Investments in the Shares involve various risks. Potential investors should carefully consider each of the risks described below and all of the other information contained in this prospectus, including our consolidated financial statements and related notes, before deciding to invest in the Offer Shares. Our business, financial position, results of operations or prospects may be materially and adversely affected if any of the circumstances or events described below actually arises or occurs. In any such cases, the market price of our Shares could decline, and you may lose all or part of your investment. You should also pay particular attention to the fact that our subsidiaries in China are located in a legal and regulatory environment that in some respects differ significantly from that of other countries. For more information concerning the PRC legal and regulatory system and certain related matters discussed below, see the section entitled "Regulatory Overview" in this prospectus.

We believe that there are certain risks and uncertainties involved in our operations, some of which are beyond our control. We have categorized these risks and uncertainties into: (i) risks relating to our businesses and industries; (ii) risks relating to conducting business in the PRC; and (iii) risks relating to the Global Offering. Additional risks and uncertainties that are not presently known to us or that we currently deem immaterial may develop and become material and could also harm our businesses, financial position and results of operations.

RISKS RELATING TO OUR BUSINESSES AND INDUSTRIES

Our future growth may not materialize as planned, and any failure to manage our future growth effectively may have a material adverse effect on our business, financial condition and results of operations.

We experienced rapid revenue growth in revenue and profitability historically. Our revenue increased from RMB460.5 million for the year ended December 31, 2017 to RMB1,754.4 million for the year ended December 31, 2019, representing a CAGR of 95.2%. Our net profit increased from RMB39.1 million for the year ended December 31, 2017 to RMB232.8 million for the year ended December 31, 2019, representing a CAGR of 144.0%. As of December 31, 2019, we were contracted to manage properties with an aggregate contracted GFA of approximately 114.7 million sq.m. We have been expanding our business since our inception through organic growth as well as acquisitions. However, we cannot assure you that we will be able to maintain a similar rate of growth. In particular, there is no guarantee that we will continue to be able to increase the number of our property management service contracts or total GFA under management, nor that we will be able to succeed in our business development efforts going forward. Moreover, we will continue to face challenges related to rising labor and subcontracting costs and intensive competition for business opportunities as well as competent employees. The effects of changing regulatory, economic or other factors beyond our control may also have material adverse effects on our business. Furthermore, we have limited experience in operating certain new businesses, including property agency, Jianye + (建業+) platform, travel services, Cuisine Henan Foodcourts (建業大食堂), hotel management, commercial property management, cultural tourism complex management and intelligent community solutions. It is hard to predict the future growth of these business based on the historical financial or operating data of such business and we cannot assure you that the growth of these new business can be achieved in the future as we expected. See "—We have a limited operating history in certain new businesses" in this section. Thus, investors should not only rely on our historical results of operations to predict our future financial performance.

We seek to continue expanding through (i) expanding the total GFA we are contracted to manage in existing and new markets, including properties developed by the CCRE Group and its associates or joint ventures and third-party property developers, (ii) contracting to operate and manage more hotels, commercial assets and cultural tourism complexes owned by the CCRE Group and its associates or joint ventures and third parties, and (iii) investing in or acquiring suitable targets that meet our criteria. For more information, see "Business—Business Strategies—Expand our business scale through organic growth, strategic investments, cooperation and acquisitions" in this prospectus. In addition, we also plan to further integrate our businesses and achieve better synergies across our business segments. However, we base our expansion plans on our assessment of market prospects. We cannot assure you that our assessment will prove to be correct or that we can grow our business as planned. Our expansion plans may be affected by a number of factors, most of which are beyond our control. Such factors include:

- changes in China's economic conditions in general and the real estate and consumer services markets in Henan province in particular;
- changes in disposable personal income in China and Henan province;
- changes in PRC and Henan government regulations;
- changes in the supply of and demand for property management and value-added services as well as other businesses we operate or expect to operate;
- our ability to generate sufficient liquidity internally and obtain external financing;
- our ability to recruit and train competent employees;
- our ability to select and work with suitable subcontractors and suppliers;
- our ability to understand the needs of residents in the properties where we provide property management services;
- our ability to adapt to new markets and industries where we have no prior experience and in particular, whether we can adapt to the administrative, regulatory and tax environments in such markets and industries;
- our ability to leverage our brand names and to compete successfully in new markets and industries, particularly against the incumbent players in such markets who might have more resources and experience than we do; and
- our ability to improve our administrative, technical, operational and financial infrastructure.

We cannot assure you that our future growth will materialize or that we will be able to manage our future growth effectively, and failure to do so may have a material adverse effect on our business, financial position and results of operations.

A substantial portion of our revenue is generated from services we provide to the CCRE Group and its associates or joint ventures.

During the Track Record Period, a substantial portion of our revenue is generated from services we provide to the CCRE Group and its associates or joint ventures, which amounted to 17.5%, 19.5% and 42.5% of our total revenue during the Track Record Period, respectively. In particular, during the Track Record Period, we managed: (1) all of the properties developed by the CCRE Group; and (2)

97.8%, 92.1% and 96.8% of the properties developed by the CCRE Group and its associates or joint ventures. The Group did not manage all properties developed by such associates or joint ventures because, to our Directors' best knowledge and belief, such associates or joint ventures elected to appoint other property management companies, having taking into account, among others, our competitors' and our proposed service terms and prior business relationship with such associate or joint venture. As of December 31, 2017, 2018 and 2019, our total contracted GFA was approximately 34.1 million sq. m., 70.3 million sq. m. and 114.7 million sq. m., respectively, and our total GFA under management for the same period was approximately 20.4 million sq.m., 25.7 million sq.m. and 57.0 million sq.m., respectively, of which, approximately 90.9%, 83.7% and 68.9% were developed by the CCRE Group and its associates or joint ventures, respectively. On January 31, 2019, we entered into a master property management service contract with the CCRE Group, under which the CCRE Group agreed to continue engaging us as the property management services provider for its subsidiaries, from January 1, 2019 till December 31, 2021. See the section entitled "Connected Transactions—(B) Non-Exempt Continuing Connected Transactions—1. Property Consultation and Management Services" in this prospectus. Notwithstanding the abovementioned, we only entered into preliminary property management contracts with CCRE Group prior to the pre-sale or sale of property development projects. In relation to residential properties that have already been delivered, if a property owners' association has been set up, we typically enter into property management contracts with such property owners' association. For fixed term contracts, once our preliminary management contracts have expired, we typically negotiate with the property owners' associations for the terms of renewals of our party management service contracts. There is no assurance that such preliminary property management contracts or property management contracts will not be terminated prior to expiration for cause or renewed upon expiration. In the event of such termination or non-renewal, our business, results of operations and financial condition could be materially and adversely affected. There is no guarantee that we would be able to find other business opportunities and enter into alternative property management service contracts on favorable terms, or at all. In addition, both termination and non-renewal of property management service contracts could potentially be detrimental to our reputation and diminish our competitiveness within the industry.

In addition, a significant portion of our revenue from our commercial property management and consultation business (including hotel management, commercial property management and cultural tourism complex management) and value added services (including community value-added services, value-added services to non-property owners, intelligent community solutions, property agency service and customized services provided to VIPs of the Central China Consumers Club) and a small portion of our revenue from goods and services of new lifestyle (including Jianye + (建業+) platform, travel services and Cuisine Henan Foodcourts (建業大食堂)) are also derived from services we provide to the CCRE Group and its associates or joint ventures or in relation to projects of the CCRE Group.

However, we do not have control over the CCRE Group's management strategy, nor the macro-economic or other factors that affect their business operations. We would lose business opportunities to the extent that the CCRE Group suffers adverse developments that materially affect their property development efforts. There is no assurance that we will be able to procure service contracts from alternative sources to make up for the shortfall in a timely manner or on favorable terms. We also cannot guarantee that we will be successful in any efforts to diversify our customer base. In addition, there is no assurance that all of our service contracts with the CCRE Group and its associates or joint ventures will be renewed successfully upon their expiration. Should any of these events occur, we may experience a material adverse effect on our results of operations, financial position and growth prospects.

We have a limited operating history in certain new businesses.

We began our business operations in travel services in 2016, hotel management in 2017, suburban leisure complex management in 2018 and the following businesses in 2019, namely our Cuisine Henan Foodcourts (建業大食堂), commercial property management, cultural tourism complex management and intelligent community solutions business. We have a short operating history in such businesses and you should consider our prospects in light of the risks, expenses and challenges that we may face as an early-stage company with limited experience operating such businesses in a competitive market. Further, the majority of our Directors and senior management has limited experience in overseeing our non-property management segments, which have a relatively short operating history. We have encountered and expect to continue to encounter risks and difficulties frequently experienced by early-stage businesses, and those risks and difficulties may be heightened in a rapidly evolving market. Some of the risks affect our ability to:

- retain customers and qualified employees;
- maintain effective control of our development as well as operating costs and expenses;
- develop and maintain internal personnel, systems, controls and procedures to comply with the extensive regulatory requirements applicable to the relevant industries;
- respond to competitive market conditions in the relevant industries; and
- respond to changes in our regulatory environment.

Our failure to achieve any of the above may jeopardize our ability to implement our strategies and operate our businesses in the manner we contemplate, which in turn would cause an adverse effect on our business and prospects, financial position, results of operations and cash flows.

Our Jianye + (建業+) platform may not grow as planned.

The Jianye + (建業+) platform, which we acquired in 2019, was first launched in 2015. For more information, see the section entitled "Business—Lifestyle Services—The Jianye + (建業+) Platform" in this prospectus. We plan to focus on developing our Jianye + (建業+) platform by expanding the coverage of our services on the platform and integrating our Jianye + (建業+) platform with the provision of our steward services. We aim to expand the functionality of our Jianye + (建業+) platform and mobile app to increase accessibility and improve user experience and plan to attract further use by residents of the properties we manage as well as local suppliers. However, our Jianye + (建業+) platform is relatively new and still evolving and we cannot assure you that we will be able to grow our Jianye + (建業+) platform as planned. The future growth depends on our ability to tap the market and to continue to attract new users as well as to increase the spending and repeat purchase rate of existing users.

Changing consumer preferences have historically affected, and will continue to affect, the e-commerce industry. As a result, we must stay abreast of emerging life-style and consumer preferences and anticipate product trends that will appeal to existing and potential users. New products and services, or entrance into new markets, may require substantial time, resources and capital, and profitability targets may not be achieved. We cannot assure you that the residents will use or continue to use the services and products on our Jianye + (建業+) platform. We may also fail to attract suitable suppliers to provide products and services on our platform. For certain large suppliers with strong bargaining power, we may not be able to reach commercially favorable terms or at all. If our customers cannot find desired products or services within our portfolio at attractive prices, our customers may lose interest in our Jianye + (建業+) platform, which in turn, may adversely affect our business, our results of operations and our financial position.

Moreover, we may also encounter technical problems, security issues and logistical issues that may prevent our platform from functioning properly and our users from receiving the desired products and services. See "—We may experience failures in or disruptions to our information technology systems and the protection of our data security." We may also be subject to product liability arising from reselling the products or services on our platform under the Law of the People's Republic of China on the Protection and Rights and Interests of Consumers (中華人民共和國消費者權益保護法), the Tort Law of the PRC (中華人民共和國侵權責任法) and other relevant PRC laws and regulations. If we are unable to resolve such problems in a timely manner, or at all, we may lose our existing users or face lower user engagement.

In addition, we need to continuously upgrade our Jianye + (建業+) platform to attract and retain users through our R&D efforts. However, we may not be able to recruit sufficient qualified engineers to support our R&D activities or the growth of our Jianye + (建業+) platform. Even if we have sufficient qualified engineers, our R&D efforts may not be successful or generate the results we desire, in which case our users may lose interest in our Jianye + (建業+) platform. Moreover, we cannot assure you that our investment in our Jianye + (建業+) platform can be recovered in a timely manner, or at all, or our return would be comparable to those of other companies. In addition, our development of and investment in our Jianye + (建業+) platform may be subject to PRC laws and regulations governing license approval, record and renewal. See the section entitled "Regulatory Overview—Legal Supervision over the Internet Information Services" in this prospectus.

We are subject to risks beyond our control relating to epidemics, acts of terrorism, wars or other natural or man-made calamities in China and globally.

Natural disasters, epidemics, acts of war or terrorism or other factors beyond our control may adversely affect the economy, infrastructure and livelihood of the people in markets where we have, or plan to have, business operations. Some of these markets situated in geographic regions of China are susceptible to the threat of floods, earthquakes, sandstorms, snowstorms, fires or droughts, power shortages or failures, as well as potential wars, terrorist attacks or pandemic such as severe acute respiratory infection (SARI), Ebola, severe acute respiratory syndrome (SARS), strains of avian influenza, the human swine influenza A (H1N1), the human swine influenza A (H5N1) and the human swine influenza A (H7N9). Serious natural disasters may result in a tremendous loss of lives, injuries and the destruction of assets, as well as disrupt our business operations. Severe communicable disease outbreaks could result in widespread health crises that materially and adversely affect economic systems and financial markets. Acts of war or terrorism may also injure our employees, cause loss of life, disrupt our business operations and adversely affect the financial well-being of our customers. Any of these and other factors beyond our control may create uncertainties within the overall business environment, thereby causing our business to suffer in ways that we cannot predict and materially and adversely impact our business, financial position and results of operations.

As substantially all of our assets and operations are located in the central China region, our business could be affected by the outbreak of Novel Coronavirus pandemic, or another pandemic.

Beginning in late 2019, there were reports of outbreaks of severe acute respiratory infection caused by the outbreak of Novel Coronavirus, in Wuhan City, Hubei Province where the virus outbreak is the most severe. An outbreak of SARI in the human population could result in a widespread health crisis that could adversely affect the economy and financial markets of China where such disruptions could adversely affect our business operations and earnings. Due to the ongoing outbreak of Novel Coronavirus pandemic, we incurred additional costs in order to compensate the remaining staffs and subcontractors for their effort and to purchase preventive clothing to minimize our staffs' exposure to Novel Coronavirus the extent possible. In the event the outbreak of Novel Coronavirus pandemic continues without being effectively controlled in the future, and if any more of our employees are suspected of having been infected by Novel Coronavirus, we may be required to quarantine such employees which would aggravate the shortage of labor which in turn our financial performance may be adversely affected. Further, as some of our residents were subject to strict quarantine, this may arouse fear among our staff and residents and may affect our brand name or reputation. Nonetheless, the continued outbreak of Novel Coronavirus pandemic may result in an increase in unemployment rate as a result of the draconian measures designed to mitigate the further spread of Novel Coronavirus, which could have a significant social and economic impact. In the event that unemployment rate increases in China, property management and value-added services could be regarded as redundant and residents might be more reluctant or even incapable of paying for property management and value-added services. Similarly, if the outbreak of Novel Coronavirus pandemic continues to worsen and eventually results in a higher unemployment rate, the spending power in China would decrease accordingly and would affect our registered users' consumption of goods and services on our Jianye + (建業+) platform. Further, the suppliers we worked with on our Jianye + (建業+) platform might cease operations and we might experience shortage of supplies followed by a further decrease in consumption of goods and services or even loss of customers.

Termination or non-renewal of our property management services, commercial property management and consultation services for a significant number of properties could have a material adverse effect on our business, financial position and results of operations.

We generate a substantial part of our revenue from property management services performed under our property management service contracts. During the Track Record Period, revenue generated from our property management services accounted for 71.7%, 61.0% and 33.8% of our total revenue, respectively. The majority of our preliminary property management service contracts do not have fixed terms. Such contracts can be terminated when the property owners select another property management service provider through the property owners' general meeting and a replacement property management service contract entered into by the property owners' association takes effect. The property management service contracts we entered into with property owners' associations generally have fixed terms which will need to be renewed upon expiry. See the section entitled "Business—Property Management and Value-added Services—Property Management—Property Management Contracts" in this prospectus. There is no assurance that our services can be provided at a satisfactory level for us to be selected by the relevant property owners to enter into subsequent property management service contracts or the relevant subsequent property management service contracts can be renewed when their terms expire. Termination or non-renewal of a significant number of management service contracts could have a material and negative impact on our revenue from property management services. Moreover, as both termination and non-renewal may be detrimental to our reputation, we may experience material adverse effects to our brand value. Failure to cultivate our brand value may diminish our competitiveness within the industry.

Furthermore, the performance and development of our other businesses, such as our value-added services and goods and services of new lifestyle to a large extent, rely upon the residents in the properties we manage for our property management services business. Therefore, any failure to renew our property management service contracts or termination of such contracts could also adversely affect the performance of other businesses.

In addition, we may fail to renew our commercial property management and consultation contracts with the operators or owners of hotels and owners of shopping malls and cultural tourism complexes. We commenced our hotel management services, suburban tourism complex management services and commercial property management services in 2016, 2018 and 2019, respectively. During the Track Record Period, our revenue generated from commercial property management and consultation business was RMB15.3 million, RMB11.1 million and RMB104.7 million during the Track Record Period, respectively. All of our commercial property management and consultation contracts we entered into with property owners or hotel operators have fixed terms. There can be no assurance that any such contract will not be terminated prior to expiration or will be renewed when their terms expire. The operators or owners of hotels or owners of shopping malls and cultural tourism complexes may resort to other operators or service providers either because they are not satisfied with our services or our competitors can provide similar services at a lower price. Termination or non-renewal of a significant number of commercial property management and consultation contracts could have a material and negative impact on our revenue from commercial property management and consultation services.

We may fail to effectively anticipate or control our costs in providing our property management services, for which we generally charge our customers on a lump sum basis.

During the Track Record Period, we generated revenue from our property management services under the lump sum basis revenue model. On a lump sum basis, we charge property management fees at a pre-determined fixed lump sum price per sq.m. per month, representing "all-inclusive" fees for the property management services provided. These management fees do not change with the actual amount of property management costs we incur. We recognize as revenue the full amount of property management fees we charge to the property owners or property developers, and recognize as our cost of sales the actual costs we incur in connection with rendering our services. For more information, see the sections entitled "Business—Property Management and Value-added Services—Property Management—Property Management Fees" and "Financial Information—Critical Accounting Policies and Accounting Estimates and Judgments—Revenue Recognition" in this prospectus.

In the event that we fail to accurately anticipate our actual costs prior to negotiating and entering into our property management service contracts, and our fees are insufficient to sustain our profit margins, we would not be entitled to collect additional amounts from our customers. We also cannot guarantee that we will be able to adequately control our costs in the course of providing our property management services. Any losses we sustain may materially and adversely affect our results of operations. During the Track Record Period, we incurred losses for certain properties managed on a lump sum basis, which was primarily because the property management fee rate for such properties was lower than our average property management fee rate and we did not increase the fee rate for such properties, although the labor costs of managing such properties increased. The total losses generated from such properties accounted for respectively, RMB0.7 million, RMB0.9 million and RMB0.5 million, for the years ended December 31, 2017, 2018 and 2019.

If we are unable to raise property management fee rates and there is a shortfall of working capital after deducting the property management costs, we would cut costs endeavoring to reduce the shortfall. However, our ability to mitigate against such losses through cost-saving initiatives, such as operation automation measures to reduce labor costs and energy-saving measures to reduce energy costs, may not be successful and our cost-saving efforts may negatively affect the quality of our property management services, which in turn would further reduce the owners' willingness to pay us higher property management fees.

We may experience fluctuations in our labor and subcontracting costs.

During the Track Record Period, our labor costs represented 27.6%, 30.1% and 30.5% of our cost of sales, respectively. We delegate property management services such as cleaning, greening and gardening and security guard functions to subcontractors. During the Track Record Period, our subcontracting costs represented 4.7%, 11.1% and 22.4% of our cost of sales, respectively. We therefore believe that controlling and reducing our labor costs and subcontracting costs is essential to maintaining and improving our profit margins.

We face pressure from rising labor and subcontracting costs due to various contributing factors, including but not limited to:

- *Increases in minimum wage.* The minimum wage in regions we operate, in particular Henan province, has increased substantially in recent years, directly affecting our labor costs as well as the fees we pay to our subcontractors.
- *Increases in headcount.* As we expand our operations, the headcount of our property management staff, sales and marketing staff and administrative staff will continue to grow. We will also need to retain and continuously recruit qualified employees to meet our growing demand for talent, which will further increase our total headcount. Moreover, as we continue to expand our business scale, we will need a growing number of subcontractors. This increase in headcount will also increase costs such as those related to salaries, training, social insurance and housing provident fund contributions and quality control measures.
- *Delay in implementing measures to reduce labor costs and subcontracting costs.* Usually there is a lapse in time between when we begin property management services for a particular property and when we implement any of our measures to reduce our reliance on manual labor and cost of sales, such as implementing technological solutions and procedure standardization. Before we carry out such measures, our ability to mitigate the impact of any increases in labor and subcontracting costs is limited.

We cannot assure you that we will be able to control our costs or improve our efficiency. If we fail to achieve this goal, we may experience a material adverse effect on our business, financial position and results of operations.

We are exposed to credit risks as difficulties in collecting our property management fees may lead to impairment of our trade receivables.

We may encounter difficulties when collecting property management fees in residential communities with relatively high vacancy rates. Even though we seek to collect overdue property management fees through a number of collection measures, we cannot assure you that such measures will be effective or enable us to accurately predict our future collection rate. Although our management's estimates and the related assumptions were made in accordance with information available to us, such estimates or assumptions may need to be adjusted if new information becomes known.

Our allowance for impairment of trade receivables amounted to RMB12.6 million, RMB13.8 million and RMB13.3 million, respectively, as of December 31, 2017, 2018 and 2019. Our collection rate of property management fees, calculated by dividing the property management fees we actually received during a period by the total property management fees payable to us accumulated during the same period, was approximately 85.9%, 89.6% and 90.1%, respectively, during the Track Record Period. As of the Latest Practicable Date, approximately RMB174.3 million, or 25.7%, of our trade receivables as of December 31, 2019 were subsequently settled. For more information, see the section entitled "Financial Information—Selected Items of the Consolidated Balance Sheets—Trade and Other Receivables and Prepayments" in this prospectus.

In the event that actual recoverability of trade receivables is lower than expected, or that our past allowance for impairment becomes insufficient in light of any new information, we may need to provide for additional allowance for impairment of trade receivables, which may in turn materially and adversely affect our business, financial position and results of operations. Such occurrences may also lead to additional operating costs as we seek to recover outstanding property management fees. We may experience adverse effects on our cash flow position and ability to meet our working capital requirements to the extent that we are unable to, or experience prolonged delays in collecting, trade receivables from our customers.

Moreover, we experienced seasonal fluctuations in the collection of our trade receivables during the Track Record Period and expect to continue experiencing such seasonal fluctuations going forward. Property owners and residents tend to settle outstanding property management fee balances toward the second half of the year, especially near the end of the year. As a result, our collection rate with respect to property management fees was 90.1% for the year ended December 31, 2019, which was higher in comparison to our collection rate of 89.6% for the year ended December 31, 2018. In general, our trade receivable amounts increase throughout the year and decrease toward the end of the year when property owners and residents settle their outstanding property management fee balances. Additionally, for the year ended December 31, 2019, our average turnover days of trade receivables was 93.5 days as compared to 99.6 days for the year ended December 31, 2018. Consequently, a comparison of our outstanding trade receivables and collection rates between different points in time within a single financial year and any comparison of trade receivables turnover days for an interim period with that of a full financial year may not be necessarily meaningful and should not be relied upon as indicators of our financial performance. Seasonal fluctuations in our collection rates and trade receivables require that we manage our liquidity carefully so as to provide our business with adequate cash for operations. Any inability to ensure adequate liquidity could cause us to incur higher financing costs and hamper our ability to expand and grow our operations, which could in turn materially and adversely our business, financial position and results of operations.

Significant impairment charges to our balance of intangible assets could negatively affect our results of operations and financial position.

Our intangible assets amounted to approximately RMB9.2 million, RMB8.3 million and RMB73.0 million as of December 31, 2017, 2018 and 2019, respectively, which mainly comprised goodwill, platform and know-how, order backlog and customer relationship, software and others.

The failure to generate financial results commensurate with our intangible assets estimates may negatively affect the recoverability of such intangible assets, and in turn result in impairment losses. Any significant impairment losses charged against our intangible assets and goodwill could have a material adverse impact on our business, financial condition and results of operations.

If we are required to recognize impairment losses for goodwill, our business, results of operations and financial condition would be negatively impacted.

As of December 31, 2017, 2018 and 2019, we had goodwill amounting to approximately nil, nil and RMB42.3 million, respectively, as a result of acquisition of our subsidiaries namely One Family Network Technology Co., Ltd, Aiou Electronic Technology Co., Ltd., Xinyang Nanhong Property Services Co., Ltd., Linzhou Liuhe Property Service Co., Ltd., and Zhengzhou Jiaxiang Property Service Co., Ltd. If we determine our goodwill is impaired, we will be required to write down all or part of such assets. We test annually whether goodwill is subject to any impairment.

The value of goodwill is based on a number of assumptions made by our management. If any of these assumptions does not materialize, or if the performance of our business is not consistent with such assumptions, we may be required to write-off part or all of our goodwill and record an impairment loss. Any significant impairment of goodwill could have a material adverse effect on our business, financial condition and results of operations. For more information in relation to our impairment policy relating to goodwill, please see Note 32 to the Accountant's Report in Appendix I to this prospectus. For a detailed discussion on the impairment testing, sensitivity and headroom on how changes in the valuation parameters will affect the impairment assessment for the cash-generating unit containing the goodwill, please see section headed "Financial Information—Critical Accounting Estimates and Judgments" to this prospectus. We cannot assure you that we will not recognize any significant impairment loss for goodwill in future periods.

We are susceptible to adverse regulatory and economic developments in the central China region, particularly Henan province.

As of December 31, 2019, we had a geographic presence and provided services to all the 18 prefecture-level cities (including 81 of the 104 county-level cities) located in Henan as well as one city in Hainan, namely Haikou. During the Track Record Period, the aggregate GFA of our managed properties in those cities accounted for 100% of our total GFA under management. Substantially all our revenue was generated from services provided in Henan during the Track Record Period. For more information, see the section entitled "Business—Property Management and Value-added Services—Property Management—Geographic Presence" in this prospectus. Although we plan to expand to new markets outside of Henan, our expansion efforts may not be successful. Thus, any adverse regulatory and economic developments in those markets that may dampen demand or prices for our property management services may materially and adversely affect our business. On September 14, 2016, Zhengzhou Municipal People's Government Office issued the Notice on Promoting the Steady and Healthy Development of the Real Estate Market (《關於促進房地產市場持續平穩健康發展的通知》) (Zheng Zheng Ban [2016] No.60), which raised the land bidding deposit to 100%. On October 1, 2016, Zhengzhou Municipal People's Government Office issued the Notice on the Implementation of Housing Purchase Restriction in Some Areas of Zhengzhou (《關於在鄭州市部分區域實施住房限購的通知》) (Zheng Zheng Ban [2016] No.64) which provides that local households which own two or more properties and non-local households which own one or more properties are limited to property purchases of less than 180 square meters (excluding 180 square meters). Any such local regulatory limitations on property development industry, property management industry or other industries we have operations in may exert adverse influence on our business in Henan.

We may be subject to fines for our failures to register for and/or contribute to social insurance and housing provident funds for our employees.

In accordance with applicable PRC laws and regulations, we are obliged to contribute to social insurance and housing provident funds for our employees. During the Track Record Period, we did not fully contribute to certain social insurance and housing provident funds for some of our employees. Our Directors confirmed that we have made provisions for our shortfall of the social insurance and housing provident funds in the amounts of RMB3.8 million, RMB4.1 million and RMB3.0 million on our financial statements during the Track Record Period, respectively, for certain of our PRC subsidiaries. Under the Regulations on Administration of Housing Provident Fund (住房公積金管理條例), (i) if we fail to complete housing provident fund registration before the prescribed deadlines, we may be subject to a fine ranging from RMB10,000 to RMB50,000 for each non-compliant subsidiary or branch and (ii) if we fail to pay housing provident fund contributions within the prescribed deadlines, we may be subject to an order by the relevant people's court to make such payments. According to the Social Insurance Law of the PRC (中華人民共和國社會保險法), for outstanding social insurance fund contributions that we did not fully pay within the prescribed deadlines, the relevant PRC authorities may demand that we pay the outstanding social insurance contributions within a stipulated deadline and we may be liable for a late payment fee equal to 0.05% of the outstanding contribution amount for each day of delay; if we fail to make such payments, we may be liable to a fine of one to three times the outstanding contribution amount.

Our Jianye + (建業+) platform is subject to third-party payment processing related risks.

We accept payments using a variety of methods, including payment through third-party online payment platforms such as WeChat Pay and Alipay, online payments with credit cards and debit cards issued by banks in China, and may accept payment on delivery in the future. Transactions conducted through WeChat Pay and Alipay involve the transmission of confidential information such as credit card numbers, personal information and billing addresses over public networks. In recent years, the use of third-party platforms in China has grown in parallel with consumer confidence in their security and efficiency. However, we do not have control over the security measures taken by providers of our third-party platforms. In the event that the security and integrity of these third-party platforms are compromised, we may experience material adverse effects on our ability to process service fees. We may also be perceived as partially responsible for failures to secure personal information and be subjected to claims alleging possible liability brought by our customers. Such legal proceedings may damage our reputation and harm our brand value. For certain payment methods, including credit and debit cards, we will pay interchange and other fees, which may increase over time and raise our operating costs and lower our profitability. We may also be subject to fraud and other illegal activities in connection with the various payment methods we offer, including online payment and payment on delivery options. We are also subject to various rules and requirements, regulatory or otherwise, governing electronic funds transfers, which are subject to change or reinterpretation that could make it difficult or impossible for us to comply with. Furthermore, the PRC Government may yet promulgate new laws and policies to regulate the use of third-party online payment platforms; such measures may increase our compliance and operational costs, for example by requiring that we pay higher transaction fees. If we fail to comply with these rules or requirements, we may be subject to fines and higher transaction fees and lose our ability to accept credit and debit card payments from consumers, process electronic funds transfers or facilitate other types of online payments, and our business, financial position and results of operations could be materially and adversely affected.

We are exposed to risks associated with relying on subcontractors to perform certain property management services.

We delegate property management services such as cleaning, greening and gardening, and security guard functions to subcontractors. During the Track Record Period, our subcontracting costs amounted to RMB16.8 million, RMB59.4 million and RMB264.1 million, respectively, accounting for 4.7%, 11.1% and 22.4%, respectively, of our total cost of sales. We select our subcontractors based on factors such as market reputation, qualifications, prices and track record. However, we cannot guarantee that they will always perform in accordance with our expectations. They may act in ways that are contrary to our customers' instructions, their contractual obligations and our own quality standards, and we would be unable to monitor them as directly and efficiently as with our own employees. This subjects us to risks associated with being held responsible for their substandard performance, including but not limited to litigation, disputes with our subcontractors, reputational damage, disruptions to our business and monetary claims from our customers. We may also incur additional costs while seeking to monitor or replace sub- contractors who do not perform in accordance with our expectations.

Furthermore, when our existing subcontracting agreements expire we may be unable to renew them or hire suitable replacements in a timely manner, or at all. Whether we renew our subcontracting agreements or hire replacements, there is no guarantee that we will be able to do so on favorable terms. We also do not have control over the ability of our subcontractors to maintain qualified, experienced and sizeable teams. In the event that our subcontractors are disrupted in their performance of property management services due to lack of personnel, we may be held liable for breach of contract to our customers. We may suffer material adverse effects to our brand value, business, financial position and results of operations to the extent that we are unable to recover any additional costs incurred in relation to the aforementioned possibilities from our subcontractors.

Our future acquisitions and investments may not be successful.

We plan to continue evaluating opportunities to acquire or invest in other property management companies and other businesses that are supplementary to our existing business and to integrate their operations into our business. However, we cannot assure you that we will be able to identify suitable opportunities.

Even if we do manage to identify suitable opportunities, we may not be able to complete the acquisitions or investments on terms favorable or acceptable to us or in a timely manner, or at all. The inability to identify suitable acquisition and investment targets or to complete acquisitions and investments may materially and adversely affect our competitiveness and growth prospects.

Acquisitions that we complete also involve uncertainties and risks, including, without limitation:

- potentially dilutive issuance of equity securities and/or significant cash outflow in our efforts to finance the acquisition;
- potential ongoing financial obligations and unforeseen or hidden liabilities;

- potential increase in depreciation charges/amortization in the event that the acquired target is rich in fixed assets;
- inability to apply our business model or standardized internal policies and procedures on our acquired targets;
- failure to effectively integrate the business operations of our acquired or invested targets with our own;
- failure to achieve the intended objectives, benefits or revenue-enhancing opportunities; and
- diversion of resources and management attention.

We are in a highly competitive business with numerous competitors and if we do not compete successfully against existing and new competitors, our business, financial position, results of operations and prospects may be materially and adversely affected.

The PRC property management industry is highly competitive and fragmented. See the section entitled "Industry Overview—Property Management Industry in the PRC and Henan" in this prospectus. Our major competitors include large national and regional companies that have operations in Henan province and local property management companies. Competition may intensify as our competitors expand their product or service offerings or as new competitors enter our existing or new markets. We believe that we compete with our competitors on a number of factors, primarily including business scale, brand recognition, financial resources, price and service quality. Our competitors may have better track records, longer operating histories, greater financial, technical, sales, marketing, distribution and other resources, greater name recognition and larger customer bases. As a result, these competitors may be able to devote more resources to the development, promotion, sale, and support of their services. In addition to competition from established companies, emerging companies may enter our existing or new markets. We cannot assure you that we will be able to continue to compete effectively or maintain or improve our market position, and such failure could have a material adverse effect on our business, financial position and results of operations.

We believe our current success can be partially attributed to our standardization of operations in providing our property management services. We plan to refine our service standardization practice to enhance the quality and consistency of our services, improve our on-site service teams' efficiency and reduce our costs. Our competitors may emulate our business model, and we may lose a competitive advantage that has distinguished ourselves from our competitors. If we do not compete successfully against existing and new competitors, our business, financial position, results of operations and prospects may be materially and adversely affected.

Furthermore, we may lose property developer clients who decide to enter into the property management business themselves, which will also intensify competition in the market. We seek to have large and reputable property developers as our clients, and such clients may develop their own property management businesses and provide property management services in-house. In such event, we may lose future business from such property developers, and our business, results of operations and financial position could be materially and adversely affected.

For our Jianye + (建業+) platform, we face intense competition in the market for customers and suppliers, and we expect the competition to continue to intensify in the future. In particular, we may encounter more intense competition from property developers with full-fledged property management services capacity when we seek to extend our Jianye + (建業+) platform into properties managed by them or explore opportunities in markets where they have strong influence since they may already have their own O2O platforms. Increased competition in the property management industry and the O2O industry may result in reduced pricing for our services and a decrease in our market share, either of which could negatively affect our results of operations and our ability to grow our business.

Furthermore, our Cuisine Henan Foodcourts (建業大食堂) face competition from participants in the food and beverage industry, which is a highly fragmented market. Our hotel management and commercial property management and consultation businesses face competition from international and domestic hotel management companies and chain and local shopping malls. As we are relatively inexperienced in such industries, we cannot assure you that we will manage to grow our businesses despite competitions from such parties.

We may fail to secure new or renew our existing property management service contracts on favorable terms, or at all.

We believe that our ability to expand our portfolio of property management service contracts is key to the sustainable growth of our business. During the Track Record Period, we generally obtained new property management service contracts through reaching agreements with the CCRE Group and its associates or joint ventures and participating in tenders, as and when applicable in accordance with the applicable requirements under the PRC laws and regulations. The selection of a property management company depends on a number of factors, including but not limited to the quality of services, the level of pricing and the operating history of the property management company. We cannot assure you that we will be able to procure new property management service contracts on favorable terms, or at all. Our efforts may be hindered by factors beyond our control, which may include, among others, changes in general economic conditions, evolving government regulations as well as supply and demand dynamics within the property management industry.

During the Track Record Period, we entered into preliminary management contracts with real estate developers during the later stages of property development. Such contracts are transitional in nature and facilitate the transfer of legal and actual control of the properties from property developers to property owners. Preliminary management contracts typically do not have a fixed term and expire when property owners' associations are established and a replacement property management service contract entered into by the property owners' association takes effect. For more information, see the section entitled "Business—Property Management and Value-added Services—Property Management—Property Management Contracts" in this prospectus. To continue managing the property, we would have to enter into property management service contracts with the property owners' associations, which typically range from two to five years and may be terminated for cause. There is no guarantee that property owners' associations will enter into property management service contracts with us instead of our competitors. Our customers select us based on parameters such as quality and cost, and we cannot assure you that we will always be able to balance them on favorable terms for both sides.

Even where we succeed in entering into property management service contracts with property owners' associations, we cannot guarantee that they will be renewed upon expiration. It is also possible that they may be terminated for cause. In such cases, we would no longer be able to provide community value-added services to residential communities who have terminated our engagements, in addition to our property management services. There is no guarantee that we would be able to find other business opportunities and enter into alternative property management service contracts on favorable terms, or at all.

We face exposure to fair value change for financial assets at FVTPL and valuation uncertainty due to the use of unobservable inputs.

We had investments in wealth management products and fund products, recognized as financial assets at fair value through profit or loss ("**FVTPL**") in the consolidated statement of financial position of approximately RMB45.2 million, RMB35.1 million and RMB1.5 million as of December 31, 2017, 2018 and 2019. Our net fair value gains on financial assets at FVTPL was approximately RMB8.0 million, RMB4.7 million and RMB0.4 million during the Track Record Period, respectively. We face exposure to fair value change for the financial assets at FVTPL. We cannot assure you that we can recognize comparable fair value gains in the future and we may on the contrary recognize fair value losses, which would affect our result of operations for future periods. In addition, the valuation of fair value change of financial assets at FVTPL are subject to uncertainties in estimations. Such estimated changes in fair values involve the exercise of professional judgment and the use of certain bases, assumptions and unobservable inputs, which, by their nature, are subjective and uncertain. As such, the financial assets at FVTPL valuation has been, and will continue to be, subject to uncertainties in estimations, which may not reflect the actual fair value of these financial assets and result in significant fluctuations in profit or loss from year to year.

We are uncertain about the recoverability of our deferred tax assets, which may affect our financial positions in the future.

We have deferred tax assets that are subject to the allowance on doubtful debts and tax losses. As at December 31, 2017 and 2018 and 2019, we had deferred tax assets of approximately RMB6.8 million, RMB9.7 million and RMB7.0 million, respectively. For details of the movements of our deferred tax assets during the Track Record Period, please refer to Note 29 of the Accountant's Report set out in Appendix I to this prospectus. Based on our accounting policies, deferred tax assets are recognized for all deductible temporary differences to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences can be utilized. This requires significant judgment on the tax treatments of certain transactions and also an assessment on the probability, timing and adequacy of future taxable profits available for the deferred tax to be recovered. These estimations of future taxable profits depend on numerous factors beyond the control of our management, and if such judgments turn out to be incorrect or imprecise, we may need to adjust our tax provisions accordingly. We cannot guarantee recoverability and predict the movement of our deferred tax assets. If we fail to recover our deferred tax assets, this may have a material adverse effect on our financial conditions in the future.

Our interest income derived from loans to entities controlled by Mr. Hua Ziyi and Mr. Hua Zhichang during the Track Record Period are non-recurring in nature and we may not be able to record similar income, which may materially and adversely affect our financial results.

During the Track Record Period, we had recognized interests income of loans to entities controlled by Mr. Hua Ziyi and Mr. Hua Zhichang. During the Track Record Period, interest income from loans to entities controlled by Mr. Hua Ziyi and Mr. Hua Zhichang amounted to approximately RMB56.3 million, RMB48.9 million and RMB13.2 million, respectively. As all the loans to entities controlled by Mr. Hua Ziyi and Mr. Hua Zhichang had been settled as at June 30, 2019, we will not continue to recognize interest income from loans to entities controlled by Mr. Hua Ziyi and Mr. Hua Zhichang upon the Listing. This may affect our financial position, particularly our profit for the year/period. The abovementioned income is non-recurring in nature and we may not be able to record similar income in the future, which may materially and adversely affect our financial results.

Our Jianye + (建業+) platform, travel services, hotel management, commercial property management and cultural tourism complex management businesses is subject to seasonality factors.

The Jianye + (建業+) platform, travel services, hotel management, commercial property management and cultural tourism complex management businesses are inherently seasonal, whereby sales of travel services will increase in respect of holiday periods and decrease in respect of off-peak times and travel services are subject to fluctuation between peak seasons and low seasons. Accordingly, during the Track Record Period, our sales demonstrated a seasonal pattern. We normally achieved higher revenue in the festive holidays including New Year, Chinese Lunar New Year and Christmas. Our Directors consider that the higher revenue during these festive holidays was primarily because more customers tend to make consumptions and higher sales were generated from customers as a result. Our operating results may be subject to fluctuations due to seasonality factors from time to time.

Our package tours may be subject to cancellation due to various reasons which may result in complaints from customers.

Our package tours may be subject to cancellation before the departure date due to various reasons, including but not limited to safety issues relating to the tour destinations, outbreak of any severe epidemic or contagious diseases, traffic issues such as air traffic control, emergencies relating to customers and the number of customers which has enrolled a tour being less than the minimum required. Under such circumstances, we are entitled to cancel the tour at our discretion provided that the full amount of the deposit or the package price is refunded to the customers with compensation made in accordance with the relevant laws and regulations. Despite our refund and payment of the compensation are in compliance with the relevant laws and regulations, customers may be dissatisfied with the arrangement and may file complaints to us or the media. If we fail to deal with those complaints properly, whether meritorious or not, this may lead to negative publicity and may materially damage our reputation and goodwill, which may in turn materially and adversely affect our business and operating results.

Our catering business and operation are susceptible to product liability or food safety claims

As we are not involved in the manufacturing of the raw materials we use in our restaurants, Cuisine Henan Foodcourts (建業大食堂), we do not have control over their quality. The sale of food and beverage products for human consumption involves inherent risks of personal injuries which includes risks posed by (i) food and beverage contamination or degeneration during storage or transportation processes; (ii) contamination of raw materials; and (iii) spoilage of raw materials. Incidents of food poisoning caused by food ingredients from the suppliers or reasons beyond our control may occur. If the raw materials supplied to us are found to be spoiled, contaminated, tampered with or reported to be associated with any such incidents, our reputation, business, financial condition, results of operations could be materially and adversely affected.

In addition to the risks caused by our food processing operations and the subsequent storage and serving process, any food and beverage contamination could also subject us to product liability claims, adverse publicity, government scrutiny, investigation or intervention, or product returns, resulting in increased costs, and any of these events could adversely affect our business, results of operations and financial condition. Also, we cannot guarantee that our suppliers are in full compliance with all the relevant health and safety standards, licensing or permits requirements, customs clearance and quality control measures in such processes before the supply of raw materials to us. Upon receiving the raw materials from our suppliers, we cannot guarantee that our quality safeguards will be completely effective in ensuring that the quality of the raw materials will not deteriorate as a result of improper storage conditions or other unforeseeable reasons. Such product or raw material quality issues may cause illness to the consumers of our food and beverage products. Any dispute over the attribution of product liability that may arise would divert our resources and efforts from our business operations to defending legal proceedings which could adversely affect our business, results of operations and financial condition.

In addition, nuts, eggs and dairy products are common ingredients used in our restaurant dishes. If we are not made aware of such food allergies when the dishes are prepared at the restaurant, the consumption of such food items by our customers may cause severe allergic reactions, food poisoning and health hazards. These potential incidents could lead to liability claims and compensation ordered by court, as well as the imposition of penalties by relevant authorities, which may have a material adverse effect on our business operations. In addition, reports by the media of such incidents or any other negative publicity resulting from the publication of industry findings or research reports in relation to our food quality or customer service or any complaints from our customers may, regardless of their validity, adversely affect our business, results of operations and financial condition, which may result in the closure or suspension of the relevant restaurants.

Significant increases in the volume of sales made through third-party internet travel intermediaries could have an adverse impact on consumer loyalty to our hotel brands and could negatively affect the revenues and profits of our hotel management service.

Consumers routinely use internet travel intermediaries to book travel. Some of these intermediaries are attempting to increase the importance of generic quality indicators (such as "four-star downtown hotel") at the expense of brand identification. These intermediaries hope that consumers will eventually develop brand loyalties to their reservation system rather than to our hotel brands. Some of these intermediaries have launched their own loyalty programs to further develop loyalties to their reservation system. In addition, these intermediaries typically obtain higher commissions or other potentially significant contract concessions, increasing the overall cost of these third-party distribution channels. If the volume of sales made through internet travel intermediaries continues to increase, consumers may develop stronger loyalties to these intermediaries rather than to our brands, our distribution costs could increase significantly, and our business revenues and profits could be harmed.

We may fail to properly maintain fire extinguishing systems and other fire safety facilities in the buildings under our management.

Concerns about fire safety in residential and commercial buildings have been raised frequently in recent years in China due to certain fire accidents which brought widespread publicity and heat discussions, including the effectiveness of the alarm systems and sprinklers. Under relevant PRC laws and regulations, property management service providers are obligated to maintain certain fire safety facilities of the properties under management. We are generally responsible for ensuring fire extinguishing systems and other fire safety facilities are in good working order. During the Track Record Period, the properties under our management did not experience any fire incident and there was no incidents reported in connection with the effectiveness of the fire safety facilities we maintained. However, we may be subject to administrative fines if we fail to properly maintain the fire extinguishing systems installed in the buildings under our management. Furthermore, were such incidents to occur in the future, in addition to administrative fines to be imposed by relevant authorities, we might suffer reputational harm regardless of our fault or liabilities in such incidents, which may in turn adversely affect our business and result of operations.

If we are unable to maintain high occupancy rate for the hotels and serviced apartments we manage, our revenues could fall.

Increasingly, the rooms at hotels and resorts that we manage are booked through third-party internet travel intermediaries and online travel services providers. A failure by our distributors to attract or retain their customer bases could lower demand for hotel rooms and, in turn, reduce our revenues from hotel management. In addition, some of our distribution agreements are not exclusive, are short term, are terminable at will, or are subject to early termination provisions. The loss of distributors, increased distribution costs, or the renewal of distribution agreements on less favorable terms could adversely impact the occupancy rate of the hotels and serviced apartments we manage and further affect our revenues.

Our current tax benefits and government grants may be discontinued.

Aiou Electronic, our 93.33% owned subsidiary acquired in May 2019, enjoyed a preferential corporate income tax rate of 15% treatment for the year ended December 31, 2019 as being a certificated high-technology company which would otherwise be 25% had the ordinary tax rate applied. We cannot assure you that the local tax authorities will not, in the future, change their position and discontinue any of our current tax treatments, potentially with retroactive effect. The discontinuation of any of our current tax treatments could materially increase our tax obligations and adversely impact our net income.

For the years ended December 31, 2017, 2018 and 2019, Central China Property Management, one of our wholly-owned subsidiaries, received government grants in the amount of RMB0.5 million, RMB0.5 million and RMB0.7 million, respectively. As government grants are typically awarded at the discretion of the relevant governmental authorities, we cannot assure you that we will continue to receive them in the future. We face uncertainty relating to the availability of government grants due to unexpected changes in PRC laws, regulations and governmental policies. Any loss of or reduction in government grants could have an adverse effect on our financial condition, results of operations and prospects.

We are exposed to risks associated with failing to detect and prevent fraud, negligence or other misconduct (accidental or otherwise) committed by our employees, subcontractors or third parties.

We cannot guarantee that our risk management and internal control systems will always enable us to detect, prevent and take remedial measures in relation to fraud, negligence or other misconduct (accidental or otherwise) committed by our employees, sub- contractors or third parties in a timely and effective manner. Examples of such behavior include crimes such as theft, vandalism and bribery during tenders.

Although we have limited control over the behavior of any of these parties, we may be viewed as at least partially responsible for their conduct on contractual or tortious grounds. We may become, or be joined as, a defendant in litigation or other administrative or investigative proceedings and be held accountable for injuries or damages sustained by our customers or third parties. To the extent that we cannot recover related costs from the employees, subcontractors or third parties involved, we may experience material adverse effects on our business, financial position and results of operations. We may also attract negative publicity, damaging our reputation and brand value.

Our employees and subcontractors may sustain work injuries during the ordinary course of providing property management services and other value-added services.

Work injuries may occur during the ordinary course of our business. For example, repair and maintenance services performed by our employees may involve the handling of tools and machinery that carry the inherent occupational risk of accidents. Our ability to balance such risks is limited as the repair and maintenance of facilities such as elevators is part of the property management business. Hence, we are exposed to risks in relation to work safety, including but not limited to claims for injuries, fatal or otherwise, sustained by our employees or subcontractors. Such occurrences may also damage our reputation within the property management industry. We may also experience business disruptions and be required to implement additional safety measures or modify our business model as a result of any governmental or other investigations. To the extent that we will incur additional costs, we may suffer material adverse effects to our business, financial position, results of operations and brand value.

We may receive complaints filed by our employees, residents or subcontractors.

During our ordinary course of business, from time to time, we receive complaints from our employees, residents and subcontractors. For example, although we are not aware of any complaints or demands for payment of social insurance and housing provident funds, we may receive such complaints if we fail to rectify such insufficient contribution in the future. See "—We may be subject to fines for our failures to register for and/or contribute to social insurance and housing provident funds for our employees" in this section. Our employees and subcontractors may also file work safety related complaints. In addition, certain residents who live in high-end residential properties may strongly request to form their own property owners' association to isolate residents who live in affordable properties in the same community. Although no such request was raised by residents who lived in properties under our management during the Track Record Period, we cannot assure you that it will not take place in the future. During the Track Record Period and up to the Latest Practicable Date, our Directors confirmed that we had not received any complaints that may have a material adverse impact on our operations from our employees, residents or subcontractors.

Approximately 60%, or HK$1,071.0 million, of the net proceeds raised from the Global Offering will be used to pursue strategic investment and acquisition opportunities. For more information, see the section entitled "Future Plans and Use of Proceeds" in this prospectus. In the event that we fail to identify suitable acquisition or investment opportunities or our future acquisition or investment transactions fail to consummate for other reasons beyond our control, we would not have effectively applied our proceeds from the Global Offering.

Damage to the communal areas of our managed properties may adversely affect our business, financial position and results of operations.

The communal areas of the properties we manage may suffer damage as a result of occurrences beyond our control, including but not limited to natural disasters, accidents or intentional damage. Although PRC law mandates that each residential community establish a special fund to pay the repair and maintenance costs of communal areas, there is no guarantee that there will be sufficient sums in those special funds. Where the damage is caused by natural disasters such as earthquakes, floods or typhoons, or accidents or intentional harm such as fires, the damage caused may be extensive. At times additional resources may have to be allocated to assist police and other governmental authorities in investigating criminal actions that may have been involved.

As the property management service provider, we may be viewed as responsible for restoring the communal areas and assisting any investigative efforts. In the event that there is any shortfall in the special funds necessary to cover all the costs involved, we may have to compensate for the difference with our own resources first. We would need to collect the amount of the shortfall from the property owners later. To the extent that our attempts are unsuccessful, we may experience material adverse effects on our business, financial position and results of operations. As we intend to continue growing our business, the likelihood of such occurrences may rise in proportion to any increases in the number of our managed properties. Moreover, we may expand into markets that are geographically located in areas susceptible to earthquakes or typhoons.

We are susceptible to changes in the regulatory landscape of the PRC, particularly Henan province.

We generated most of our revenue from our property management services during the Track Record Period. The performance of our property management services business is primarily dependent on the total GFA and number of residential communities we manage. As such, our growth in the property management services business is, and will likely continue to be, affected by the PRC government regulations of the real estate industry.

The PRC government has implemented a series of measures with a view to controlling the growth of the economy in recent years. In particular, the PRC government has continued to introduce various restrictive measures to discourage speculation in the real estate market. The PRC government exerts considerable direct and indirect influence on the development of the PRC real estate industry by imposing industry policies and other economic measures, such as control over the supply of land for property development, control of foreign exchange, property financing, taxation and foreign investment. Through these policies and measures, the PRC government may restrict or reduce property development activities, place limitations on the ability of commercial banks to make loans to property purchasers, impose additional taxes and levies on property sales and affect the delivery schedule and occupancy rates of the properties we service. On February 26, 2013, the General Office of the State Council announced the Notice on Continuing to Improve the Regulation and Control of the Real Estate Market (《國務院辦公廳關於繼續做好房地產市場調控工作的通知》) (Guo Ban Fa [2013] No.17), which among others, provided that all municipalities directly under the central government, municipalities with independent planning status and provincial capital cities (excluding Lhasa) must promulgate their own plans and targets for price control on newly constructed commodity properties (excluding low-cost housing projects) in 2013 based on the principle of stabilizing market price. Limitations on the purchase of commodity properties must be strictly implemented and the scope of such limitations must cover all newly constructed commodity properties and second-hand properties located within the entire administrative area of the city in question. Furthermore, local government authorities of Zhengzhou have successively promulgated more detailed regulations to restrict the real estate market. Please see "—We are susceptible to adverse regulatory and economic developments in the central China region, particularly Henan province." Any such governmental regulations and measures may affect the PRC real estate industry, thus limiting our business growth and resulting in a material adverse effect on our business, financial position and results of operations.

We are susceptible to changes in the regulatory landscape of the PRC property management industry. We comply with the regulatory regime of the property management industry in conducting our business operations. The PRC Government promulgates new laws and regulations relating to the property management industry from time to time. For example, in December 2014, the NDRC issued the Circular of NDRC on the Opinions on Relaxing Price Controls in Certain Services (國家發展和改革委員會關於放開部分服務價格意見的通知) (發改價格[2014] 2755號), which requires the relevant provincial authorities to abolish pricing control policies in relation to, among others, property agency services, property management services for certain types of residential properties and parking services for residential communities. For more information, please see the section entitled "Regulatory Overview—Legal Supervision over Property Management Services" in this prospectus. We expect that pricing controls on residential properties will be relaxed over time; for now, our property management fees will continue to be subject to pricing controls until the relevant authorities pass local regulations to implement the Circular. However, we cannot guarantee that the PRC Government may not reverse its policy and re-impose limits on property management fees. Generally, pricing control policies may negatively impact our profitability as they restrict the amount of property management fees we may charge. We may experience diminished profit margins should our labor, subcontracting and other costs increase but we are unable to raise property management fees accordingly. There can also be no assurance that we would be able to implement cost-saving measures timely and effectively.

In order to regulate consumer goods and service industry, the PRC Government promulgated a series of laws and regulations to protect consumers' rights and interests, for example, the Law of the People's Republic of China on the Protection of Consumer Rights and Interests (the "No.7 Order") (《中華人民共和國消費者權益保護法》) promulgated in 1993 and amended in 2009 and 2013 and Measures for Punishments against Infringements on Consumer Rights and Interests (《侵害消費者權益行為處罰辦法》) which was issued and came into effective in March 2015. Furthermore, with the development and growth of online consumer goods and service industry in recent years, the Opinions of the State Administration for Industry and Commerce on Enhancing the Protection of Consumers' Rights and Interests in the Internet Sector (《工商總局關於加強互聯網領域消費者權益保護工作的意見》) was promulgated and came into effect in October 2016 to promote the protection of online consumers' rights and interests. In addition, in order to ensure fair competition and further strengthen the regulation of the trade market, the Ministry of Commerce issued the Guiding Opinions of Twelve Authorities including the Ministry of Commerce on Promoting the Development of the Platform Economy via Commodity Trade Markets (《商務部等12部門關於推進商品交易市場發展平臺經濟的指導意見》). Please see the section entitled "Regulatory Overview—Supervision on Consumer Goods and Service" and "—Supervision on Trade Market" in this prospectus.

The PRC Government may also unexpectedly promulgate new laws and regulations related to other aspects of our industries. To the extent that they increase our compliance and operational costs, we may experience material adverse effects on our business, financial position and results of operations.

Our business is significantly influenced by various factors affecting our industry and general economic conditions.

Our business, financial position and results of operations are and will continue to be dependent on various factors affecting the property management industries and general economic conditions, most of which are beyond our control. For example, limited flexibility in charging property management fees can adversely affect profit margins in the event of rising labor cost. Furthermore, any economic slowdown, recession or other developments in the PRC social, political, economic or legal environment could result in fewer new property development projects, or a decline in the purchasing power of residents living in the communities we manage or provide consultancy services to, resulting in a lower demand for our services and lower revenue and income contribution for us. As such, our business, financial position and results of operations would be materially and adversely affected.

Negative publicity, including adverse information on the internet, about us, our Shareholders and affiliates, our brand and management may have a material adverse effect on our business, reputation and the trading price of our Shares.

Negative publicity about us, our Shareholders and affiliates, the properties we manage, our brand, management and other aspects of our business operations may arise from time to time. They may appear in the form of comments on internet postings and other media sources, and we cannot assure you that other types of negative publicity will not arise in the future. For example, in the event that we fail to meet our customers' expectations as to the quality of our services, our customers may disseminate negative comments on social media platforms. Our subcontractors may also become the subject of negative publicity for various reasons, such as customer complaints about the quality of their services. Such occurrences may damage our reputation and we may lose customer confidence. In the long term, this would affect our future ability to attract and retain new customers and employees. We may suffer material adverse effects to our business and brand that in turn reduce the trading price of our Shares and diminish our competitive position.

Our success depends on the retention of our senior management team and our ability to attract and retain qualified and experienced employees.

Our continued success depends on the efforts of our senior management team and other key employees. As they possess key connections and industry expertise, losing their services may have a material adverse effect on our business. For example, Mr. Wang Jun, our chief executive officer and chairman and Executive Director, is responsible for formulating and exerting our business strategies, annual operational and financial plans. Mr. Cai Bin, our executive Director and chief operating officer, is an expert of e-commerce and has extensive experience in property agency, commercial property management and overall project management. Mr. Wang Weiqing, our Vice President, is an expert in the property management industry who previously worked in several major PRC property development companies before joining our group. However, Mr. Wang Jun also holds directorship positions in two other listed companies, namely as an executive director of CCRE and a non-executive director of DIT Group Limited (築友智造科技集團有限公司) (a company listed on the Stock Exchange, stock code: 726). Mr. Wang Jun may not be able to devote sufficient time to perform his duties as an executive Director of our Group. For more information, please see the section entitled "Directors and Senior Management" in this prospectus.

Should any or all members of our senior management team join or form a competing business with their expertise, connections and full knowledge of our business operations, we may not be able to estimate the extent of and compensate for such damage. Unexpected resignations may also leave key operations without supervisors and materially and adversely affect the implementation of our business strategies. In addition, the future growth of our business will depend, in part, on our ability to attract and retain qualified personnel in all aspects of our business, including corporate management and property management personnel. If we are unable to attract and retain these qualified personnel, our growth may be limited and we may experience material adverse effects on our business, financial position and results of operations.

We may fail to obtain or renew required permits, licenses, certificates or other relevant PRC governmental approvals or fail to submit governmental filings necessary for our business operations.

We are required to obtain governmental approvals in the form of permits, licenses and certificates to provide our services, which are only issued or renewed after certain conditions have been satisfied. We cannot assure you that we will not encounter obstacles toward fulfilling such conditions that delay us in obtaining or renewing, or result in our failure to obtain or renew, the required governmental approvals. Moreover, we anticipate that the PRC Government and relevant authorities will promulgate new policies in relation to the conditions for issuance or renewal from time to time. We cannot guarantee that such new policies will not present unexpected obstacles toward our ability to obtain or renew the required permits, licenses and certificates or that we will be able to overcome these obstacles in a timely manner, or at all. In addition, we are required to make necessary governmental filings to relevant authorities for our business operations, such as real estate brokerage institution filing and property management service agreement filing. If we fail to make filings required by the law or regulations or relevant authorities or fail to make such flings timely, we may be subject to administrative fines or penalties. Loss of or failure to obtain or renew our permits, licenses and certificates and omission to make necessary governmental filings or failure to make timely filings may stall our business operations, possibly leading to material adverse effects on our business and results of operations.

We may be subject to administrative penalties as we have not registered all of our lease agreements with housing administration authorities.

Pursuant to applicable PRC laws and regulations, lease agreements must be registered with housing administration authorities. As of the Latest Practicable Date, we failed to register our lease agreements for all of our 13 leased properties, primarily due to (i) lack of cooperation from our landlords in registering the relevant lease agreements and/or (ii) the fact that title certificates and proofs of ownership were not obtained by our landlords for certain of our leased properties. As advised by our PRC Legal Advisors, under PRC laws and regulations, while the failure to register a lease agreement would not affect its validity between the tenant and the landlord, we and our landlords may be subject to administrative fines for failing to register the lease agreements and competent authorities may require that we register such lease agreements within a prescribed period. Our PRC Legal Advisors have advised us that we may be ordered to rectify our failure to register and if we fail to do so within a prescribed period, a penalty of between RMB1,000 and RMB10,000 per agreement may be imposed on us as a result. The estimated total amount of penalty for our failure to file our lease agreements is approximately RMB13,000 to RMB130,000. In the event that we are required by competent authorities to rectify the non-compliance with lease registration requirement and we are not able to rectify due to lack of cooperation from the landlords, we intend to terminate the non-compliant leases, find alternative locations nearby and relocate. We may incur additional relocation costs and cannot assure you that we will be able to find alternative locations in a timely or effective manner.

We may fail to effectively protect our intellectual property rights and licensed rights.

We rely on our trade name and trademarks to build brand value and recognition, which we believe are key to our future growth and for fostering customer loyalty. In addition, we are granted licensed rights to use certain intellectual properties owned by other companies, such as intellectual properties owned by the CCRE Group. Unauthorized use or infringement of our trade names or trademarks may impair our brand value and recognition. Third parties may use our intellectual property in ways that damage our reputation within our industry. Although we are not aware that any such instances occurred during the Track Record Period, we cannot guarantee that our measures to protect our intellectual property and licensed rights will be sufficient. Despite the precautions taken, there can be no assurance that we will be able to detect all misappropriation or unauthorized use of our trade name and trademarks and licensed rights in a timely manner, or at all. There is also no guarantee that we will be successful in any enforcement proceedings that we undertake. Litigation to protect our intellectual property and licensed rights may be time-consuming, costly and divert management attention from our operations. While experiencing material adverse effects on our business and financial position, failures to protect our intellectual property rights and licensed rights may also diminish our competitiveness and market share. For more information, please see the section entitled "Business—Intellectual Property" in this prospectus.

We may be exposed to liabilities from disputes involving products and services marketed on our Jianye + (建業+) platform.

We collaborate with local suppliers surrounding the properties we manage to offer their products and services on our Jianye + (建業+) platform. As a result, we may become, or may be joined as, a defendant in litigation or administrative proceedings brought against such local suppliers by purchases or their products and services, governmental authorities or other third parties. These actions could involve claims alleging, among other things, that:

- the quality of the products sold by local suppliers fails to meet the relevant requirements;
- information provided on our Jianye + (建業+) platform with respect to such local suppliers products or services are false, deceptive, misleading, libelous, injurious to the public welfare or otherwise offensive;
- such local suppliers products or services marketed on our platform are defective or injurious and may be harmful to others; and
- such local suppliers marketing, communications or advertising infringe the proprietary rights of third parties.

In addition, if the products sold on our Jianye + (建業+) platform are deemed by the PRC government authorities to fail to conform to product quality and personal safety requirements, we could be subject to regulatory action. Violation of product quality and safety requirements by third-party suppliers may subject us to confiscation of related earnings, penalties or an order to cease sales of the defective products or to cease operations pending rectification. If the offense is determined to be serious, our business license to sell these products could be suspended and we could be subject to investigation and prosecution under criminal law.

Furthermore, we may be subject to product liabilities. Any product liability claim or governmental regulatory action could be costly and time-consuming. We could be required to pay substantial damages as a result of such claim or action. A material design, manufacturing or quality failure in other parties' products offered on our Jianye + (建業+) platform, safety issues or heightened regulatory scrutiny could each result in a product recall and increased product liability claims. Furthermore, customers may not use the products offered on our Jianye + (建業+) platform in accordance with product usage instructions, possibly resulting in customer injury. All of these events could materially harm our brands and reputation and marketability of such products, divert our management's attention and have a material adverse effect on our business, financial position and results of operations.

We may receive complaints arising from our advertising services from residents of the properties we manage.

We sometimes post advertisements on the exterior walls or doors of properties we manage. These advertisements typically are related to information of services and products closely tied to residents' daily life and basic needs such as consumer goods, household supplies and financial products. We closely manage the content and frequency of advertisements to ensure that the advertisements do not intrude upon the residents' quiet enjoyment of their properties and there was no complaints about the advertisements we posted during the Track Record Period. However, we cannot assure you that resistance to or complaints about the advertisements we post will not arise in the future, which may have adverse effect on our business and reputation.

Any claims by third parties alleging possible infringement of their intellectual property rights would have a material adverse effect on our business, brand value and reputation.

We may become subject to claims from competitors or third parties alleging intellectual property infringement in our ordinary course of business from time to time. Any claims or legal proceedings brought against us in relation to such issues, with or without merit, could result in substantial costs and divert capital resources and management attention. In the event of an adverse determination, we may be compelled to pay substantial damages or to seek licenses from third parties and pay ongoing royalties on unfavorable terms. Moreover, regardless of whether we prevail, intellectual property disputes may damage our brand value and reputation in the eyes of current and potential customers and within our industry.

We may be subject to penalties from the PBOC or adverse judicial rulings as a result of extending loans to related companies during the Track Record Period.

During the Track Record Period, we made loans to certain related parties (the "**Loans**"), which was not compliant with the PRC laws and regulations. These Loans were unsecured and carry an interest rate of 9.0%. As of December 31, 2017, 2018 and 2019, the outstanding balance of the Loans to entities controlled by Mr. Hua Ziyi and Hua Zhichang were approximately RMB646.9 million, RMB564.0 million and nil, respectively. The interest income derived in relation to the Loans amounted to RMB56.3 million, RMB48.9 million and RMB13.2 million during the Track Record Period. The Loans were settled as of June 30, 2019.

According to the General Lending Provisions (貸款通則) promulgated by PBOC in 1996, only financial institutions may legally engage in the business of extending loans, and loans between companies that are not financial institutions are prohibited. The PBOC may impose a fine equivalent to one to five times of the income generated (being interests charged) from the loan advancing activities between enterprises. However, according to the Provisions of the Supreme People's Court on Several Issues concerning the Application of Law in the Trial of Private Lending Cases (最高人民法院關於審理民間借貸案件適用法律若干問題的規定), which became effective on September 1, 2015, the validity of inter-company loan agreements which are for the needs of production and operation should be generally supported by the people's courts except they fall into the invalid contract circumstances regulated under the Provisions and under the PRC Contract Law (中華人民共和國合同法).

As of the Latest Practicable Date, our Directors confirm that we had not received any penalties, investigation or notice from relevant authorities regarding such loans to related parties. Our PRC Legal Advisors are of the view that the risk of us being penalized based on the General Lending Provisions is remote on the basis that the above loan arrangements have been terminated and all such loans have been settled. If we are subject to penalties from the PBOC or to an adverse judicial ruling in respect of the Loans, our cash flows, financial position and results of operations may be adversely affected.

We may be involved in legal disputes and subject to administrative fines or penalties from time to time, which may adversely affect our financial position, divert management attention and harm our reputation.

From time to time, we may be directly or indirectly involved in legal disputes with employees, subcontractors, regulatory bodies, customers or other third parties. These legal disputes may relate to, contractual warranties, employment, negligence and intellectual property. For example, our customers may bring claims against us for perceived failures (actual or otherwise) to perform in accordance with their expectations as to quality. Our employees and subcontractors may also sue us for occupational injuries, and we are subject to risks associated with having limited control over the behavior of employees, subcontractors and other third parties who may accidentally or intentionally harm the interests of our customers. Any claims, disputes and legal proceedings brought against us, with or without merit, could result in substantial costs and divert capital resources and management attention. We may suffer damage to our reputation regardless of whether we prevail, leading to material adverse effects on our business, financial position and brand value.

Administrative fines or penalties may be imposed on us by relevant authorities for failure to comply certain regulatory requirements or laws. Such administrative fines or penalties may relate to environmental responsibilities, insufficient contributions to social insurance and housing provident funds for our employees, failure to register lease agreements with housing administration authorities and the lack of a tender and bidding process or the approval of the competent government authorities for the selection of property management service providers. Any administrative fines or penalties imposed on us could result in costs and damage to our reputation and divert management attention.

We may experience failures in or disruptions to our information technology systems and the protection of our data security.

We rely on our information technology systems to manage key operational functions such as processing financial data and facilitating communications. For example, we rely heavily on our Jianye + (建業+) platform for our goods and services of new lifestyle business. However, we cannot assure you that damages or interruptions caused by power outages, computer viruses, hardware and software failures, telecommunication failures, fires, natural disasters, security breaches and other similar occurrences relating to our information systems will not occur going forward. We may incur significant costs in restoring any damaged information technology systems. Furthermore, data security incidents are not uncommon in recent years. For example, each of Marriott International and Facebook experienced a major data leakage incident in 2018. Consumers and customers' awareness of the importance of data security and information privacy has increased in recent years and they may lose trust in a service provider if such incidents occur. As of December 31, 2017, 2018 and 2019, there were over 407,300, 1,045,200 and 2,186,000 registered users on our Jianye + (建業+) mobile app. If we fail to protect the confidential information of the registered users and members of our Jianye + (建業+) mobile app, they may lose trust in our products and services and resort to other alternatives. Failures in or disruptions to our information technology systems and loss or leakage of confidential information could cause transaction errors, processing inefficiencies and the loss of customers and sales. We may thus experience material adverse effects on our business and results of operations.

Interruptions to automized, platformized, standardized and digitalized operations, which rely on our digitalized intelligent command center, may materially and adversely affect our business, financial position and results of operations.

Our operational efficiency primarily relies on the implementation of our "tool automation, resource platformization, service standardization and operation digitalization" initiative. With the aid of automation devices and our digitalized intelligent command center, we have centralized certain standardized services to our headquarters by instructing and supervising on-site service teams through remote security cameras and receiving requests and feedback from residents through our customer service hotline. For more information, please see the section entitled "Business—Technology" in this prospectus.

Many factors such as power outage and damage to our equipment may cause interruptions to our centralized remote system and customer service hotline. If we experience any power outage, our computer system which is key to our remote surveillance system may not function properly. Our equipment may also be subject to damages caused by unforeseeable events and unexpected natural disasters, such as earth quakes, fire or flood, or other similar events. If there is any interruption to our centralized business operations, our business, financial position and results of operations may be materially and adversely affected.

The share-based compensation expenses associated with the Pre-IPO Share Option Scheme will adversely affect our results of operations and any exercise of the options granted may result in a dilution of our Shareholders' shareholdings.

For the purpose of motivating the grantees of the Pre-IPO Share Options (the "Grantees") to optimize their future contributions to our Group and/or rewarding them for their past contributions, attracting and retaining or otherwise maintaining on-going relationships with the Grantees who are significant to and/or whose contributions are or will be beneficial to the performance, growth or success of our Group, we adopted the Pre-IPO Share Option Scheme, details of which are set out in "Statutory and General Information—D. Pre-IPO Share Option Scheme" in Appendix IV to this prospectus. Based on the valuation carried out by our valuer, the fair value of the Pre-IPO Share Options is estimated to be RMB20.8 million, and such amount will be substantially recognized as share-based compensation expenses in our consolidated statement of profit or loss and other comprehensive income in 2 years upon Listing.

The issue of Shares on any exercise of the Pre-IPO Share Options in the future will result in a reduction in the percentage ownership of the Shareholders in our Company and may result in a dilution in the earnings per Share and net asset value per Share, as a result of the increase in the number of Shares outstanding after such issuance.

Our insurance coverage may not sufficiently cover the risks related to our business.

We purchase and maintain insurance policies that we believe are customary with the standard commercial practice in our industry and as required under the relevant laws and regulations. For more information, please see the section entitled "Business—Insurance" in this prospectus. However, we cannot guarantee that our insurance policies will provide adequate coverage for all the risks in connection with our business operations. Consistent with customary practice in the PRC, we do not carry any business interruption insurance or litigation insurance. Moreover, insurance policies against disruption or damage caused by instances such as natural disasters, wars, civil unrest and acts of terrorism are not available in China on commercially practicable terms. We may be required to bear our losses to the extent that our insurance coverage is insufficient. If we were to incur substantial losses and liabilities that are not covered by our insurance policies, we could suffer significant costs and diversion of our resources, and thereby materially and adversely affect our business, financial position and results of operations.

Any inability to comply with our environmental responsibilities may subject us to liability

We are subject to extensive and increasingly stringent environmental protection laws, regulations and decrees that impose fines for violation of such laws regulations or decrees. In addition, there is a growing awareness of environmental issues and we may sometimes be expected to meet a standard which is higher than the requirement under the prevailing environmental laws and regulations. In addition, there is no assurance that more stringent environmental protection requirements will not be imposed in the future. If we are unable to comply with existing or future environmental laws and regulations or are unable to meet public expectations in relation to environmental matters, our reputation may be damaged or we may be required to pay penalties or fines or take remedial actions and our operations may be suspended, any of which may materially and adversely impact our business, financial position, results of operations and growth prospects.

RISKS RELATING TO CONDUCTING BUSINESS IN THE PRC

We are vulnerable to adverse changes in economic, political and social conditions and government policies in the PRC.

We manage all of our business operations from our headquarters in Zhengzhou, Henan. Accordingly, our financial position, results of operations and prospects are, to a significant degree, subject to the economic, political, social and legal conditions in China. The PRC economy differs from that of most developed countries in many respects, including the extent of government involvement, level of economic development, investment control, resource allocation, growth rate and control over foreign exchange. Before its adoption of reform and open-door policies beginning in 1978, China was primarily a planned economy. Since then, the PRC economy has been transitioning to become a market economy with socialist characteristics.

For approximately four decades, the PRC Government has implemented economic reform measures to utilize market forces in the PRC economy. Many of the reform measures are unprecedented or experimental and are expected to be modified from time to time. Other political, economic and social factors may lead to further readjustment or introduction of other reform measures. This reform process and any changes in laws and regulations or the interpretation or implementation thereof in China may have a material impact on our operations or may adversely affect our financial position and results of operations.

While the PRC economy has grown significantly in recent years, this growth has been geographically uneven among various sectors of the economy and during different periods. We cannot assure you that the PRC economy will continue to grow, or that if there is growth, such growth will be steady and uniform. Any economic slowdown may materially and adversely affect our business. In the past, the PRC Government has periodically implemented a number of measures intended to slow down certain segments of the economy which the PRC Government believed was overheating. We cannot assure you that the various macroeconomic measures and monetary policies adopted by the PRC Government to guide economic growth and allocate resources will be effective in improving the growth rate of the PRC economy. In addition, such measures, even if they benefit the overall PRC economy in the long term, may reduce demand for our properties and therefore materially and adversely affect our business, financial position and results of operations.

Restrictions on currency exchange under PRC laws and regulations may limit our ability to satisfy obligations denominated in foreign currencies.

Currently, the Renminbi cannot be freely converted into foreign currencies, and the conversion and remittance of foreign currencies are subject to PRC foreign exchange regulations. Substantially all of our revenue is denominated in Renminbi. Under our current corporate structure, we derive our income primarily from dividend payments made by our PRC subsidiaries. Shortages in the availability of foreign currency may restrict the ability of our PRC subsidiaries to pay dividends or other payments to us or satisfy other foreign currency-denominated obligations, if any.

Under existing PRC foreign exchange regulations, the Renminbi is convertible without prior approval from SAFE for current account transactions so long as certain procedures are complied with. Examples of such current account transactions include profit distributions and interest payments. However, prior approval and registration with SAFE is required for capital account transactions.

Examples of capital account transactions include foreign direct investment and the repayment of loan principal. There can be no assurance that the PRC Government, in seeking to regulate the economy, will not restrict access to foreign currencies for current account transactions in the future. Such restrictions may limit our ability to convert cash from our operating activities into foreign currencies to make dividend payments or satisfy any foreign currency-denominated obligations we may have. Moreover, limitations on the flow of funds between us and our PRC subsidiaries may restrict our ability to provide financing to our PRC subsidiaries and take advantage of business opportunities in response to market conditions.

Fluctuations in exchange rates may have a material adverse impact on your investment.

The exchange rate of the Renminbi fluctuates against the Hong Kong dollar, U.S. dollar and other foreign currencies and is affected by, among other factors, the policies of the PRC Government and changes in international and domestic political and economic conditions. From 1995 to July 20, 2005, the conversion of the Renminbi into foreign currencies was based on fixed rates set by the PBOC. However, effective from July 21, 2005, the PRC Government decided to permit the Renminbi to fluctuate within a regulated band based on market supply and demand and by reference to a basket of currencies. On November 30, 2015, the Executive Board of the International Monetary Fund completed a regular five-year review of the basket of currencies that make up the Special Drawing Right and determined that, effective from October 1, 2016, the Renminbi will be included in the Special Drawing Right basket as a fifth currency along with the U.S. dollar, the Euro, the Japanese yen and the British pound. It is difficult to predict how market forces and the PRC Government's policies will continue to impact Renminbi exchange rates going forward. In light of the trend towards Renminbi internationalization, the PRC Government may announce further changes to the exchange rate system, and we cannot assure you that the Renminbi will not appreciate or depreciate significantly in value against the Hong Kong dollar, U.S. dollar or other foreign currencies.

All of our revenue, liabilities and assets are denominated in Renminbi, while our proceeds from the Global Offering will be denominated in Hong Kong dollars. Material fluctuations in the exchange rate of the Renminbi against the Hong Kong dollar may negatively impact the value and amount of any dividends payable on our Shares. For example, significant appreciation of the Renminbi against the Hong Kong dollar could reduce the amount of Renminbi received from converting Global Offering proceeds or proceeds from future financing efforts to fund our operations. Conversely, significant depreciation of the Renminbi may increase the cost of converting our Renminbi-denominated cash flow into Hong Kong dollars, thereby reducing the amount of cash available for paying dividends on our Shares or carrying out other business operations.

Inflation in China could negatively affect our profitability and growth.

Economic growth in China has, in the past, been accompanied by periods of high inflation. In response, the PRC Government has implemented policies from time to time to control inflation, such as restricting the availability of credit by imposing tighter bank lending policies or higher interest rates. The PRC Government may take similar measures in response to future inflationary pressures. Rampant inflation without the PRC Government's mitigation policies would likely increase our costs, thereby materially reducing our profitability. There is no assurance that we will be able to pass any additional costs to our customers. On the other hand, such control measures may also lead to slower economic activity and we may see reduced demand for our properties.

Uncertainties with respect to the PRC legal system could limit the legal protection available to you.

The legal system in China has inherent uncertainties that could limit the legal protection available to our Shareholders. As we conduct all of our business operations in China, we are principally governed by PRC laws, rules and regulations. The PRC legal system is based on the civil law system. Unlike the common law system, the civil law system is established on the written statutes and their interpretation by the Supreme People's Court (最高人民法院), while prior legal decisions and judgments have limited significance as precedent. The PRC Government has been developing a commercial law system, and has made significant progress in promulgating laws and regulations related to economic affairs and matters, such as corporate organization and governance, foreign investments, commerce, taxation and trade.

However, many of these laws and regulations are relatively new. There may be a limited volume of published decisions regarding their interpretation and implementation, or the relevant local administrative rules and guidance on implementation and interpretation have not been put into place.

Thus, there are uncertainties involved in their enactment timetable, which may not be as consistent and predictable as in other jurisdictions. For example, on July 20, 2018, the General Office of the Central Committee of the Communist Party of China and the General Office of the State Council released the Reform Plan on the National and Local Taxation Collection and Management System (國稅地稅徵管體制改革方案) (the "Reform Plan"), which stipulated that tax authorities will collect social insurance contributions from January 1, 2019 onwards. While this may result in a stricter regime for the collection of social insurance funds, at the executive meeting held on September 6, 2018, the State Council proclaimed that it would make efforts to lower the payable amounts of social insurance funds so as to alleviate, as a general matter, the resulting financial burdens on corporations. In addition, the PRC legal system is based in part on government policies and administrative rules that may have retroactive effect. Consequently, we may not be aware of any violation of these policies and rules until some time after such violation has occurred. Furthermore, the legal protection available to you under these laws, rules and regulations may be limited. Any litigation or regulatory enforcement action in China may be protracted and result in substantial costs and diversion of resources and management attention.

You may experience difficulties in effecting service of process or enforcing foreign judgments against us, our Directors or senior management residing in China.

Our Company is incorporated in the Cayman Islands. All of our assets are located in China and all of our executive and non-executive Directors and senior management ordinarily reside in China or HK. Therefore, it may not be possible to effect service of process within Hong Kong or elsewhere outside of China upon us or our Directors or senior management. Moreover, China has not entered into treaties for the reciprocal recognition and enforcement of court judgments with Japan, the United Kingdom, the United States and many other countries. As a result, recognition and enforcement in China of a court judgment obtained in other jurisdictions may be difficult or impossible.

In addition, on July 14, 2006, China and Hong Kong signed the Arrangement on Reciprocal Recognition and Enforcement of Judgments in Civil and Commercial Matters by the Courts of the Mainland and of the Hong Kong Special Administrative Region Pursuant to Choice of Court Agreements between Parties Concerned (關於內地與香港特別行政區法院相互認可和執行當事人協議管轄的民商事案件判決的安排) (the "Arrangement"). Pursuant to the Arrangement, a party with a final court judgment rendered by a Hong Kong court requiring payment of money in a civil and commercial case pursuant to a choice of court agreement in writing may apply for recognition and enforcement of the judgment in China. Similarly, a party with a final judgment rendered by a PRC court requiring payment of money in a civil and commercial case pursuant to a choice of court agreement in writing may apply for recognition and enforcement of such judgment in Hong Kong. A choice of court agreement in writing is defined as any agreement in writing entered into between the parties after the effective date of the arrangement in which a Hong Kong or PRC court is expressly designated as the court having sole jurisdiction for the dispute. Therefore, it may not be possible to enforce a judgment rendered by a Hong Kong court in China if the parties in dispute do not agree to enter into a choice of court agreement in writing. It may be difficult or impossible for investors to enforce a Hong Kong court judgment against our assets or our Directors or senior management in China.

If we are classified as a "PRC resident enterprise" for PRC enterprise income tax purposes, such classification could result in unfavorable tax consequences to us and our Shareholders and have a material adverse effect on our results of operations and the value of your investment.

Under the EIT Law and its implementation rules, an enterprise established outside of the PRC with a "*de facto* management body" within the PRC is considered a resident enterprise and will be subject to the enterprise income tax on its global income at the rate of 25%. The implementation rules define the term "*de facto* management body" as the body that exercises full and substantial control over and overall management of the business, productions, personnel, accounts and properties of an enterprise. In April 2009, the SAT issued a circular, known as Circular 82, which provides certain specific criteria for determining whether the "*de facto* management body" of a PRC-controlled enterprise that is incorporated offshore is located in China. Although this circular only applies to offshore enterprises controlled by PRC enterprises or PRC enterprise groups, not those controlled by PRC individuals or foreigners like us, the criteria set forth in the circular may reflect the SAT's general position on how the "*de facto* management body" test should be applied in determining the tax resident status of all offshore enterprises. According to Circular 82, an offshore incorporated enterprise controlled by a PRC enterprise or a PRC enterprise group will be regarded as a PRC tax resident by virtue of having its "*de facto* management body" in China and will be subject to PRC enterprise income tax on its global income only if all of the following conditions are met: (i) the primary location of the day-to-day operational management is in the PRC; (ii) decisions relating to the enterprise's financial and human resource matters are made or are subject to approval by organizations or personnel in the PRC; (iii) the enterprise's primary assets, accounting books and records, company seals, and board and shareholder resolutions, are located or maintained in the PRC; and (iv) at least 50% of voting board members or senior executives habitually reside in the PRC.

We believe none of our entities outside of China is a PRC resident enterprise for PRC tax purposes. However, the tax resident status of an enterprise is subject to determination by the PRC tax authorities and uncertainties remain with respect to the interpretation of the term "*de facto* management body." As substantially all of our management members are based in China, it remains unclear how the tax residency rule will apply to our case. If the PRC tax authorities determine that the Company or any of our subsidiaries outside of China is a PRC resident enterprise for PRC enterprise income tax purposes, then the Company or such subsidiary could be subject to PRC tax at a rate of 25% on its world-wide income, which could materially reduce our net income. In addition, we will also be subject to PRC enterprise income tax reporting obligations. Furthermore, if the PRC tax authorities determine that we are a non-PRC resident enterprise for enterprise income tax purposes, gains realized on the sale or other disposition of and dividends received from us on our ordinary shares may be subject to PRC tax, at a rate of 10% in the case of non-PRC enterprises or 20% in the case of non-PRC individuals (in each case, subject to the provisions of any applicable tax treaty), if such gains or dividends are deemed to be from PRC sources. It is unclear whether non-PRC Shareholders of our company would be able to claim the benefits of any tax treaties between their country of tax residence and the PRC in the event that we are treated as a PRC resident enterprise. Any such tax may reduce the returns on your investment in our Shares.

You may be subject to PRC income tax on dividends from us or on any gain realized on the transfer of our Shares under PRC law.

Under the EIT Law and its implementation rules, subject to any applicable tax treaty or similar arrangement between China and your jurisdiction of residence that provides for a different income tax arrangement, PRC withholding tax at the rate of 10% is normally applicable to dividends from PRC sources payable to investors that are non-PRC resident enterprises, which do not have an establishment or place of business in China, or which have such establishment or place of business if the relevant income is not effectively connected with the establishment or place of business. Any gains realized on the transfer of shares by such investors are subject to a 10% PRC income tax rate if such gains are regarded as income from sources within China unless a treaty or similar arrangement provides otherwise. Under the PRC Individual Income Tax Law (中華人民共和國個人所得稅法) and its implementation rules, dividends from sources within China paid to foreign individual investors who are not PRC residents are generally subject to a PRC withholding tax at a rate of 20% and gains from PRC sources realized by such investors on the transfer of shares are generally subject to a 20% PRC income tax rate, in each case, subject to any reduction or exemption set forth in applicable tax treaties and PRC laws.

Although we conduct all of our business operations in China, it is unclear whether dividends we pay with respect to our Shares, or the gain realized from the transfer of our Shares, would be treated as income from sources within China and as a result be subject to PRC income tax if we are considered a PRC resident enterprise. If PRC income tax is imposed on gains realized from the transfer of our Shares or on dividends paid to our non-PRC resident investors, the value of your investment in our Shares may be materially and adversely affected. Furthermore, our Shareholders whose jurisdictions of residence have tax treaties or arrangements with China may not qualify for benefits under such tax treaties or arrangements.

Regulations relating to offshore investment activities by PRC residents may subject us to fines or sanctions imposed by the PRC Government, including restrictions on the ability of our PRC subsidiaries to pay dividends or make distributions to us and our ability to increase our investment in our PRC subsidiaries.

SAFE promulgated Circular 37 in July 2014, which abolished and superseded the Circular on Relevant Issues Concerning Foreign Exchange Administration for PRC Residents to Engage in Financing and Round Trip Investment via Overseas Special Purpose Vehicles (關於境內居民通過境外特殊目的公司融資及返程投資外匯管理有關問題的通知). Pursuant to Circular 37 and its implementation rules, PRC residents, including PRC institutions and individuals, must register with local branches of SAFE in connection with their direct or indirect offshore investments in an overseas special purpose vehicle, or SPV, directly established or indirectly controlled by PRC residents for the purposes of offshore investment and financing with their legally owned assets or interests in domestic enterprises, or their legally owned offshore assets or interests or any inbound investment through SPVs. Such PRC residents are also required to amend their registrations with SAFE when there is change to the required information of the registered SPV, such as changes to its PRC resident individual shareholder, name, operation period or other basic information, or the PRC individual resident's increase or decrease in its capital contribution in the SPV, or any share transfer or exchange, merger or division of the SPV. In accordance with the Notice of the SAFE on Further Simplifying and Improving Policies for the Foreign Exchange Administration of Direct Investment (國家外匯管理局關於進一步簡化和改進直接投資外匯管理政策的通知), the foreign exchange registration aforesaid has been directly reviewed and handled by banks since June 1, 2015, and SAFE and its branches perform indirect regulation over such foreign exchange registration through local banks. Under this regulation, failure to comply with the registration procedures set forth in Circular 37 may result in restrictions being imposed on the foreign exchange activities of our PRC subsidiaries, including the payment of dividends and other distributions to its offshore parent or affiliate, the capital inflow from the offshore entities and its settlement of foreign exchange capital, and may also subject the relevant onshore company or PRC residents to penalties under PRC foreign exchange administration regulations.

We are committed to complying with and ensuring that our Shareholders who are subject to the regulations will comply with the relevant rules. Any future failure by any of our Shareholders who is a PRC resident, or controlled by a PRC resident, to comply with relevant requirements under this regulation could subject us to penalties or sanctions imposed by the PRC Government. However, we may not at all times be fully aware or informed of the identities of all of our Shareholders who are PRC residents, and we may not always be able to timely compel our Shareholders to comply with the requirements of Circular 37. Moreover, there is no assurance that the PRC Government will not have a different interpretation of the requirements of Circular 37 in the future.

PRC laws and regulations establish more complex procedures for some acquisitions of PRC companies by foreign investors, which could make it difficult for us to pursue growth through acquisitions in China.

A number of PRC laws and regulations, including the M&A Rules and the Anti-Monopoly Law (《反壟斷法》), have established procedures and requirements that are expected to make the review of certain merger and acquisition activities by foreign investors in China more time-consuming and complex. These include requirements in some instances to notify MOFCOM in advance of any transaction in which foreign investors take control of a PRC domestic enterprise, or to obtain approval from MOFCOM before overseas companies established or controlled by PRC enterprises or residents acquire affiliated domestic companies. PRC laws and regulations also require certain merger and acquisition transactions to be subject to merger control or security review.

Complying with the requirements of the relevant regulations to complete such transactions could be time-consuming, and any required approval processes, including approval from MOFCOM, may delay or inhibit our ability to complete such transactions, thus affecting our ability to expand our business or maintain our market share.

RISKS RELATING TO THE GLOBAL OFFERING

There has been no prior market for our Shares, and their liquidity and market price following the Global Offering may be volatile.

Prior to the Global Offering, there was no public market for our Shares. The indicative offer price range and the Offer Price will be determined by negotiations between us and the Joint Representatives (for themselves and on behalf of the Underwriters), and they may differ significantly from the market price of our Shares following the Global Offering.

We have applied to list and deal in our Shares on the Stock Exchange. However, even if approved, there can be no guarantee that: (i) an active or liquid trading market for our Shares will develop; or (ii) if such a trading market does develop, it will be sustained following completion of the Global Offering; or (iii) the market price of our Shares will not decline below the Offer Price. The trading volume and price of our Shares may be subject to significant volatility in response to, among others, the following factors:

- variations in our financial position and/or results of operations;
- changes in securities analysts' estimates of our financial position and/or results of operations, regardless of the accuracy of information on which their estimates are based;

- changes in investors' perception of us and the investment environment generally;
- loss of visibility in the markets due to lack of regular coverage of our business;
- strategic alliances or acquisitions;
- industrial or environmental accidents, litigation or loss of key personnel;
- changes in laws and regulations that impose limitations on our industry;
- fluctuations in the market prices of our properties;
- announcements made by us or our competitors;
- changes in pricing adopted by us or our competitors;
- release or expiry of lock-up or other transfer restrictions on our Shares;
- the liquidity of the market for our Shares; and
- general economic and other factors.

Possible setting of the Offer Price after making a Downward Offer Price Adjustment

We have the flexibility to make a Downward Offer Price Adjustment to set the final Offer Price at up to 10% below the bottom end of the indicative Offer Price range per Offer Share. It is therefore possible that the final Offer Price will be set at HK$5.04 per Offer Share upon the making of a full Downward Offer Price Adjustment. In such a situation, the Global Offering will proceed and the Withdrawal Mechanism will not apply. If the final Offer Price is set at HK$5.04, the estimated net proceeds we will receive from the Global Offering will be reduced to HK$1,389.3 million and such reduced proceeds will be used as described in the "Future Plans and Use of Proceeds section—Use of Proceeds" section in this prospectus.

Potential investors will experience immediate and substantial dilution as a result of the Global Offering and could face dilution as a result of future equity financings.

The Offer Price substantially exceeds the per Share value of our net tangible assets after subtracting our total liabilities, and therefore potential investors will experience immediate dilution when they purchase our Shares in the Global Offering. If we were to distribute our net tangible assets to our Shareholders immediately following the Global Offering, potential investors would receive less than the amount they paid for their Shares.

We will comply with Rule 10.08 of the Listing Rules, which specifies that no further Shares or other securities of our Company (subject to certain exceptions) may be issued or form the subject of any agreement to such an issue within six months from the Listing Date. However, after six months from the Listing Date we may raise additional funds to finance future acquisitions or expansions of our business operations by issuing new Shares or other securities of our Company. As a result, the percentage shareholding of the then Shareholders may be diluted and such newly issued Shares or other securities may confer rights and privileges that have priority over those of the then Shareholders.

Future or perceived sales of substantial amounts of our Shares could affect their market price.

The market price of our Shares could decline as a result of future sales of substantial amounts of our Shares or other related securities, or the perception that such sales may occur. Our ability to raise future capital at favorable times and prices may also be materially and adversely affected. Our Shares held by our Controlling Shareholders are currently subject to certain lock-up undertakings, the details of which are set out in "Underwriting—Underwriting Arrangements and Expenses" in this prospectus. However, there is no assurance that following the expiration of the lock-up periods, these Shareholders will not dispose of any Shares. We cannot predict the effect of any future sales of the Shares by any of our Shareholders on the market price of our Shares.

We may not declare dividends on our Shares in the future.

Any declaration of dividends will be proposed by our Board of Directors, and the payment and amount of dividends, if any, depend on various factors, including our profit for the year, the availability of dividends received from our subsidiaries, our capital and investment requirements and other factors our Board deems relevant. For more information, please see "Financial Information—Dividend Policy and Distributable Reserves" in this prospectus. We cannot guarantee when, if and in what form dividends will be paid. Our historical dividend policy should not be taken as indicative of our dividend policy in the future.

Our management has significant discretion as to how to use the net proceeds of the Global Offering, and you may not necessarily agree with how we use them.

Our management may use the net proceeds from the Global Offering in ways that you may not agree with or that do not yield a favorable return to our Shareholders. By investing in our Shares, you are entrusting your funds to our management, upon whose judgment you must depend, for the specific uses we will make of the net proceeds from this Global Offering. Please see the section entitled "Future Plans and Use of Proceeds" in this prospectus.

Investors may experience difficulties in enforcing their Shareholder rights because we are incorporated in the Cayman Islands, and the protection afforded to minority Shareholders under Cayman Islands law may be different from that under the laws of Hong Kong or other jurisdictions.

Our Company is incorporated in the Cayman Islands and its affairs are governed by our Memorandum, Articles of Association, the Cayman Companies Law and the common law of the Cayman Islands. The laws of the Cayman Islands may differ from those of Hong Kong or those of other jurisdictions where investors may be located. As a result, minority Shareholders may not enjoy the same rights as those afforded under the laws of Hong Kong or in other jurisdictions. A summary of the Cayman Islands Company Law on protection of minority shareholders is set out in "Appendix III—Summary of the Constitution of the Company and Cayman Islands Company Law—3. Cayman Islands Company Law—(f) Protection of Minorities and Shareholders' Suits" to this prospectus.

The Controlling Shareholders have substantial influence over our Company and their interests may not be aligned with the interests of Shareholders who subscribe for Shares in the Global Offering.

Immediately after the Global Offering, our Controlling Shareholders will directly or indirectly control the exercise of 70.62% of voting rights in the general meeting of our Company. For more information, see "Relationship with Controlling Shareholders" in this prospectus. The interests of our Controlling Shareholders may differ from the interests of our other Shareholders. The Controlling Shareholders will have significant influence on the outcome of any corporate transaction or other matters submitted to our Shareholders for approval, including mergers, consolidations, sales of all or substantially all of our assets, election of Directors and other significant corporate actions. This concentration of ownership may discourage, delay or prevent changes in control of our Company that would otherwise benefit our other Shareholders. To the extent that the interests of our Controlling Shareholders conflict with those of our other Shareholders, our other Shareholders may be deprived of opportunities to advance or protect their interests.

Since there will be a gap of several days between the pricing and trading of our Offer Shares, the price of our Offer Shares could fall below the Offer Price when trading commences.

The Offer Price of our Shares will be determined on the Price Determination Date, which is expected to be on or around Friday, May 8, 2020. However, our Shares will not commence trading on the Stock Exchange until the Listing Date, which is expected to be Friday, May 15, 2020. Accordingly, investors may not be able to sell or deal in our Shares during the period between the Price Determination Date and the Listing Date. Our Shareholders are subject to the risk that the price of our Shares could fall before trading begins, as a result of adverse market conditions or other adverse developments that could occur between the Price Determination Date and the Listing Date.

We cannot guarantee the accuracy of facts, forecasts and statistics with respect to China, the PRC economy and our relevant industries contained in this prospectus.

Certain facts, forecasts and statistics in this prospectus relating to China, the PRC economy and industries relevant to us were obtained from information provided or published by PRC Government agencies, CIA, iResearch, independent research institutions or other third-party sources, and we can guarantee neither the quality nor reliability of such source materials. They have not been prepared or independently verified by us, the Sole Sponsor, the Joint Representatives, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers and the Underwriters or any of its or their respective affiliates or advisors.

Therefore, we make no representation as to the accuracy of such facts, forecasts and statistics, which may not be consistent with other information compiled within or outside of China. Due to possibly flawed or ineffective collection methods or discrepancies between published information and market practice, the statistics herein may be inaccurate or incomparable to statistics produced for other economies and should not be relied upon. Furthermore, there can be no assurance 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, investors should consider how much weight or importance they should attach to or place on such facts, forecasts or statistics.

Forward-looking statements contained in this prospectus are subject to risks and uncertainties.

This prospectus contains certain forward-looking statements and information relating to us that are based on the beliefs of our management as well as assumptions made by and information currently available to our management. When used in this prospectus, the words “aim,” “anticipate,” “believe,” “can,” “continue,” “could,” “estimate,” “expect,” “going forward,” “intend,” “ought to,” “may,” “might,” “plan,” “potential,” “predict,” “project,” “seek,” “should,” “will,” “would” and similar expressions, as they relate to our Company or our management, are intended to identify forward-looking statements. Such statements reflect the current views of our management with respect to future events, business operations, liquidity and capital resources, some of which may not materialize or may change. These statements are subject to certain risks, uncertainties and assumptions, including the other risk factors as described in this prospectus. Subject to the ongoing disclosure obligations of the Listing Rules or other requirements of the Stock Exchange, we do not intend publicly to update or otherwise revise the forward-looking statements in this prospectus, whether as a result of new information, future events or otherwise. Investors should not place undue reliance on such forward-looking statements and information.

You should read this entire prospectus carefully and not consider or rely on any particular statements in this prospectus or in published media reports without carefully considering the risks and other information in this prospectus.

Prior or subsequent to the publication of this prospectus, there has been or may be press and media coverage regarding us and the Global Offering, in addition to marketing materials we published in compliance with the Listing Rules. Such press and media coverage may include references to information that do not appear in this prospectus or is inaccurate. We have not authorized the publication of any such information contained in unauthorized press and media coverage. Therefore, we make no representation as to the appropriateness, accuracy, completeness or reliability of any information disseminated in the media and do not accept any responsibility for the accuracy or completeness of any financial information or forward-looking statements contained therein. To the extent that any of the information in the media is inconsistent or conflicts with the contents of this prospectus, we expressly disclaim it. Accordingly, prospective investors should only rely on information included in this prospectus and not on any of the information in press articles or other media coverage in deciding whether or not to purchase the Offer Shares.