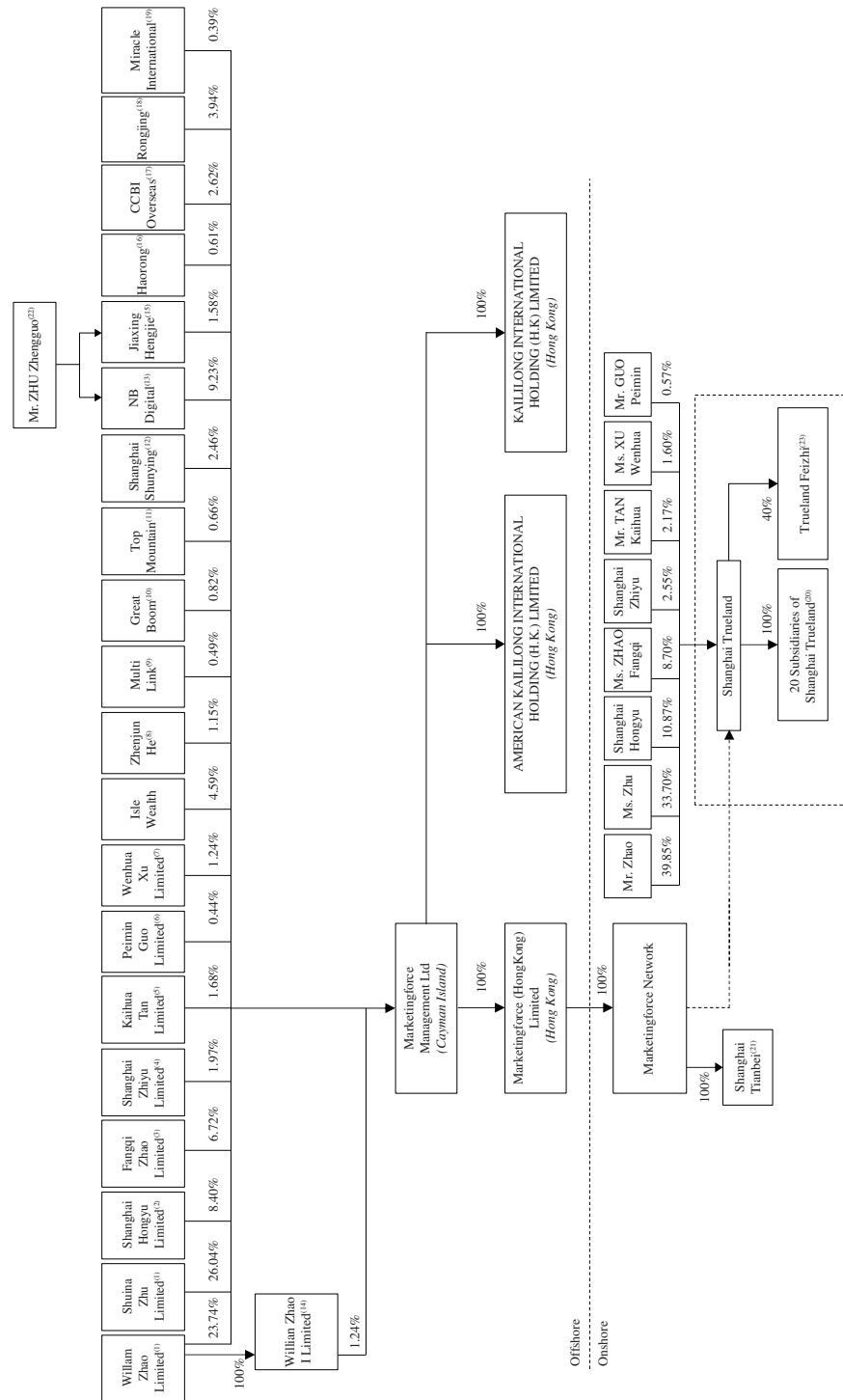
Upon completion of the [REDACTED] (assuming that the [REDACTED] is not exercised) and assuming [REDACTED] are issued to the public Shareholders in the [REDACTED], an aggregate of [REDACTED] Shares representing approximately [REDACTED]% of our total issued Shares will be counted towards the public float, which is in compliance with the requirement under Rule 8.08 of the Listing Rules. Further, we expect that not more than 50% of the Shares in public hands at the time of [REDACTED] will be beneficially owned by the three largest public Shareholders for the purpose of compliance with Rule 8.08(3) at the time of [REDACTED].

HISTORY, REORGANIZATION AND CORPORATE DEVELOPMENT

CORPORATE STRUCTURE

Corporate structure after the Reorganization and before the [REDACTED]

The following chart sets forth the shareholding and beneficial ownership structure of our Group as of the Latest Practicable Date and immediately prior to the completion of the [REDACTED]:



_____ denotes legal and beneficial ownership
 denotes contractual relationship under the Contractual Arrangements

HISTORY, REORGANIZATION AND CORPORATE DEVELOPMENT

Notes:

- (1) Willam Zhao Limited, a company incorporated on February 8, 2021 in BVI, was wholly owned by Mr. Zhao as at the Latest Practicable Date; while Shuina Zhu Limited, a company incorporated on February 8, 2021 in BVI, was wholly owned by Ms. Zhu as at the Latest Practicable Date. For family wealth management and estate planning purpose, Mr. Zhao and Ms. Zhu propose to transfer their respective interest in the Company directly held by William Zhao Limited and Shuina Zhu Limited to Real Force Limited and Precious Sight Limited (being BVI-incorporated holding vehicles) for the benefit of the Founders’ Family Trust. The Core Trust Company Limited acts as trustee and control such BVI-incorporated holding vehicles for the above-mentioned Founders’ Family Trust of Mr. Zhao and Ms. Zhu. The establishment of the Founders’ Family Trust will be completed before the [REDACTED].
- (2) Shanghai Hongyu Limited, a company incorporated on February 9, 2021 in BVI as our offshore employee stock ownership platform, was owned by Mr. XU Jiankang, our executive Director and senior vice president, and other 15 staff of our Group, all being the beneficial owners of the shares of Shanghai Hongyu Limited, as to 39.41% and 60.59%, respectively, as of the Latest Practicable Date. Save for Mr. XU Jiankang, none of the remaining staff holds 30% or more interest in Shanghai Hongyu Limited as at the Latest Practicable Date. Shanghai Hongyu Limited proposes to transfer all Shares in the Company held by it to Driving Force Developments Limited (being the BVI-incorporated holding vehicle) for the benefit of a trust with Shanghai Hongyu Limited as the settlor and beneficiary, and The Core Trust Company Limited as trustee (the “**Hongyu Trust**”). The establishment of the Hongyu Trust will be completed before the [REDACTED].
- (3) Fangqi Zhao Limited, a company incorporated on February 8, 2021 in BVI, was wholly owned by Ms. ZHAO Fangqi as at the Latest Practicable Date. For wealth management and estate planning purpose, Ms. ZHAO Fangqi proposes to transfer all Shares in the Company held by her through Fangqi Zhao Limited to Rosy Maple Limited (being a BVI-incorporated holding vehicle) for the benefit of a trust (the “**Fangqi Trust**”) with Ms. ZHAO Fangqi as the settlor, Fangqi Zhao Limited as beneficiary and The Core Trust Company Limited as trustee. The establishment of the Fangqi Trust will be completed before the [REDACTED].
- (4) Shanghai Zhiyu Limited, a company incorporated on February 9, 2021 in BVI, is primarily engaged in equity investment and was owned by SUN Yongchao, BI Kefa and the other four individual shareholders as to 2.68%, 71.71% and 25.61%, respectively, all of whom are PRC citizens and Independent Third Parties as at the Latest Practicable Date. Shanghai Zhiyu Limited proposes to transfer all Shares in the Company held by it to Blooming Sky Holdings Limited (being a BVI-incorporated holding vehicle) for the benefit of a trust (the “**Zhiyu Trust**”) with Shanghai Zhiyu Limited as the settlor and beneficiary, and The Core Trust Company Limited as trustee. The establishment of the Zhiyu Trust will be completed before the [REDACTED].
- (5) Kaihua Tan Limited, a company incorporated on February 8, 2021 in BVI, is primarily engaged in equity investment and was wholly owned by Mr. TAN Kaihua, a PRC citizen and Independent Third Party as at the Latest Practicable Date. For wealth management and estate planning purpose, Mr. TAN Kaihua proposes to transfer all Shares in the Company held by him through Kaihua Tan Limited to Sea Pictures Limited (being a BVI-incorporated holding vehicle) for the benefit of a trust (the “**Kaihua Trust**”) with Mr. TAN Kaihua as the settlor, Kaihua Tan Limited as beneficiary and The Core Trust Company Limited as trustee. The establishment of the Kaihua Trust will be completed before the [REDACTED].
- (6) Peimin Guo Limited, a company incorporated on February 8, 2021 in BVI, is primarily engaged in equity investment and was wholly owned by Mr. GUO Peimin, a PRC citizen and Independent Third Party as at the Latest Practicable Date.
- (7) Wenhua Xu Limited, a company incorporated on February 8, 2021 in BVI, is primarily engaged in equity investment and was wholly owned by Ms. XU Wenhua, a PRC citizen and Independent Third Party as at the Latest Practicable Date.

HISTORY, REORGANIZATION AND CORPORATE DEVELOPMENT

- (8) Zhenjun He, an Australian citizen and a private investor primarily engaged in equity investment, was an Independent Third Party as at the Latest Practicable Date.
- (9) Multi Link is a limited company incorporated on July 29, 2013 in BVI. It is primarily engaged in investment and wholly owned by Wu Yi (吳毅), an Independent Third Party. Multi Link was an Independent Third Party as at the Latest Practicable Date.
- (10) Great Boom is an investment vehicle incorporated on January 11, 2013 in the BVI. Its sole director Mr. YU Yusheng engages in property development in China and Australia and has over 20 years of extensive experience in both property development and financial investment, and was an Independent Third Party as at the Latest Practicable Date.
- (11) Top Mountain is a limited partnership incorporated on March 29, 2021 in BVI. It is primarily engaged in enterprise investment and held by TOP MOUNTAIN INTERNATIONAL GROUP CO., LTD. and YANG Xiaoning (楊小寧) as the general partners and eight Independent Third Parties as limited partners as to 12.5%, 7.5% and 80%, respectively, none of which holds more than 30% equity interest in Top Mountain. TOP MOUNTAIN INTERNATIONAL GROUP CO., LTD. is wholly owned by an Independent Third Party, namely, ZHANG Mingyi (張明義), YANG Xiaoning and the eight limited partners of Top Mountain are Independent Third Parties. Top Mountain was an Independent Third Party as at the Latest Practicable Date.
- (12) Shanghai Shunying is a limited partnership formed on August 3, 2018 in the PRC held by Hangzhou Shengpan as the general partner and Hangzhou Charm as a limited partner as to 0.005% and 99.995%, respectively. Hangzhou Charm is a limited partnership formed on April 15, 2016 in the PRC held by Hangzhou Shengpan as the general partner and the other 42 Independent Third Parties as limited partners. Each of such 42 limited partners held less than 10% of equity interest in Hangzhou Charm. Hangzhou Shengpan is held by YANG Yan and XIAO Lei as to 50% and 50%, respectively, both of whom are Independent Third Parties. Hangzhou Charm is also a private fund with Morgan Stanley (China) Private Equity Investment Management Co., Ltd. (摩根士丹利(中國)股權投資管理有限公司) acting as its private fund manager.
- (13) NB Digital is an exempted limited partnership incorporated on January 11, 2021 in the Cayman Islands. It is primarily engaged in enterprise investment and owned by NBC as the general partner and other Independent Third Parties as the limited partners. Save for one limited partner, PORTERFIELD VENTURES S.A., a company incorporated in BVI which is wholly owned by an individual who is an Independent Third Party, none of the limited partners held more than 30% interest in NB Digital as at the Latest Practicable Date. NBC is ultimately controlled by Mr. ZHU Zhengguo (朱正國), a Shareholder holding approximately [REDACTED]% equity interest in the Company immediately following the completion of the [REDACTED], assuming that the [REDACTED] is not exercised.
- (14) Willian Zhao I Limited is a company incorporated on May 7, 2021 in BVI and was wholly owned by Mr. Zhao through Willam Zhao Limited as at the Latest Practicable Date.
- (15) Jiaxing Hengjie is a limited partnership incorporated in the PRC on June 22, 2020. It is primarily engaged in equity investment and managed and controlled by Tianjin Hongdao North Beta being the general partner as to 5.70% interest. The remaining interest in Jiaxing Hengjie is held by 16 limited partners. Save for Mr. HUANG Shaodong, our non-executive Director, who holds approximately 13.39% interest in Jiaxing Hengjie as a limited partner, each of the remaining limited partners is an Independent Third Party. Tianjin Hongdao North Beta is a wholly owned subsidiary of Beijing Lianchuang North Beta Investment Holding Co., Ltd. (北京聯創北拓投資控股股份有限公司), which is in turn controlled by Mr. ZHU Zhengguo (朱正國), a Shareholder holding approximately [REDACTED]% equity interest in the Company immediately following the completion of the [REDACTED], assuming that the [REDACTED] is not exercised.

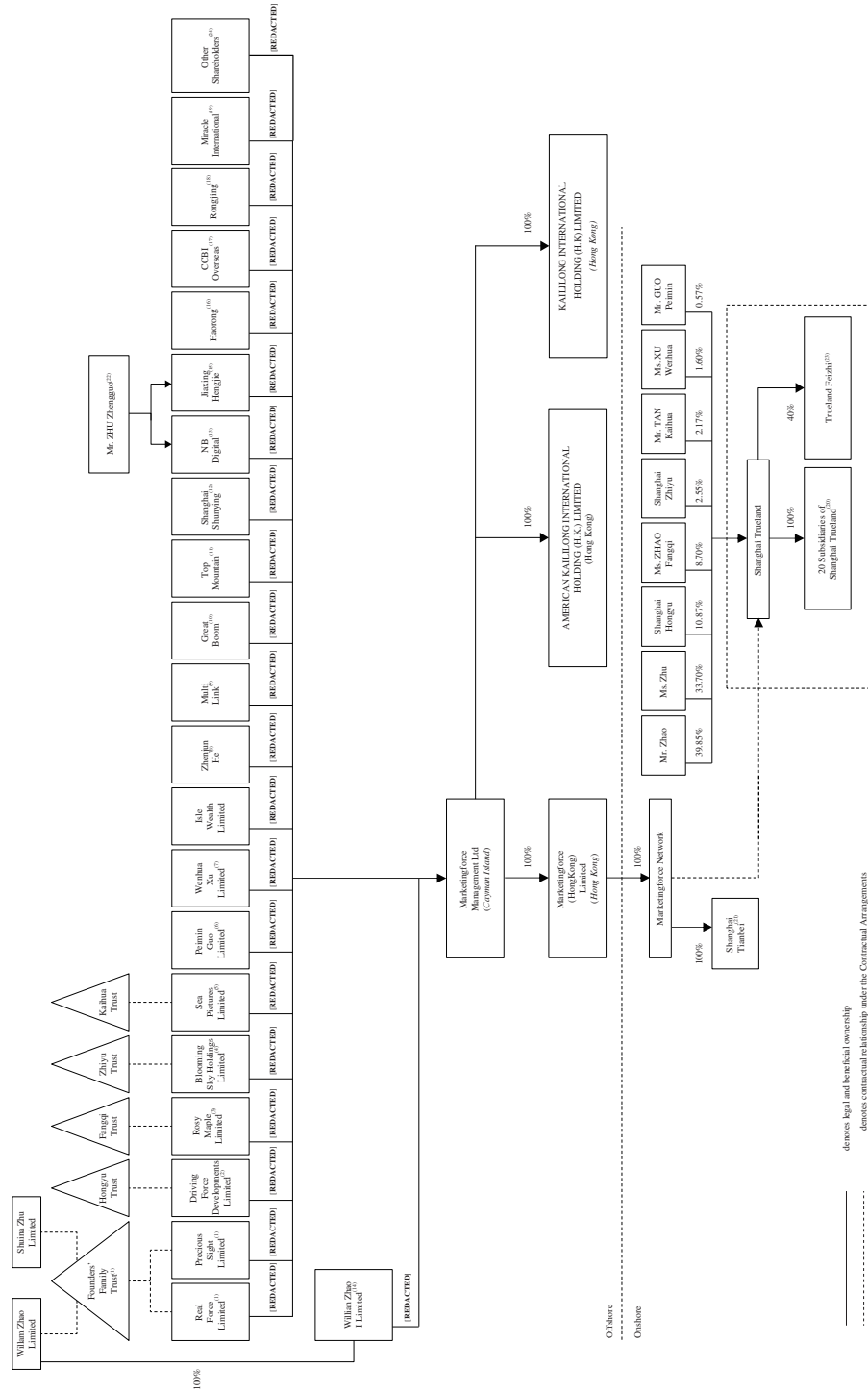
HISTORY, REORGANIZATION AND CORPORATE DEVELOPMENT

- (16) Haorong is a company incorporated on July 6, 2021 in the BVI and a wholly-owned subsidiary of Shanghai Haorong. Shanghai Haorong is a limited partnership established on July 1, 2021 in the PRC. It is primarily engaged in enterprise management and consultation and was owned by Shanghai Yitu as the general partner and Shanghai Kuyu as the limited partner as to 1% and 99%. Shanghai Yitu is a limited company held by three Independent Third Parties, namely LI Ang (李昂), XIAO Yubiao (肖宇彪) and LI Zhengyuan (李征媛) as to 46%, 44% and 10%. Shanghai Kuyu is owned by three Independent Third Parties, namely LI Zhengyuan (李征媛), DONG Meng (董萌) and Shanghai Yitu as to 98%, 1% and 1%, respectively.
- (17) CCBI Overseas is a limited liability company incorporated in Hong Kong. It is a direct wholly-owned subsidiary of CCBI. CCBI is a financial and investment services company which is indirectly wholly-owned by China Construction Bank Corporation, a joint-stock company incorporated in the PRC and listed on the Main Board of the Stock Exchange (stock code: 0939) and the Shanghai Stock Exchange (stock code: 601939). CCBI is the sole shareholder of CCB International Capital Limited, one of our Joint Sponsors.
- (18) Rongjing is a company incorporated on July 9, 2021 in BVI. It is primarily engaged in equity investment and was wholly owned by Shark Entertainment Limited (飛鯊娛樂有限公司) as at the Latest Practicable Date. Shark Entertainment Limited is wholly owned by an Independent Third Party, namely Chen Chi (陳馳).
- (19) Miracle International is a company incorporated on March 15, 2021 in Hong Kong. It is primarily engaged in equity investment and was wholly owned by an Independent Third Party, namely Fu Gang (付剛), as at the Latest Practicable Date.
- (20) There are 20 subsidiaries of Shanghai Trueland, details of 20 of which are set out in “Contractual Arrangements” in this document.
- (21) Shanghai Tianbei was established as a special purpose company and has no principal business in operation.
- (22) NB Digital and Jiaxing Hengjie are ultimately controlled by Mr. ZHU Zhengguo through Beijing Lianchuang North Beta Investment Holding Co., Ltd. (北京聯創北拓投資控股股份有限公司, “Beijing Lianchuang”). Mr. HUANG Shaodong, one of our Directors, is deemed to have a 29.96% interest in Beijing Lianchuang as at the Latest Practicable Date.
- (23) Trueland Feizhi Enterprise Consulting (Shanghai) Co., Ltd. (珍島飛智企業諮詢(上海)有限公司) is a company established in the PRC on February 2, 2024. As at the Latest Practicable Date, the remaining 60% shares of Trueland Feizhi Corporate Consulting (Shanghai) Co., Ltd. was held by Shanghai Dekun Tianyu Management Consulting Partnership Enterprise (Limited Partnership) (上海德焜天昱管理諮詢合夥企業(有限合夥)) and Shanghai Depu Investment Consulting Co., Ltd. (上海德璞投資諮詢有限公司) as to 30% and 30%. Shanghai Dekun Tianyu Management Consulting Partnership Enterprise (Limited Partnership) is held by Ms. GAN Lu (甘露), Mr. WANG Tianze (王天澤) and Mr. ZHOU Quan (周泉) as to 50%, 30%, 20%, all being the Independent Third Parties. Shanghai Depu Investment Consulting Co., Ltd. is wholly owned by Ms. GAN Lu.

HISTORY, REORGANIZATION AND CORPORATE DEVELOPMENT

Corporate structure immediately following the [REDACTED]

The following chart sets forth the shareholding and beneficial ownership structure of our Group immediately following the completion of the [REDACTED], assuming that the [REDACTED] is not exercised:



denotes legal and beneficial ownership
denotes contractual relationship under the Contractual Arrangements

HISTORY, REORGANIZATION AND CORPORATE DEVELOPMENT

Notes:

- (1) Each of Real Force Limited and Precious Sight Limited will be indirectly controlled by the Founders’ Family Trust with Mr. Zhao as the settlor, The Core Trust Company Limited as the trustee, Ms. Zhu as the protector and William Zhao Limited (which remains to be wholly owned by Mr. Zhao) and Shuina Zhu Limited (which remains to be wholly owned by Ms. Zhu) as beneficiaries upon the completion of the [REDACTED]. Mr. Zhao, as the settlor, will be entitled to certain management powers of the Founders’ Family Trust, including such power to nominate and remove beneficiaries of the Founders’ Family Trust; and Ms. Zhu, as the protector, will be entitled to exercise certain protective powers in the Founders’ Family Trust, including power to appoint or remove the trustee of the Founders’ Family Trust, the investment and asset management powers in the Founders’ Family Trust, etc. In exercising the voting rights attached to their interests in the Company held through the Founders’ Family Trust, Mr. Zhao, being the settlor, will issue instructions to the trustee of the Founders’ Family Trust, with prior consent from Ms. Zhu, as the protector.
- (2) Driving Force Developments Limited will be indirectly controlled by the Hongyu Trust established with Shanghai Hongyu Limited as the settlor and beneficiary, and The Core Trust Company Limited as trustee upon the completion of the [REDACTED].
- (3) Rosy Maple Limited will be indirectly controlled by the Fangqi Trust established with Ms. ZHAO Fangqi as the settlor, Fangqi Zhao Limited as beneficiary and The Core Trust Company Limited as trustee upon the completion of the [REDACTED].
- (4) Blooming Sky Holdings Limited will be indirectly controlled by the Zhiyu Trust established with Shanghai Zhiyu Limited as the settlor and beneficiary, and The Core Trust Company Limited as trustee upon the completion of the [REDACTED].
- (5) Sea Pictures Limited will be indirectly controlled by the Kaihua Trust established with Mr. TAN Kaihua as the settlor, Kaihua Tan Limited as beneficiary and The Core Trust Company Limited as trustee upon the completion of the [REDACTED].
- (6) to (23) please refer to the corresponding notes (6) to (23) under the corporate chart as set out in “History, Reorganization and Corporate Structure – Corporate Structure – Corporate structure after the Reorganization and before the [REDACTED].”
- (24) Other Shareholders are primarily the Shareholders subscribing for the [REDACTED].

HISTORY, REORGANIZATION AND CORPORATE DEVELOPMENT

COMPLIANCE WITH PRC LAWS AND REGULATIONS

Our PRC Legal Advisor confirmed that (i) the establishment of our subsidiaries in the PRC have complied with the relevant laws and regulations; (ii) all necessary approvals, permits and licenses required under the PRC laws and regulations in connection with the Reorganization have been obtained by our subsidiaries in the PRC, or there was no material legal impediment to obtain such approvals; and (iii) the Reorganization has complied with all applicable PRC laws and regulations.

SAFE REGISTRATION

Pursuant to the Circular of the SAFE on Foreign Exchange Administration of Overseas Investment, Financing and Round-trip Investments Conducted by Domestic Residents through Special Purpose Vehicles (關於境內居民通過特殊目的公司境外投融資及返程投資外匯管理有關問題的通知, “**Circular 37**”), promulgated by SAFE and which became effective on July 4, 2014:

- (a) a PRC resident must register with the local SAFE branch before he or she contributes assets or equity interests to an overseas special purpose vehicle (the “**Overseas SPV**”) that is directly established or indirectly controlled by the PRC resident for the purpose of conducting investment or financing, and
- (b) following the initial registration, the PRC resident is also required to register with the local SAFE branch for any major change, in respect of the Overseas SPV, including, among other things, a change of Overseas SPV’s PRC resident shareholder(s), the name of the Overseas SPV, terms of operation, or any increase or reduction of the Overseas SPV’s capital, share transfer or swap, and merger or division.

Pursuant to the Circular of the SAFE on Further Simplification and Improvement in Foreign Exchange Administration on Direct Investment (關於進一步簡化和改進直接投資外匯管理政策的通知, “**Circular 13**”), promulgated by SAFE and which became effective on June 1, 2015, the power to accept SAFE registration was delegated from local SAFE branch to local banks where the assets or interests in the domestic entity are located.

As advised by our PRC Legal Advisor, Mr. Zhao and Ms. Zhu, both PRC residents, have completed their initial foreign exchange registration of overseas investments as required under the Circular 37 on April 15, 2021.

HISTORY, REORGANIZATION AND CORPORATE DEVELOPMENT

M&A RULES

On August 8, 2006, six PRC regulatory agencies, including the MOFCOM, the State Assets Supervision and Administration Commission, the SAT, SAIC, CSRC and SAFE, jointly issued the Provisions on the Merger and Acquisition of Domestic Enterprises by Foreign Investors (the “**M&A Rules**”), which became effective on September 8, 2006, and was amended on June 22, 2009. Pursuant to the M&A Rules, a foreign investor shall comply with M&A Rules when (i) a foreign investor acquires equity in a domestic non-foreign invested enterprise thereby converting it into a foreign-invested enterprise, or subscribes for new equity in a domestic enterprise through an increase of registered capital thereby converting it into a foreign-invested enterprise; or (ii) a foreign investor establishes a foreign invested enterprise which purchases and operates the assets of a domestic enterprise, or which purchases the assets of a domestic enterprise and injects those assets to establish a foreign-invested enterprise (the “**Regulated Activities**”). The M&A rules, among other things, purport to require that the offshore special purpose vehicle that is controlled by PRC companies or individuals formed for the purpose of seeking a public listing on an overseas stock exchange through acquisitions of PRC domestic companies of the aforementioned PRC companies or individuals using shares of such special purpose vehicle or shares held by its shareholders as a consideration to obtain CSRC approval prior to the listing and trading of such special purpose vehicle’s securities on an overseas stock exchange.

Given that (1) the CSRC currently has not issued any definitive rule or interpretation concerning whether the [REDACTED] like ours are subject to the M&A Rules; (2) the WFOE was not established through mergers or acquisitions of domestic companies owned by PRC companies or individuals as defined under the M&A Rules; and (3) that no provision in the M&A Rules clearly classified contractual arrangements as a type of transaction subject to the M&A Rules, as advised by our PRC Legal Advisor, unless new laws and regulations are enacted or MOFCOM and CSRC publish new provisions or interpretations on the M&A Rules in the future, prior CSRC approval for the [REDACTED] is not required. However, there is uncertainty as to how the M&A Rules will be interpreted or implemented, and new rules or regulations promulgated in the future may impose additional requirement on us.