UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 20-F

☐ REGISTRATION STATEMENT PURSUANT TO SECTION 12(b) OR (g) OF THE SECURITIES EXCHANGE ACT OF 1934

OR

☐ ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended

OR

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

OR

☒ SHELL COMPANY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Date of event requiring this shell company report
December 28, 2023

Commission file number: 001-39111

FLJ Group Limited

(Exact name of Registrant as specified in its charter)

Cayman Islands
(Jurisdiction of incorporation or organization)

Room 1610
No.917, East Longhua Road
Huangpu District, Shanghai, 200023
People's Republic of China
(Address of principal executive offices)

Chengcai Qu, Chief Executive Officer
Phone: +86-21-6422-8532
Email: ccqu@qk365.com
Room 1610
No.917, East Longhua Road
Huangpu District, Shanghai, 200023
People's Republic of China
(Name, Telephone, E-mail and/or Facsimile number and Address of Company Contact Person)

Securities registered or to be registered pursuant to Section 12(b) of the Act.

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
American depositary shares (one American depositary share representing six hundred thousand (600,000) Class A ordinary shares, par value US$0.0000001 per share)	**FLJ**	**NASDAQ Global Market**
Class A ordinary shares, par value US$0.0000001 per share*		

* *Not for trading, but only in connection with the listing of American depositary shares on the NASDAQ Global Market.*

Securities registered or to be registered pursuant to Section 12(g) of the Act.

Not Applicable
(Title of Class)

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act.

Not Applicable
(Title of Class)

As of the date of this Shell Company Report, there were 2,837,892,046,400 ordinary shares outstanding, consisting of 2,587,892,046,400 Class A ordinary shares and 250,000,000,000 Class B ordinary shares, all with a par value of US$0.0000001 per share.

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☐ No ☒

If this report is an annual or transition report, indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934. Yes ☐ No ☐

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," and "emerging growth company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer ☐	Accelerated filer ☒	Non-accelerated filer ☐ Emerging growth company ☒

If an emerging growth company that prepares its financial statements in accordance with U.S. GAAP, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards† provided pursuant to Section 13 (a) of the Exchange Act. ☐

† The term "new or revised financial accounting standard" refers to any update issued by the Financial Accounting Standards Board to its Accounting Standards Codification after April 5, 2012.

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☐

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

Indicate by check mark which basis of accounting the registrant has used to prepare the financial statements included in this filing:

U.S. GAAP ☒	International Financial Reporting Standards as issued by the International Accounting Standards Board ☐	Other ☐

If "Other" has been checked in response to the previous question, indicate by check mark which financial statement item the registrant has elected to follow. Item 17 ☐ Item 18 ☐

If this is an annual report, indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).
Yes ☐ No ☐

(APPLICABLE ONLY TO ISSUERS INVOLVED IN BANKRUPTCY PROCEEDINGS DURING THE PAST FIVE YEARS)

Indicate by check mark whether the registrant has filed all documents and reports required to be filed by Sections 12, 13 or 15(d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court. Yes ☐ No ☐

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INTRODUCTION

Unless otherwise indicated or the context otherwise requires in this Shell Company Report on Form 20-F:

- "ADSs" refers to our American depositary shares, each of which represents 600,000 Class A ordinary shares;
- "Acquisition" has the meaning ascribed to it in "Part I – Brief Introduction."
- "Alpha Mind" refers to Alpha Mind Technology Limited, a company incorporated under the laws of the British Virgin Islands, and, if applicable, its consolidated entities.
- "China" or the "PRC" refers to the People's Republic of China, excluding, for the purposes of this Shell Company Report on Form 20-F only, Hong Kong, Macau and Taiwan;
- "CBIRC" means the China Banking and Insurance Regulatory Commission.
- "FLJ" refers to FLJ Group Limited, an exempted company incorporated with limited liability under the laws of the Cayman Islands, and, if applicable, its consolidated entities.
- "ordinary shares" refers to our Class A ordinary shares and Class B ordinary shares, par value US$0.0000001 per share;
- "RMB" and "Renminbi" refer to the legal currency of China;
- "SaaS" means software as a service, a software licensing and delivery model in which software is licensed on a subscription basis and is centrally hosted.
- "tier 1 cities" refer to Beijing, Shanghai, Guangzhou and Shenzhen;
- "US$," "U.S. dollars," "$," and "dollars" refer to the legal currency of the United States;
- "VIEs" refers to Huaming Insurance Agency Co., Ltd. and Huaming Yunbao (Tianjin) Technology Co., Ltd.;
- "we," "us," "our company," "our," and "the Company" means, upon and after consummation of the Acquisition, refer to FLJ Group Limited and its consolidated entities (including Alpha Mind) and, prior to the consummation of the Acquisition, FLJ Group Limited and its consolidated entities (not including Alpha Mind); and
- "WFOE" refers to Jiachuang Yingan (Beijing) Information & Technology Co., Ltd

Our fiscal year-end is September 30. "FY 2020" refers to our fiscal year ended September 30, 2020, "FY 2021" refers to our fiscal year ended September 30, 2021, and "FY 2022" refers to our fiscal year ended September 30, 2022.

Names of certain companies provided in this Shell Company Report on Form 20-F are translated or transliterated from their original Chinese legal names.

Discrepancies in any table between the amounts identified as total amounts and the sum of the amounts listed therein are due to rounding.

FORWARD-LOOKING STATEMENTS

This Shell Company Report on Form 20-F contains forward-looking statements that reflect our current expectations and views of future events. Known and unknown risks, uncertainties and other factors, including those listed under "Item 3. Key Information—D. Risk Factors," may cause our actual results, performance or achievements to be materially different from those expressed or implied by the forward-looking statements. These statements are made under the "safe harbor" provisions of the U.S. Private Securities Litigations Reform Act of 1995.

You can identify some of these forward-looking statements by words or phrases such as "may," "will," "expect," "anticipate," "aim," "estimate," "intend," "plan," "believe," "is/are likely to," "potential," "continue" or other similar expressions. We have based these forward-looking statements largely on our current expectations and projections about future events that we believe may affect our financial condition, results of operations, business strategy and financial needs. These forward-looking statements include, but are not limited to, statements relating to:

- our mission and strategies;
- our ability to achieve or maintain profitability;
- our ability to continuously develop new technology, services and products and keep up with changes in the industries in which we operate
- general economic and business condition in China and elsewhere, particularly the insurance agency industry;
- our expectations regarding demand for and market acceptance of the products and services provided on our platform;
- our continuing ability to retain our customer base, build customer loyalty and increase recognition of the Alpha Mind brand;
- health epidemics, pandemics and similar outbreaks, including COVID-19;
- competition in our industry;
- our future business development, financial condition and results of operations;
- our ability to control the quality of operations;
- relevant government policies and regulations related to our industry;
- our expectations regarding our relationships with end-users, customers, suppliers and other business partners
- our ability to integrate strategic investments, acquisitions and new business initiatives; and
- our relationship with financial institution partners and third party product and service providers.

These forward-looking statements involve various risks and uncertainties. Although we believe that our expectations expressed in these forward-looking statements are reasonable, our expectations may later be found to be incorrect. Our actual results could be materially different from our expectations. You should thoroughly read this Shell Company Report and the documents that we refer to with the understanding that our actual future results may be materially different from and worse than what we expect. We qualify all of our forward-looking statements by these cautionary statements.

This Shell Company Report contains certain data and information that we obtained from various government and private publications. Statistical data in these publications also include projections based on a number of assumptions. Our industry may not grow at the rate projected by market data, or at all. Failure of this market to grow at the projected rate may have material and adverse effect on our business and the market price of our ADSs. Furthermore, if any one or more of the assumptions underlying the market data are later found to be incorrect, actual results may differ from the projections based on these assumptions. You should not place undue reliance on these forward-looking statements.

The forward-looking statements made in this Shell Company Report relate only to events or information as of the date on which the statements are made in this Shell Company Report. Except as required by law, we undertake no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise, after the date on which the statements are made or to reflect the occurrence of unanticipated events.

PART I

Brief Introduction

On October 31, 2023, we entered into an equity transfer agreement to sell all of our equity interest in Haoju (Shanghai) Artificial Intelligence Technology Co., Ltd. ("Haoju"), a limited company incorporated under the laws of PRC, which was an indirect wholly-owned subsidiary of the Company prior to the disposition, to Wangxiancai Limited for nominal consideration (the "Disposal"). Haoju holds substantially all of the equity interest of our subsidiaries in the PRC, through which we carried out long-term rental apartment rental business (the "Disposed Business"). The Disposed Business contributed substantially all revenue and held substantially all of our assets. The Disposal was consummated on October 31, 2023.

On November 22, 2023, we entered into an equity acquisition agreement with Alpha Mind, an insurance agency and insurance technology business in the PRC, and Alpha Mind's shareholders to acquire all of the issued and outstanding shares in Alpha Mind for an aggregate purchase price of US$180,000,000 or RMB equivalent (the "Acquisition"). The purchase price is payable in the form of promissory note (collectively, the "Notes"). The Notes have a maturity of 90 days from the closing date, an interest rate at an annual rate to 3% per annum and will be secured by all of the issued and outstanding equity of the Alpha Mind and all of the assets of the Alpha Mind, including its consolidated entities.

The Acquisition was consummated on December 28, 2023. Upon consummation of the Acquisition, Alpha Mind became our wholly-owned subsidiary and we assume and began conducting the principal business of Alpha Mind. Immediately prior to the consummation of the Acquisition, we were a shell company as defined in Rule 12b-2 under the Exchange Act. Prior to becoming a shell company, we were a technology-driven long-term apartment rental platform in China. As a result of the consummation of the Acquisition, we ceased to be a shell company. Pursuant to relevant rules under the Exchange Act, we are required to disclose the information in this Shell Company Report on Form 20-F that would be required to be disclosed if we were registering securities under the Exchange Act.

ITEM 1. IDENTITY OF DIRECTORS, SENIOR MANAGEMENT AND ADVISERS

A. Directors and Senior Management

Upon the consummation of the Acquisition, our board of directors and senior management consisted of the following individuals:

Name	Position/Title
Chengcai Qu	Chairman of the board of directors, chief executive officer, chief operating, officer and vice president
Gang Xie	Director, chief technology officer
Jiamin Chen	Director and vice president
Zongquan Yang	Director
Yanan Zhou	Director
Yue Hu	Director
Chen Chen	Independent director
Zhenkun Wang	Independent director
Zhichen (Frank) Sun	Chief Financial Officer

* The business address of our board of directors and senior management is Room 1610, No.917, East Longhua Road, Huangpu District, Shanghai, 200023, People's Republic of China

B. Advisors

We are not required to disclose this information in a jurisdiction outside the United States.

C. Auditor

Our auditor is OneStop Assurance PAC Singapore, located at 10 Anson Rd, #13-09 International Plaza, Singapore 079903. Marcum Asia CPAs LLP, located at Suite 830, 7 Penn Plaza, New York, NY 10001, United States, served as FLJ Group Limited's auditor until the termination of its appointment in June 2023 and audited the financial statements of FLJ Group Limited for the years ended September 30, 2020, 2021 and 2022.

ITEM 2. OFFER STATISTICS AND EXPECTED TIMETABLE

Not applicable.

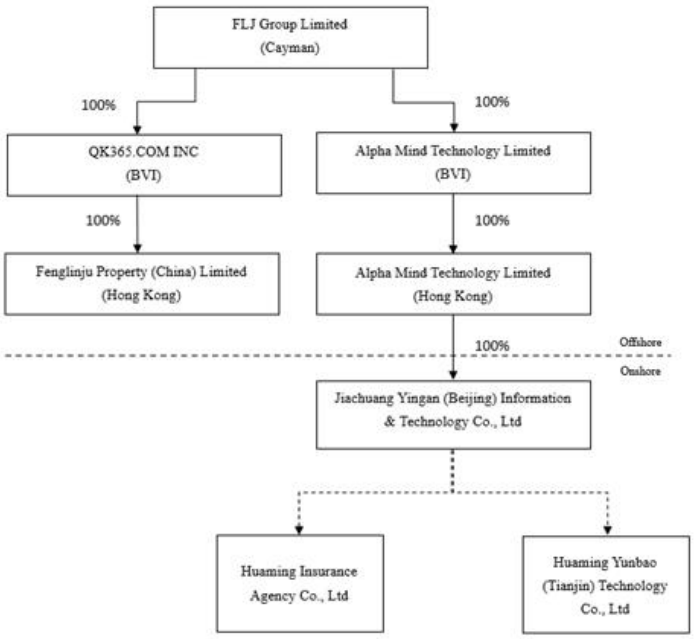
ITEM 3. KEY INFORMATION

Our Holding Company Structure

FLJ Group Limited is not an operating company but a Cayman Islands holding company. Our operations are primarily conducted through our PRC subsidiaries and other consolidated entities. Investors in our ADSs thus are purchasing equity interest in a Cayman Islands holding company and not in an operating entity. As a holding company, FLJ Group Limited may rely on dividends from its subsidiaries for cash requirements, including any payment of dividends to our shareholders. The ability of our subsidiaries to pay dividends to FLJ Group Limited may be restricted by laws and regulations applicable to them or the debt they incur on their own behalf or the instruments governing their debt.

Alpha Mind conducts its insurance agency and insurance technology businesses in the PRC through its indirectly wholly-owned subsidiary, Jiachuang Yingan (Beijing) Information & Technology Co., Ltd. (the "WFOE") and the WFOE's consolidated variable interest entities. In April 2022, Alpha Mind, through the WFOE, entered into contractual arrangements with Huaming Insurance Agency Co., Ltd. ("Huaming Insurance") and Huaming Yunbao (Tianjin) Technology Co., Ltd. ("Huaming Yunbao, together with Huaming Insurance, "the VIEs"), respectively. The contractual arrangements enable Alpha Mind to obtain control over the VIEs. The contractual arrangements consist of powers of attorney, exclusive business cooperation agreements, exclusive option agreements, equity interest pledge agreements and spousal consent letters. See "Item 4. Information on the Company — C. Organizational Structure — Contractual Arrangements with the VIEs and Their Shareholders" for details.

The following diagram illustrates our corporate structure, including our principal subsidiaries immediately upon the closing of the Acquisition.



-------►VIE contractual arrangement

Condensed Consolidating Schedules

The condensed consolidating schedules below include the financial information of Alpha Mind, the WOFE, the VIEs, and the other consolidated entities of Alpha Mind for the year/period indicated. All intercompany balances and transactions have been eliminated upon consolidation.

	As of December 31, 2021			
	Alpha Mind	WFOE	VIEs	Consolidated Total
	USD	USD	USD	USD
Cash and cash equivalents	-	14,903	497,125	512,028
Accounts receivable	-	-	3,601,345	3,601,345
Prepayments	-	15,800	2,433,549	2,449,349
Short-term Investment	-	-	393,651	393,651
Other current assets	-	5,698	296,794	302,492
Property and equipment, net	-	-	48,086	48,086
Other non-current assets	-	-	788,508	788,508
Total assets	-	36,401	8,059,058	8,095,459
Accounts payable	-	-	3,504,865	3,504,865
Advance from customer	-	-	13,617	13,617
Accrued expenses and other current liabilities	-	18,522	301,413	319,935
Other payable	-	86,657	1,045,794	1,132,451
Other liabilities	-	-	439,167	439,167
Total liabilities	-	105,179	5,304,856	5,410,035
Total shareholders' equity	-	(68,778)	2,754,202	2,685,424

	As of December 31, 2022			
	Alpha Mind	WFOE	VIEs	Consolidated Total
	USD	USD	USD	USD
Cash and cash equivalents	-	7,479	334,264	341,743
Accounts receivable	-	-	2,892,960	2,892,960
Prepayments	-	-	1,412,266	1,412,266
Short-term Investment	-	-	273,182	273,182
Other current assets	-	-	152,569	152,569
Property and equipment, net	-	-	68,541	68,541
Other non-current assets	-	-	743,276	743,276
Total assets	-	7,479	5,877,058	5,884,537
Accounts payable	-	-	2,496,587	2,496,587
Advance from customer	-	5,264	42	5,306
Accrued expenses and other current liabilities	-	3,338	233,679	237,017
Other payable	-	90,998	689,249	780,247
Total liabilities	-	99,600	3,419,557	3,519,157
Total shareholders' equity	-	(92,121)	2,457,501	2,365,380

	As of June 30, 2023			
	Alpha Mind	WFOE	VIEs	Consolidated Total
	USD	USD	USD	USD
Cash and cash equivalents	12,210	191	286,565	298,966
Accounts receivable	-	-	2,199,262	2,199,262
Prepayments	-	-	1,393,484	1,393,484
Other current assets	-	-	138,622	138,622
Property and equipment, net	-	-	55,315	55,315
Short-term Investment	-	-	266,513	266,513
Other non-current assets	-	-	779,079	779,079
Total assets	12,210	191	5,118,840	5,131,241
Accounts payable	-	-	1,550,175	1,550,175
Advance from customer	-	-	288,696	288,696
Accrued expenses and other current liabilities	-	3,578	160,949	164,527
Other payable	12,761	99,139	685,233	797,133
Other liabilities	-	-	43,933	43,933
Total liabilities	12,761	102,717	2,728,986	2,844,464
Total shareholders' equity	(551)	(102,526)	2,389,854	2,286,777

	As of December 31, 2021			
	Alpha Mind	WFOE	VIEs	Consolidated Total
	USD	USD	USD	USD
Net revenues	-	-	44,948,234	44,948,234
Net (loss) income	-	(67,529)	(582,881)	(650,410)
Net cash provided by(used in) operating activities	-	14,006	181,204	195,210
Net cash (used in) provided by investing activities	-	-	(389,025)	(389,025)
Net cash provided by (used in) financing activities	-	-	422,217	422,217

	As of December 31, 2022			
	Alpha Mind	WFOE	VIEs	Consolidated Total
	USD	USD	USD	USD
Net revenues	-	-	47,443,458	47,443,458
Net (loss) income	-	(43,202)	(482,367)	(525,569)
Net cash provided by(used in) operating activities	-	(6,382)	(115,672)	(122,054)
Net cash (used in) provided by investing activities	-	-	48,579	48,579
Net cash provided by (used in) financing activities	-	-	(58,016)	(58,016)

	As of June 30, 2023			
	Alpha Mind	WFOE	VIEs	Consolidated Total
	USD	USD	USD	USD
Net revenues	-	-	19,210,144	19,210,144
Net (loss) income	(550)	(14,254)	41,120	26,316
Net cash provided by(used in) operating activities	23,363	5,407	(73,840)	(45,070)
Net cash provided by (used in) financing activities	(11,160)	(12,710)	59,445	35,575

Risks Related to Doing Business in China

We face various risks and uncertainties relating to doing business in China. Our business operations are primarily conducted in China, and we are subject to complex and evolving PRC laws and regulations. For example, we face risks associated with regulatory approvals on overseas offerings, anti-monopoly regulatory actions, and oversight on cybersecurity and data privacy, which may impact our ability to conduct certain businesses, accept foreign investments, or list and conduct offerings on a stock exchange in the United States or other foreign country. These risks could result in a material adverse change in our operations and the value of our ADSs, significantly limit or completely hinder our ability to continue to offer securities to investors, or cause the value of such securities to significantly decline or become worthless. For a detailed description of risks relating to doing business in China, see "Item 3. Key Information—D. Risk Factors—Risks Related to Doing Business in China."

The PRC government's significant authority in regulating our operations and its oversight and control over offerings conducted overseas by, and foreign investment in, China-based issuers could significantly limit or completely hinder our ability to offer or continue to offer securities to investors. Implementation of industry-wide regulations in this nature, such as data security or anti-monopoly related regulations, may cause the value of such securities to significantly decline or become worthless. For more details, see "Item 3. Key Information—D. Risk Factors—Risks Related to Doing Business in China— Changes in China's economic, political or social conditions or government policies could have a material adverse effect on our business, results of operations, financial condition, and the value of our securities."

Risks and uncertainties arising from the legal system in China, including risks and uncertainties regarding the enforcement of laws and quickly evolving rules and regulations in China, could result in a material adverse change in our operations and the value of our ADSs. For more details, see "Item 3. Key Information—D. Risk Factors-Risks Related to Doing Business in China—Uncertainties in the interpretation and enforcement of PRC laws, rules and regulations could materially adversely affect our business."

The Holding Foreign Companies Accountable Act

Pursuant to the Holding Foreign Companies Accountable Act (the "HFCA Act"), if the Public Company Accounting Oversight Board (the "PCAOB"), is unable to inspect an issuer's auditors for three consecutive years, the issuer's securities are prohibited to trade on a U.S. stock exchange. The PCAOB issued a Determination Report on December 16, 2021 (the "Determination Report") which found that the PCAOB is unable to inspect or investigate completely registered public accounting firms headquartered in: (1) mainland China of the People's Republic of China because of a position taken by one or more authorities in mainland China; and (2) Hong Kong, a Special Administrative Region and dependency of the PRC, because of a position taken by one or more authorities in Hong Kong. Furthermore, the Determination Report identified the specific registered public accounting firms which are subject to these determinations ("PCAOB Identified Firms").

Our former auditor, Marcum Asia CPAs LLP ("Marcum Asia"), the independent registered public accounting firm that issued the audit report for our fiscal year ended September 30, 2021 and 2022 included elsewhere in this Shell Company Report on Form 20-F, our current auditor OneStop Assurance PAC Singapore ("OneStop"), and WWC, P.C. ("WWC"), which issued the audit reports for the fiscal year ended December 31, 2021 and December 31, 2022 with respect to Alpha Mind included elsewhere in this Shell Company Report on Form 20-F, as auditors of companies that are traded publicly in the United States and a firm registered with the PCAOB, are subject to laws in the U.S. pursuant to which the PCAOB conducts regular inspections to assess its compliance with the applicable professional standards. As of the date of this Shell Company Report on Form 20-F, Marcum Asia, OneStop and WWC are not included in the list of PCAOB Identified Firms in the Determination Report.

On August 26, 2022, the PCAOB announced that it had signed a Statement of Protocol (the "Protocol") with the China Securities Regulatory Commission (the "CSRC") and the Ministry of Finance ("MOF") of the People's Republic of China, governing inspections and investigations of audit firms based in mainland China and Hong Kong. Pursuant to the Protocol, the PCAOB conducted inspections on select registered public accounting firms subject to the Determination Report in Hong Kong between September and November 2022.

On December 15, 2022, the PCAOB board announced that it has completed the inspections, determined that it had complete access to inspect or investigate completely registered public accounting firms headquartered in mainland China and Hong Kong, and voted to vacate the Determination Report.

Notwithstanding the foregoing, the Company's ability to retain an auditor subject to the PCAOB inspection and investigation, including but not limited to inspection of the audit working papers related to us, may depend on the relevant positions of U.S. and Chinese regulators. The audit working papers related to us are located in China. With respect to audits of companies with operations in China, such as the Company, there are uncertainties about the ability of its auditor to fully cooperate with a request by the PCAOB for audit working papers in China without the approval of Chinese authorities. If the PCAOB is unable to inspect or investigate completely the Company's auditor because of a position taken by an authority in a foreign jurisdiction, or the PCAOB re-evaluates its determination as a result of any obstruction with the implementation of the Statement of Protocol, then such lack of inspection or re-evaluation could cause trading in the Company's securities to be prohibited under the HFCA Act, and ultimately result in a determination by a securities exchange to delist the Company's securities. Accordingly, the HFCA Act calls for additional and more stringent criteria to be applied to emerging market companies upon assessing the qualification of their auditors, especially the non-U.S. auditors who are not inspected by the PCAOB. These developments could add uncertainties to our offering.

On December 29, 2022, the Accelerating Holding Foreign Companies Accountable Act, or the AHFCA Act, was signed into law, which reduced the number of consecutive non-inspection years required for triggering the prohibitions under the HFCA Act from three years to two. As a result, the risks mentioned above have been heightened.

If our ADSs are subject to a trading prohibition under the HFCA Act or the AHFCA Act, the price of our ADSs may be adversely affected, and the threat of such a trading prohibition would also adversely affect their price. If we are unable to be listed on another securities exchange that provides sufficient liquidity, such a trading prohibition may substantially impair your ability to sell or purchase our ADSs when you wish to do so. Furthermore, if we are able to maintain a listing of our ordinary shares on a non-U.S. exchange, investors owning our ADSs may have to take additional steps to engage in transactions on that exchange, including converting ADSs into ordinary shares and establishing non-U.S. brokerage accounts.

The HFCA Act also imposes additional certification and disclosure requirements for Commission Identified Issuers, and these requirements apply to issuers in the year following their listing as Commission Identified Issuers. The additional requirements include a certification that the issuer is not owned or controlled by a governmental entity in the Relevant Jurisdiction, and the additional requirements for annual reports include disclosure that the issuer's financials were audited by a firm not subject to PCAOB inspection, disclosure on governmental entities in the Relevant Jurisdiction's ownership in and controlling financial interest in the issuer, the names of Chinese Communist Party, or CCP, members on the board of the issuer or its operating entities, and whether the issuer's articles include a charter of the CCP, including the text of such charter.

Permissions Required from the PRC Authorities for Our Operations

We conduct our business primarily through our PRC subsidiaries and other consolidated entities. Our operations in China are governed by PRC laws and regulations. As of the date of this Shell Company Report on Form 20-F, our PRC subsidiaries and other consolidated entities have obtained the requisite licenses, permits, and registrations from the PRC government authorities that are material for their business operations in China. Given the uncertainties of interpretation and implementation of relevant laws and regulations and the enforcement practice by relevant government authorities, we may be required to obtain additional licenses, permits, registrations, filings or approvals for our business operations in the future.

How Cash Is Transferred through Our Organization

As a holding company, we rely upon dividends paid to us by our subsidiaries in the PRC to pay dividends and to finance any debt we may incur. If our subsidiaries or any newly formed subsidiaries or other consolidated entities incur debt on their own behalf in the future, the instruments governing their debt may restrict their ability to pay dividends to us. In addition, our subsidiaries and other consolidated entities are permitted to pay dividends to us only out of their accumulated profits, if any, as determined in accordance with PRC accounting standards and regulations. Pursuant to laws applicable to entities incorporated in the PRC, each of our subsidiaries and other consolidated entities in the PRC must make appropriations from after tax profit to a statutory surplus reserve fund. The reserve fund requires annual appropriation of 10% of after tax profit (a determined under accounting principles generally accepted in the PRC at each year-end) after offsetting accumulated losses from prior years, until such reserve reaches 50% of the subsidiary's registered capital. The reserve fund can only be used to increase the registered capital and eliminate further losses of the respective companies under PRC regulations. These reserves are not distributable as cash dividends, loans or advances. In addition, due to restrictions under PRC laws and regulations, our PRC subsidiaries and other consolidated entities are restricted in their ability to transfer their net assets to us in the form of dividend payments, loans or advances. In addition, under regulations of the State Administration of Foreign Exchange of the PRC (the "SAFE"), Renminbi is not convertible into foreign currencies for capital account items, such as loans, repatriation of investments and investments outside of China, unless the prior approval of the SAFE is obtained and prior registration with the SAFE is made.

A [Reserved]

B Capitalization and Indebtedness

Below is a statement of our capitalization and indebtedness (including indirect and contingent indebtedness) as at March 31, 2023, showing our capitalization on a pro forma basis as if the Acquisition had been completed as of that date. It is important that you read this table together with, and it is qualified by reference to, the audited consolidated financial statements of FLJ Group Limited and the audited combined financial statements of Alpha Mind attached hereto starting on page F-4 and page F-47, respectively, of this Shell Company Report on Form 20-F.

	As of March 31, 2023				
	Company Historical	Alpha Mind Historical	Pro Forma Adjustments	Other Adjustments	Pro Forma Combined
	USD'000	USD'000	USD'000		USD'000
LIABILITIES					
Accounts payable	$ 22,831	$ 1,550	$ -	$ (22,719)	$ 1,662
Advance from customer	14,572	289	-	(14,572)	289
Short-term debt	19,748	-	-	(15,078)	4,670
Rental instalment loans	2,294	-	-	(2,294)	-
Amount due to related parties	785	-	-	(191)	594
Lease liabilities, current	-	30	-	-	30
Deposits from tenants	4,328	-	-	(4,328)	-
Contingent liabilities for payable for asset acquisition	23,200	-	-	-	23,200
Operating lease liabilities, current	33,295	-	-	(33,295)	-
Accrued expenses and other current liabilities	15,126	963	-	(15,057)	1,032
Notes payable	-	-	180,000	-	180,000
Current liabilities of discontinued operations	-	-	-	135,040	135,040
Total Current Liabilities	**136,179**	**2,832**	**180,000**	**27,506**	**346,517**
Lease Liabilities, Noncurrent	27,506	14	-	(27,506)	14
Total Liabilities	**163,685**	**2,846**	**180,000**	**-**	**346,531**
Commitments and Contingencies					
SHAREHOLDERS' EQUITY					
Class A Ordinary shares	251	-	-	-	251
Class B Ordinary shares	25	-	-	-	25
Additional paid-in capital	430,538	13,649	(13,649)	-	430,538
Stock subscription receivable	-	(5,000)	5,000	-	-
Accumulated deficit	(524,492)	(5,610)	5,610	-	(524,492)
Accumulated other comprehensive income (loss)	5,041	(753)	753	-	5,041
Total Shareholders' Deficit	**(88,637)**	**2,286**	**(2,286)**	**-**	**(88,637)**
Total Liabilities, Mezzanine Equity and Shareholders' Deficit	**$ 75,048**	**$ 5,132**	**$ 177,714**	**$ -**	**$ 257,894**

C Reasons for the Offer and Use of Proceeds

Not applicable.

D Risk Factors

Our business, financial condition and results of operations are subject to various changing business, competitive, economic, political and social conditions. In addition to the factors discussed elsewhere in this Shell Company Report on Form 20-F, the following are some of the important factors that could adversely affect our operating results, financial condition and business prospects, and cause our actual results to differ materially from those projected in any forward-looking statements.

Summary of Risk Factors

An investment in our ADSs involves significant risks. Below is a summary of material risks that we face, organized under relevant headings. These risks are discussed more fully in "Item 3. Key Information—D. Risk Factors."

Risks Related to Our Business and Industry

- If we are unable to repay or refinance the Notes, we will lose control and will no longer be able to consolidate the results of operation of Alpha Mind. In addition, our level of indebtedness could adversely affect our business, financial condition, results of operations and prospects.
- You should not rely on our past results of operations or historical financials as an indicator of our future performance.
- If we fail to maintain stable relationships with our business partners, our business, results of operations, financial condition and business prospects could be materially and adversely affected.
- Because the commission revenue we earn on the sale of insurance products is based on premium and commission rates set by insurance companies, any decrease in these premiums or commission rates, or increase in the referral fees we pay to our external referral sources, may have an adverse effect on our results of operation.
- We face intense competition in the markets we operate in, and some of our competitors may have greater resources or brand recognition than us.

Risks Related to Our Corporate Structure

- If the PRC government determines that the contractual arrangements in relation to the VIEs structure do not comply with PRC regulatory restrictions on foreign investment in certain industries, or if these regulations or the way they are interpreted change, we, the PRC subsidiaries could be subject to severe penalties or be forced to relinquish their interests in those operations.
- We and the PRC subsidiaries rely on contractual arrangements with the VIEs and the VIEs' shareholders to operate their business, which may not be as effective as direct ownership in providing operational control.
- Any failure by the VIEs or its shareholders to perform their obligations under their contractual arrangements with WFOE would materially adversely affect the business, results of operations and financial condition of us and the PRC subsidiaries.
- The VIEs' shareholders may have potential conflicts of interest with us, the PRC subsidiaries, which may materially adversely affect our business and financial condition.
- Substantial uncertainties with respect to the implementation of the Foreign Investment Law may significantly impact the corporate structure and operations of us, the PRC subsidiaries.

Risks Related to Doing Business in China

- Changes in China's economic, political or social conditions or government policies could have a material adverse effect on our business, results of operations, financial condition, and the value of our securities.
- Recent greater oversight by the CAC over data security, particularly for companies seeking to list on a foreign exchange, could significantly limit or completely hinder our ability in capital raising activities and materially and adversely affect our business and the value of your investment.

- The approval of and/or filing with the CSRC or other PRC government authorities may be required in connection with our offshore offerings under PRC law, and, if required, we cannot predict whether or for how long we will be able to obtain such approval or complete such filing.

- Adverse changes in economic and political policies of the PRC government could negatively impact China's overall economic growth, which could materially adversely affect our business.

- Uncertainties in the interpretation and enforcement of PRC laws, rules and regulations could materially adversely affect our business.

Risks Related to the ADSs

- The market price for the ADSs may be volatile.

- If we fail to meet the applicable listing requirements, NASDAQ may delist our ADSs from trading on its exchange in which case the liquidity and market price of our ADSs could decline and our ability to raise additional capital would be adversely affected.

- An active market for the ADSs may not be maintained.

- If securities or industry analysts do not publish research or publish inaccurate or unfavorable research about our business, the market price for the ADSs and trading volume could decline.

- Because we do not expect to pay dividends in the foreseeable future, you must rely on price appreciation of the ADSs for return on your investment.

Risks Related to Our Business and Industry

If we are unable to repay or refinance the Notes, we will lose control and will no longer be able to consolidate the results of operation of Alpha Mind. In addition, our level of indebtedness could adversely affect our business, financial condition, results of operations and prospects.

In connection with the Acquisition, we issued the Notes in an aggregate amount equal to the purchase price to the selling shareholders of Alpha Mind. The Notes has a maturity of 90 days from the closing date, an interest rate at an annual rate to 3% per annum and is secured by all of the issued and outstanding equity of Alpha Mind and all of the assets of Alpha Mind and its subsidiaries.

We intend to pay the promissory notes by either using the cash flow generated by our operation or through debt or equity offerings or loans. However we may not be able to obtain financing or fund raising on favorable terms or at all. If we failed to obtain such financing and were unable to perform our payment obligations under the terms of the Notes before the maturity date, the selling shareholders of Alpha Mind may exercise their collateral rights. We will lose control of and no longer be able to consolidate Alpha Mind and our business, financial condition, results of operations and prospects will be adversely affected.

This significant indebtedness in connection with the Notes or financing of the Notes could have important consequences for our business and operations including, but not limited to:

- limiting or impairing our ability to obtain financing, refinance any of our indebtedness, obtain equity or debt financing on commercially reasonable terms or at all, which could cause us to default on our obligations and materially impair our liquidity;

- restricting or impeding our ability to access capital markets at attractive rates and increasing the cost of future borrowings;

- requiring us to dedicate a substantial portion of our cash flow from operations to fulfill payment obligation under the Notes, thereby reducing the availability of our cash flow for other purposes;

- placing us at a competitive disadvantage compared to our competitors that have lower leverage or better access to capital resources; or

- increasing our vulnerability to downturns in general economic, or industry conditions, or in our business.

You should not rely on our past results of operations or historical financials as an indicator of our future performance.

We were a technology-driven long-term apartment rental platform in China before the Disposal. We did not generate revenues since it became a shell company after the Disposal and prior to the consummation of the Acquisition. We incurred a net loss of RMB1,533.6 million, RMB569.2 million, a net income of RMB820.0 million and a net loss of RMB43.3 million for the year ended September 30, 2020, September 30, 2021, September 30, 2022 and the six months ended March 31, 2023, respectively. FLJ incurred a net loss from continuing operations of RMB399.7 million, RMB243.9 million and RMB43.3 million (US$6.3 million) for the years ended September 30, 2021 and 2022, and the six months ended March 31, 2023, respectively.

On October 31, 2023, we disposed of our previous long-term rental apartment business which contributed substantially all revenue and held substantially all of our assets. Therefore, our historical performance may not be indicative of our future financial results. We cannot assure you that we will be able to avoid any decline in the future. In addition, Alpha Mind's historical performance may not be indicative of its future financial results. Our growth may continue to become negative, and revenue and net profit may decline for a number of possible reasons, including the risk factors set forth in this Shell Company Report on Form 20-F. Some of the risks are beyond our control, including declining growth of our overall market or industry, increasing competition, the emergence of alternative business models, decreasing customer base, changes in rules, regulations, government policies or general economic conditions, and we may encounter unforeseen expenses, difficulties, complications, delays and other unknown factors. You should consider our business and prospects in light of these risks, and not unduly rely on our past results of operations or historical financials as an indicator of our future performance.

If we fail to maintain stable relationships with our business partners, our business, results of operations, financial condition and business prospects could be materially and adversely affected.

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

For our insurance agency business, we provide agency services for well-known insurance companies in China by distributing primarily automobile insurance products underwritten by them, and receive commissions from these insurance companies. Our relationships with these insurance companies are governed by agreements between the insurance companies and us. These contracts generally provide, among other things, the scope of our authority and our commission rates, and typically have a term of one or three years. There is no assurance that we would be able to renew any such contracts upon their expiry with terms that are comparable to or better than the existing ones, if at all. Any interruption to or discontinuation of our relationships with these insurance companies may severely and negatively impact our results of operations.

In addition, customer and end-consumer recognition is critical for us to remain competitive. Our ability to maintain and enhance customer and end-consumer recognition and reputation depends primarily on the quality of the products and services we offer to them. If we are unable to maintain and further enhance our customer and end-consumer recognition and reputation and promote awareness of our product offerings and services, we may not be able to maintain or continue to expand our customer base, and our results of operations may be materially and adversely affected.

We also collaborate with various external referral sources to expedite our market penetration and broaden our end consumer base. Our external referral sources are our suppliers in the insurance agency business. Failure to establish and maintain stable relationships with our external referral sources may materially and adversely affect our ability to expand our business scale and geographical coverage, which in turn could adversely affect our results of operations and business prospects.

In addition, our cooperative agreements with our customers and suppliers are typically on a non-exclusive basis, and they may choose to cooperate with our competitors or offer competing services themselves. In any event, there is no assurance that we will be able to continuously maintain a mutually beneficial relationship with our business partners, or continue to cooperate with them on terms favorable to us, or at all. If any of the foregoing occurs, our business growth, results of operations and financial condition will be adversely affected.

Because the commission revenue we earn on the sale of insurance products is based on premium and commission rates set by insurance companies, any decrease in these premiums or commission rates, or increase in the referral fees we pay to our external referral sources, may have an adverse effect on our results of operation.

We derive our revenue from our insurance agency business by earning commissions from insurance companies we cooperate with. The commissions we receive from insurance companies on the insurance policies sold are generally calculated as a percentage of the insurance premiums paid by the insured. Our revenue and results of operations are thus directly affected by the size of insurance premiums and the commission rates for such policies. Insurance premiums and commission rates can change based on the prevailing economic, regulatory, taxation-related and competitive factors that affect insurance companies and end customers.

We also engage external referral sources in different geographical areas to promote insurance products, and pay referral fees to them for referring end customers to us. We may adjust the rates of referral fees at our discretion, depending on the competitive landscape and market conditions in the respective geographical markets. Accordingly, any increase in such rates would reduce our profit margin.

Because we do not determine, and cannot predict, the timing or extent of premium or commission rate changes, we cannot predict the effect any of these changes may have on our operations. Any decrease in premiums or commission rates we receive, and/or any increase in the rates of referral fees we pay to our external referral sources, could significantly affect our profitability. In addition, our capital expenditures and other expenditures may be disrupted by unexpected decreases in revenue caused by decreases in premiums or commission rates, thereby adversely affecting our operations and business plans.

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

The insurance agency market and the integrated after-sales service market in China are highly fragmented, and we expect competition to persist and intensify. In our insurance agency business, we face competition from insurance companies that use their in-house sales force, exclusive sales agents, telemarketing, and internet or mobile channels to distribute their insurance products, and from business entities that distribute insurance products on an ancillary basis, such as commercial banks, postal offices and automobile dealerships for automobile insurance, as well as from other professional insurance intermediaries.

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

We may not be able to provide diversified insurance products and services to effectively address our end customers' needs, which could have a material adverse effect on our business, results of operations and financial condition.

We attract, procure and retain end customers by offering a variety of insurance product choices from various insurance companies. To continue to grow our end consumer base, we seek to collaborate with more insurance companies located in our existing and new geographical markets, while maintaining full spectrum insurance product choices. If we fail to respond to the changing and emerging needs and preferences of our customers and end customers and offer new products and services that are favored by them, we may lose out on our business volume and/or not be able to continue to attract new customers or maintain existing customers. If any of the foregoing occurs, our business, results of operations and financial condition may be materially and adversely affected.

We are subject to customer concentration risk.

We are subject to customer concentration risk. For the years ended December 31, 2021, 2022 and the six months ended June 30, 2023, revenue generated from our five largest insurance company customers, in aggregate, accounted for approximately 22%, 32%, and 27%, respectively.

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

Our business is substantially dependent on revenue from our automobile insurance company partners and is subject to risks related to automobile insurance industry. Our business may also be adversely affected by downturns in the life, health, group accident and other property-related insurance industries.

A majority of the insurance purchased through our platform and agency services is automobile insurance. Our overall operating results are substantially dependent upon our success in our automobile segment. For the years ended December 31, 2021, 2022 and the six months ended June 30, 2023, 56.3%, 50.4% and 53.7%, respectively, of our total revenue was derived from our automobile segment. Our success in the automobile insurance market will depend upon a number of additional factors, including:

- our ability to continue to adapt our sales to various automobile insurance products, including the effective modification of our product combination that facilitate the end customer experience;
- our ability to retain partnerships with enough insurance companies offering automobile insurance products to maintain our value proposition with end customers;
- our ability to leverage technology in order to sell, and otherwise become more efficient at selling by using our APPs and other online platform; or
- the effectiveness of our competitors' marketing of automobile insurance plans.

These factors could prevent our automobile segment from successfully marketing, which would harm our business, results of operation, financial condition and prospects. We are also dependent upon the economic success of the life, health, group accident and other property-related insurance industries. Declines in demand for life, health, group accident and other property-related insurance could cause fewer end customers to shop for such policies through us. Downturns in any of these markets, which could be caused by a downturn in the economy at large, could materially and adversely affect our business, results of operation, financial condition and prospects.

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

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

Our SaaS platform may not gain market acceptance, which could adversely affect our results of operations.

We launched our SaaS platform in 2023 to further expand our insurance agency business from offline to online. Though we have not generated any revenue from our SaaS platform to date, we expect it will become a significant source of our revenue going forward. The success of our SaaS platform depends on the adoption of SaaS platform in China's insurance industry, which may be affected by, among other things, regulatory requirements and widespread acceptance of SaaS platform in general.

Market acceptance of SaaS platform depends on a variety of factors, including but not limited to price, security, reliability, performance, customer preferences, public concerns regarding privacy and the enactment of restrictive laws or regulations. It is difficult to predict the demand for insurance SaaS platform and the future growth rate and size of the insurance SaaS market.

If our or other platforms in the insurance industry or other industries experience security breaches, loss of customer data, disruptions in delivery or other problems, the market for SaaS platform may suffer. If SaaS platform do not achieve widespread adoption or the demand for SaaS platform fails to grow due to a lack of customer acceptance, technological challenges, weakening economic conditions, security or privacy concerns, competing technologies and solutions, reductions in corporate spending or otherwise, our business, results of operations and financial condition could be adversely affected.

Our business operations may be affected by the COVID-19 pandemic.

Our business could be materially and adversely affected by the outbreak of widespread health epidemics, such as COVID-19 pandemic. The COVID-19 pandemic has not only led to a sudden halt of a large number of economic activities, but also caused a sharp tightening of global financial conditions and a significant deterioration in the economic outlook since its outbreak. Given the uncertainty surrounding the impact of the COVID-19 pandemic on the economy, the volatility of the capital markets continues to soar. The volatility of stocks, bonds and interest rate markets in many countries has reached a comparable level to that during the global financial crisis. As volatility soared, market liquidity deteriorated significantly. At the same time, responding to the COVID-19 pandemic, governments of various countries have adopted more stringent and lasting preventive and control measures.

In particular, the traditional offline model of life and health insurance business was hindered, including product sales and employment management. With respect to the property and casualty insurance business, the COVID-19 pandemic has adversely affected the vehicle sales volume of the PRC automobile industry, and, in turn, the automobile insurance business. Meanwhile, COVID-19 may have also brought extra pressure to the claims of certain types of our property and casualty insurance products. Moreover, the COVID-19 pandemic has brought disruptions to economic activities and resulted in significant volatilities in the capital markets, which have, together with the lower interest rates, put pressure on our investment results.

There remains uncertainty with regard to the continued development of the COVID-19 pandemic and its implications. Any of these factors and other factors beyond our control could have an adverse effect on the overall business environment, cause uncertainties in the regions where we conduct business, exposing our business to unforeseen damages, and materially and adversely affect our business, results of operations and financial condition.

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

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

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

Our business is highly dependent on the ability of our information technology systems to timely process a large number of transactions across different markets and products at a time when the volume of such transactions is growing rapidly. We are also increasingly relying on our Apps to facilitate the business process of our insurance agency. Usability of our Apps as perceived by users can influence customer satisfaction. The proper functioning and improvement of our Apps, our accounting, customer database, customer service and other data processing systems is critical to our business and to our ability to compete effectively. We cannot assure you that our business activities would not be materially disrupted in the event of a partial or complete failure of any of these primary information technology or communication systems, which could be caused by, among other things, software malfunction, computer virus attacks or conversion errors due to system upgrading. In addition, a prolonged failure of any of our information technology systems could damage our reputation and materially and adversely affect our operations and profitability.

Breakdown of any of our major IT and SaaS systems or failure to keep up with technological developments would materially and adversely affect our business, results of operations and future prospects.

Our proprietary technology and technological capabilities are critical to the development and maintenance of our IT and SaaS systems and infrastructure underlying our apps and platforms, which in turn is vital to our business operations and planned developments. We need to keep abreast of the fast evolving IT developments, and continuously invest in significant resources, including financial and human capital resources to maintain, upgrade and expand our IT and SaaS systems and infrastructure in tandem with our business growth and developments. However, research and development activities are inherently uncertain, and investments in information technologies and development of proprietary technologies may not always lead to commercialization or monetarization, or lead to increased business volume and/or profitability.

The fast evolving IT developments may also render our existing systems and infrastructure and those that are newly developed and implemented obsolete before we are able to reap sufficient benefits to recover their investment costs, and may lead to substantial impairments which would adversely affect our results of operations. Any significant breakdown of our IT and SaaS systems and infrastructure may materially and adversely affect our business, results of operations, reputation and business prospects, and may even subject us to potential claims or even litigations, particularly as parts of our IT and SaaS systems and infrastructure are linked to or connected with IT and SaaS systems and infrastructure of our insurance company partners, who are mostly sizeable and reputable financial institutions whom themselves are subject to stringent regulatory supervision. As we rely heavily on our Apps and our IT and SaaS systems and infrastructure to facilitate and conduct our business, any prolonged breakdown of systems and infrastructure could also materially impact our business and results of operations.

Misconduct of our in-house sales force and employees is difficult to detect and deter and could harm our reputation or lead to regulatory sanctions or litigation costs.

We promote insurance products through our in-house sales team and external referral sources. In addition, we engage external referral sources to deepen our market penetration and broaden end consumer reach, including referral service providers who have access to auto insurance end consumers, such as automobile after-sales service providers, external registered sales representatives. The activities and regulatory compliance of these sales and marketing force associated with our insurance agency business are subject to the terms of the agreements we entered into with them and subject to applicable PRC laws. Misconduct of any of them could result in violation of law by us, regulatory sanctions, litigation or serious reputational or financial harm. Misconduct could include:

- making misrepresentation when marketing or selling insurance to end customers;
- hindering insurance applicants from making full and accurate mandatory disclosures or inducing applicants to make misrepresentations;
- hiding or falsifying material information in relation to insurance contracts;
- falsifying insurance agency business or fraudulently returning insurance policies to obtain commissions; or
- otherwise not complying with laws and regulations or our control policies, procedures, and undertakings.

We have internal policies and procedures to deter misconduct by our in-house sales force and external referral sources. We cannot assure you, therefore, that misconduct by any of our in-house sales team or our external referral sources may not occur, whether unintentional or otherwise, which may negatively impact our business, results of operations or financial condition. In addition, the general increase in misconduct in the industry could potentially harm the reputation of the industry and have an adverse impact on our business.

We are subject to credit risks from our customers.

We typically grant credit period to our insurance customers. While they are principally insurance companies that we only had relatively insignificant impairment of trade receivables in the past three years, there is no assurance that commission and fee income receivable by us will not be subject to disputes with our insurance customers. Given the background of our customers and the negotiating position they enjoy, in case of dispute we are typically in a less favourable position to succeed in recovering the trade receivables in dispute and our financial position and results of operations may be negatively impacted as a result. However, our credit risk assessment procedures may be subject to fraud or collusion to defraud or other illegal activities, and there is a risk that end customers may fail to repay the insurance premium to us. We may not always be able to detect or prevent such misconduct in a timely manner, and the precautions we take to prevent these activities may not be effective in all cases. Failure to protect our operations from fraudulent activities by our customers could result in reputational and economic damages to us and could materially and adversely affect our results of operations.

The development of new businesses and expansion into new markets may expose us to new risks and challenges.

We introduced our SaaS platform in 2023 and will continue developing new businesses and expanding into new markets within the scope permitted by regulatory authorities, which may expose us to new risks and challenges, including, but not limited to:

- ***regulatory risks***: we may face unfamiliar regulatory environments when developing new businesses and expanding into new markets;
- ***competition risks***: there may be intense competition in the markets of our new businesses, and our returns may be lower than expected; and
- ***strategic and operational risks***: our experience, expertise and/or skills in developing new businesses may not be sufficient, and new products and services may need time to gain market recognition; we may also encounter difficulties in recruiting sufficient qualified personnel, strengthening our management capabilities and improving information technology systems.

The Cybersecurity and data privacy law may also affect our business, financial condition, results of operations and financial condition.

In providing our services, a challenge we face is the secured collection, storage and transmission of confidential information. We acquire certain private information about end consumers, such as name, personal identification number, address and telephone number during the course of our business. We also obtained certain personal data from our insurance customers pursuant to the collaboration agreements with them, such as the vehicle registration number and registration date, the engine number, the make and model of the automobile and information about the current insured status of the automobile of a potential insurance purchaser. Any failure or perceived failure to maintain the security of personal and other data that are provided to or collected by us could harm our reputation and brand and may expose us to legal proceedings and potential liabilities, any of which could adversely affect our business and results of operations. Cybersecurity and data privacy and security issues are subject to increasing legislative and regulatory focus in China. Practices regarding the collection, use, storage, transmission and security of personal information by companies operating over the internet and mobile platforms have recently come under increased public scrutiny.

On September 14, 2022, the Cyberspace Administration of China (the "CAC"), issued the Decision on Amending the Cyber Security Law of the PRC (Draft for Comments), increased the penalty cap, so after the amendment comes into effect, it could have an increased impact on our financial condition if we breach the Cybersecurity Law of the PRC. In addition, the Data Security Law of the PRC, which took effect on September 1, 2021, applies to data processing activities, including the collection, storage, use, processing, transmission, availability and disclosure of data, and security supervision of such activities within the territory of the PRC. On August 20, 2021, the Standing Committee of the National People's Congress (the "SCNPC") promulgated the Personal Information Protection Law of the PRC (the "PIPL"), which took effect on November 1, 2021. The PIPL further emphasizes processors' obligations and responsibilities for personal information protection and sets out the basic rules for processing personal information and the rules for cross-border transfer of personal information.

Regulatory requirements on cybersecurity and data privacy are constantly evolving and can be subject to significant changes, which may result in uncertainties regarding the scope of our relevant responsibilities. For example, The Regulations on the Administration of Cyber Data Security (Draft for Comments) (the "Draft Cyber Data Security Regulations") was released by CAC on November 14, 2021. According to the Draft Cyber Data Security Regulations, data processors seeking a public listing in overseas that affect or may affect national security are required to apply for cybersecurity review. The scope of and threshold for determining what "affects or may affect national security" is still subject to uncertainty and further elaboration by the CAC. On January 4, 2022, together with 12 other Chinese regulatory authorities, the CAC released the revised Cybersecurity Review Measures (the "Revised CAC Measures"), which came into effect on February 15, 2022. Pursuant to the Revised CAC Measures, critical information infrastructure operators (the "CIIOs") procuring network products and services, and online platform operators carrying out data processing activities which affect or may affect national security, shall conduct a cybersecurity review pursuant to the provisions therein. In addition, online platform operators possessing personal information of more than 1 million users seeking to be listed on foreign stock markets must apply for a cybersecurity review.

According to Article 10 of Regulations on the Security Protection of Critical Information Infrastructure, the security protection departments of critical information infrastructure will timely notify the identification results to the operators. As of the date of this Shell Company Report on Form 20-F, we had not received such notification. In addition, our PRC Legal Adviser is of the view that we should not be deemed as CIIO on the basis that we had not received such notification from the security protection departments of critical information infrastructure. Moreover, we have not been subject to any material administrative penalties or other sanctions by any competent regulatory authorities in relation to cybersecurity, data and personal information protection. Our business does not involve the cross-border transfer of personal information and important data, and if it does in the future, we will take necessary technical and organizational measures to protect the security of the data, including using data encryption to secure personal information when it is in transit. As of the date of this Shell Company Report on Form 20-F, there had not been a significant cybersecurity or data protection incident regarding theft, leakage, damage or loss of data or personal information. According to the Revised CAC Measures and the Draft Cyber Data Security Regulations if enacted as currently proposed, we do not expect ourselves to become subject to cybersecurity review by the CAC at this moment, given that: (i) data we handle in our business operations, either by its nature or in scale, do not normally trigger significant concerns over national security of China; and (ii) we have not processed, and do not anticipate to process in the foreseeable future, personal information for more than one million users or persons. Based on the above and the information currently available, we believe the impact of the CAC's increasing oversight over data security on our business is immaterial as of the date of this Shell Company Report on Form 20-F.

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

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

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

We may be involved in legal proceedings arising from our operations.

We may be involved in legal and administrative proceedings from time to time. As our business expands, we expect we will continue to face litigations and disputes in the ordinary course of our business, which may result in claims for actual damages, freezing of our assets and diversion of our management' attention, as well as legal proceedings against our directors, officers or employees, and the probability and amount of liability, if any, may remain unknown for long periods of time.

The outcome of any claims, investigations and proceedings is inherently uncertain, and in any event defending against these claims could be both costly and time-consuming. Therefore, our reserves for such matters may be inadequate, and any unfavorable final resolution of any such litigation or proceedings could have a material adverse effect on our business, results of operations and financial condition. Moreover, even if we eventually prevail in these matters, we could incur significant legal fees or suffer significant reputational harm, which could have a material adverse effect on our prospects and future growth.

Our operations depend on the performance of the internet and mobile internet infrastructure and telecommunications networks in China, which may not be able to support the demands associated with our continued growth.

Almost all access to the internet in China is maintained through state-owned telecommunication operators under the administrative control and regulatory supervision of the Ministry of Industry and Information Technology, or the MIIT. Moreover, we primarily rely on a limited number of telecommunications service providers to provide us with data communications capacity through local telecommunications lines and internet data centers to host our servers. We have limited access to alternative networks or services in the event of disruptions, failures or other problems with the internet infrastructure or the telecommunications networks in China. We cannot assure you that these infrastructures will be able to support the demands associated with the continued growth in usage.

With the expansion of our business, we may be required to upgrade our facilities, technology, operational and information technology infrastructure to keep up with our business growth, which may require substantial investment. In addition, we may need to devote significant resources to creating, supporting and maintaining our mobile APPs, given the increasing trend of accessing the internet through smart phones, tablets and other mobile devices and the continual release of new mobile devices and mobile platforms. However, we may not be able to effectively develop or enhance these technologies on a timely basis or at all, which may decrease end customers' satisfaction and efficiency of our business process. Our failure to keep pace with rapid technological changes may impact our ability to retain or attract end customers of our products and services or generate income, and have an adverse effect on our business and results of operations.

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

We are subject to the PRC Insurance Law, Regulatory Provisions on Professional Insurance Agencies, and related rules and regulations. Our businesses in automobile insurance and other insurance areas are extensively regulated by the CBIRC, which has been given wide discretion in its administration of these laws, rules and regulations as well as the authority to impose regulatory sanctions on us. Under the amendments to the PRC Insurance Law promulgated in 2009, the CBIRC has been granted greater regulatory oversight over the PRC insurance industry, in part to afford policyholders more protection.

The terms and premium rates of the insurance products we carry, the commission rates we earn, as well as the way we operate our insurance agency businesses, are subject to regulations. Changes in these regulations may affect our profitability on the products we sell. Any tightening of regulations or administrative measures on insurance premiums or insurance agency commissions could have material adverse impact on the revenue and profitability of our insurance agency business, if we are not able to increase our insurance business volume sufficiently to compensate for the reduced revenue generated from automobile insurance commission, or pass on any downward impact on our commission rates to our external referral sources. Regardless, failure to comply with any of the laws, rules and regulations to which we are subject could result in fines, restrictions on business expansion, which could materially and adversely affect us.

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

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

Examinations and investigations by the PRC regulatory authorities may result in fines and/or other penalties that may have a material adverse effect on our reputation, business, results of operations and financial condition.

From time to time, the CBIRC carries out comprehensive evaluations and inspections of the internal control and financial and operational compliance of PRC insurance agency companies in China. As a participant in the insurance agency industry in China, we are subject to periodic or ad hoc examinations and investigations by various PRC regulatory authorities in respect of our compliance with PRC laws and regulations, which may impose fines and/or other penalties on us. There is no assurance that we will be able to meet all applicable regulatory requirements and guidelines, or comply with all applicable regulations at all times, or that we will not be subject to fines or other penalties in the future as a result of regulatory inspections.

Risks Related to Our Corporate Structure

If the PRC government determines that the contractual arrangements in relation to the VIEs structure do not comply with PRC regulatory restrictions on foreign investment in certain industries, or if these regulations or the way they are interpreted change, we, the PRC subsidiaries could be subject to severe penalties or be forced to relinquish their interests in those operations.

We, the PRC subsidiaries and the VIEs face material risks relating to our corporate structure. We are not a Chinese operating company but a Cayman Islands holding company with operations conducted by their subsidiaries and through contractual arrangements with VIEs based in China, and this structure involves unique risks to investors. The VIEs structure provides investors with exposure to foreign investment in China-based companies where Chinese law prohibits or restricts direct foreign investment in the operating companies, and investors may never hold equity interests in the Chinese operating companies. The PRC government regulates telecommunications-related businesses through strict business licensing requirements and other government regulations. If the PRC government deems that our contractual arrangements with the VIEs do not comply with PRC regulatory restrictions on foreign investment in the relevant industries, or if these regulations or the interpretation of existing regulations change in the future, we could be subject to severe penalties or be forced to relinquish our interests in those operations. Our holding company in the Cayman Islands, the VIEs, and investors of our company face uncertainty about potential future actions by the PRC government that could affect the validity and enforceability of the contractual arrangements with the VIEs and, consequently, significantly affect the financial performance of the VIEs and our company as a group.

Because we are an exempted company incorporated in the Cayman Islands, we are classified as a foreign enterprise under PRC laws and regulations, and each of the PRC subsidiaries is a foreign-invested enterprise ("FIE"). To comply with PRC laws and regulations, we conduct our business in China through the VIEs pursuant to a series of contractual arrangements among WFOE, the VIEs and its shareholders. See "Item 4. Information on the Company— C. Organizational Structure—Contractual Arrangements with the VIEs and its Shareholders." We, our subsidiaries and the investors do not have an equity ownership in, direct foreign investment in, or control through such ownership or investment of the VIEs. The contractual arrangements with respect to the VIEs are not equivalent to an equity ownership in the business of the VIEs. Any references in this Shell Company Report on Form 20-F to control or benefits that accrue to us and our subsidiaries because of the VIEs are limited to, and subject to conditions for consolidation of, the VIEs under U.S. GAAP. Consolidation of VIEs under U.S. GAAP generally occurs if we or our subsidiaries (1) have an economic interest in the VIEs that provides significant exposure to potential losses or benefits from the VIEs and (2) have power over the most significant economic activities of the VIEs. For accounting purposes, we are the primary beneficiary of the VIEs. In addition, the contractual agreements governing the VIEs have not been tested in a court of law.

We believe that our corporate structure and contractual arrangements comply with PRC laws and regulations. Based on our understanding of the relevant laws and regulations, our PRC counsel, JunHe LLP, is of the opinion that each of the contracts among WFOE, the VIEs and its shareholders is valid, binding and enforceable in accordance with its terms.

However, substantial uncertainties remain regarding the interpretation and application of PRC laws and regulations. PRC government authorities may not agree that we and our subsidiaries' corporate structure or any of the foregoing contractual arrangements comply with PRC licensing, registration or other regulatory requirements or policies.

If regulators deem we, our subsidiaries and the VIEs' corporate structure and contractual arrangements to be illegal, either in whole or in part, we may have to modify our corporate structure to comply with regulatory requirements. We and our subsidiaries may not be able to achieve this without materially disrupting their business.

If we, our subsidiaries and the VIEs' corporate structure and contractual arrangements violate existing or future PRC laws or regulations, the relevant regulatory authorities would have broad discretion in dealing with such violations, including:

- revoking their business and operating licenses;
- levying fines on us, the PRC subsidiaries;
- confiscating any of the income generated by us, the PRC subsidiaries that the relevant regulatory authorities deem to be obtained through illegal operations;
- discontinuing or restricting the operations of us, the PRC subsidiaries in China;

- imposing conditions or requirements with which we, the PRC subsidiaries may not be able to comply;
- shutting down the servers or blocking the applications, APIs, website, SaaS solutions or supporting services of us;
- requiring us, the PRC subsidiaries to change their corporate structure and contractual arrangements;
- restricting the right by us, the PRC subsidiaries to collect revenue; and
- taking other regulatory or enforcement actions that could harm our business.

New PRC laws, rules and regulations may impose additional requirements on us, our subsidiaries and the VIEs' corporate structure and contractual arrangements. If any of these penalties or requirements causes us and our subsidiaries to lose the rights to direct the activities of the VIEs or their right to receive economic benefits, we will no longer be able to consolidate the VIEs' financial results in our consolidated financial statements, which could materially adversely affect our business, results of operations and financial condition.

We and the PRC subsidiaries rely on contractual arrangements with the VIEs and the VIEs' shareholders to operate their business, which may not be as effective as direct ownership in providing operational control.

We and the PRC subsidiaries rely on contractual arrangements with the VIEs and its shareholders to operate their business. These contractual arrangements may not be as effective as direct ownership in providing us and the PRC subsidiaries with control over the VIEs.

Because we and the PRC subsidiaries do not have a direct ownership interest in the VIEs, we consolidate our financial results by relying on the performance by the VIEs and its shareholders of their respective obligations under the contractual arrangements with them. The shareholders of the VIEs may not act in the best interests of us and the PRC subsidiaries, or otherwise fail to perform their contractual obligations.

We and the PRC subsidiaries may replace the shareholders of the VIEs pursuant to the contracts with the VIEs and its shareholders. However, if any dispute relating to these contracts or the replacement of the VIEs' shareholders remains unresolved, we and the PRC subsidiaries must enforce their rights under these contracts under PRC law and be subject to uncertainties in the PRC legal system.

Any failure by the VIEs or its shareholders to perform their obligations under their contractual arrangements with WFOE would materially adversely affect the business, results of operations and financial condition of us and the PRC subsidiaries.

If the VIEs or its shareholders fail to perform their respective obligations under their contractual arrangements with WFOE, we and the PRC subsidiaries may incur substantial costs and expend additional resources to enforce such arrangements. We and the PRC subsidiaries may also have to rely on legal remedies under PRC law, including seeking specific performance or injunctive relief, and claiming damages. Such remedies may not be effective.

WFOE's contractual arrangements with the VIEs and its shareholders are governed by PRC laws and provide for the resolution of disputes through arbitrations in the PRC. Accordingly, these contractual arrangements would be interpreted in accordance with PRC laws, and any disputes arising from these contractual arrangements would be resolved in accordance with PRC legal procedures.

Uncertainties in the PRC legal system could limit the abilities of us and the PRC subsidiaries to enforce these contractual arrangements. In the event that we and the PRC subsidiaries cannot enforce the contractual arrangements with respect to the VIEs, or suffer significant delays or other obstacles in enforcing these contractual arrangements, the ability of us and PRC subsidiaries to conduct our business, and our financial condition and results of operations may be materially adversely affected. See "—Risks Related to Doing Business in China—Uncertainties in the interpretation and enforcement of PRC laws, rules and regulations could materially adversely affect our business."

The VIEs' shareholders may have potential conflicts of interest with us, the PRC subsidiaries, which may materially adversely affect our business and financial condition.

The interests of the VIEs' shareholders may differ from the interests of us, the PRC subsidiaries and the VIEs. When conflicts of interest arise, any or all of these individuals may not act in the best interests of us, the PRC subsidiaries, and any conflicts of interest may not resolve in the favor of us, the PRC subsidiaries. In addition, these individuals may breach or cause the VIEs and the PRC subsidiaries to breach or refuse to renew existing contractual arrangements with WFOE.

None of us, the PRC subsidiaries has arrangements to address potential conflicts of interest between these shareholders and any of themselves. We, the PRC subsidiaries rely on these shareholders to abide by the laws of the Cayman Islands and China. These laws provide that directors owe a fiduciary duty to the us to act in good faith and in our best interests and not to use their respective positions for personal gain.

However, the legal frameworks of China and the Cayman Islands do not provide guidance on resolving conflicts in the event of a conflict with another corporate governance regime. If we, the PRC subsidiaries cannot resolve any conflict of interest or dispute between any of themselves and the shareholders of the VIEs, we, the PRC subsidiaries will likely rely on legal proceedings, which could disrupt their business and subject them to substantial uncertainty as to the outcome of such proceedings.

Substantial uncertainties with respect to the implementation of the Foreign Investment Law may significantly impact the corporate structure and operations of us, the PRC subsidiaries.

On March 15, 2019, the National People's Congress published the Foreign Investment Law of the People's Republic of China (the "Foreign Investment Law"), which became effective on January 1, 2020 and replaced the Sino-Foreign Equity Joint Venture Enterprise Law, the Sino-Foreign Cooperative Joint Venture Enterprise Law and the Foreign Owned Enterprise Law to become the legal foundation for foreign investment in the PRC. Although the Foreign Investment Law stipulates three forms of foreign investment, it does not explicitly stipulate the contractual arrangements as a form of foreign investment.

The Foreign Investment Law stipulates that the concept of a foreign investment includes foreign investors investing in China through "any other methods" under laws, administrative regulations, or provisions prescribed by the State Council. Future laws, administrative regulations or provisions prescribed by the State Council may regard contractual arrangements as a form of foreign investment. As a result, the contractual arrangements may be deemed to violate foreign investment access requirements and the interpretation of the above-mentioned contractual arrangements.

Changes in PRC laws and regulations could materially adversely affect the contractual arrangements and the business of us, the PRC subsidiaries. If future laws, administrative regulations or provisions prescribed by the State Council mandate further actions by companies with existing contractual arrangements, we, the PRC subsidiaries may face substantial uncertainties as to the timely completion of such actions. We, the PRC subsidiaries could potentially be required to unwind the contractual arrangements and/or dispose the VIEs, which could materially adversely affect our business, results of operations and financial condition.

The bankruptcy or liquidation of the VIEs could materially adversely affect our business and results of operations.

If the VIEs become the subject of a bankruptcy or liquidation proceeding, we and the PRC subsidiaries may lose the ability to use and enjoy assets held by the VIEs. We and the PRC subsidiaries conduct operations in China through contractual arrangements with the VIEs and its shareholders and subsidiaries. As part of these arrangements, the VIEs and its subsidiaries hold substantially all of the assets that are important to the operation of our business.

If any of these entities goes bankrupt and all or part of their assets become subject to liens or rights of third-party creditors, they may be unable to continue some or all of their business activities, which could in turn materially adversely affect our business, results of operations and financial condition. If the VIEs undergo a voluntary or involuntary liquidation proceeding, their shareholders or unrelated third-party creditors may claim rights to some or all of these assets, which would hinder their ability to operate their business, and could in turn materially adversely affect our business and results of operations.

Risks Related to Doing Business in China

Changes in China's economic, political or social conditions or government policies could have a material adverse effect on our business, results of operations, financial condition, and the value of our securities.

We conduct our business in China and substantially all of our assets are located in China. Accordingly, our business, results of operations and financial condition may be influenced to a significant degree by the PRC political, economic and social conditions. The PRC government may intervene or influence our operations at any time, which could result in a material change in our operations and/or the value of our securities following the Acquisition.

The economic, political and social conditions in China differ from those of the countries in other jurisdictions in many respects, including with respect to the amount of government involvement, level of development, growth rate, control of foreign exchange and allocation of resources. The PRC government exercises significant control over China's economic growth by allocating resources, controlling payment of foreign currency-denominated obligations, setting monetary policy, regulating financial services and institutions, providing preferential treatment to particular industries or companies, or imposing industry-wide policies on certain industries. Economic reform measures may also be adjusted, modified or applied inconsistently from industry to industry or across different regions of the country, and there can be no assurance that the Chinese government will continue to pursue a policy of economic reform or that the direction of reform will continue to be market friendly.

While the Chinese economy has experienced significant growth in the past four decades, growth has been uneven, both geographically and among various sectors of the economy. Various measures implemented by the PRC government to encourage economic growth and guide the allocation of resources may benefit the overall Chinese economy, but may also have a negative effect on us. Our results of operations and financial condition could be materially and adversely affected by government control over capital investments, foreign investment or changes in applicable tax regulations. In addition, the COVID-19 pandemic may also have a severe and negative impact on the Chinese economy. Any severe or prolonged slowdown in the rate of growth of the Chinese economy may adversely affect our business and results of operations, leading to reduction in demand for our products and adversely affect our competitive position. Additionally, the PRC government may promulgate laws, regulations or policies that seek to impose stricter scrutiny over, or completely revise, the current regulatory regime in certain industries or in certain activities. Furthermore, the PRC government has also recently indicated an intent to exert more oversight and control over overseas securities offerings and foreign investments in China-based companies. Any such actions may adversely affect our operations, and significantly limit or completely hinder our ability to offer or continue to offer securities to you and cause the value of our securities to significantly decline or be worthless.

Our ability to successfully maintain or grow business operations in China depends on various factors, which are beyond our control. These factors include, among others, macro-economic and other market conditions, political stability, social conditions, measures to control inflation or deflation, changes in the rate or method of taxation, changes in laws, regulations and administrative directives or their interpretation, and changes in industry policies. If we fail to take timely and appropriate measures to adapt to any of the changes or challenges, our business, results of operations and financial condition could be materially and adversely affected.

Recent greater oversight by the CAC over data security, particularly for companies seeking to list on a foreign exchange, could significantly limit or completely hinder our ability in capital raising activities and materially and adversely affect our business and the value of your investment.

On December 28, 2021, the CAC, jointly with 12 other governmental authorities, promulgated the revised Cybersecurity Review Measures (2021), which became effective on February 15, 2022. According to the Cybersecurity Review Measures (2021), critical information infrastructure operators that intend to purchase internet products and services which have or may have an adverse effect on national security must apply for cybersecurity review. Meanwhile, online platform operators holding personal information of over one million users that intend to list their securities on a foreign stock exchange must apply for cybersecurity review. In the meantime, the governmental authorities have the discretion to initiate a cybersecurity review on any data processing activity if they deem such a data processing activity affects or may affect national security.

On July 7, 2022, the CAC promulgated the Measures for the Security Assessment of Cross-Border Transfer of Data, which took effect on September 1, 2022. These measures aim to regulate cross-border transfers of data, requiring among other things, that data processors that provide data overseas apply to CAC for security assessments if: (1) data processors provide important data overseas; (2) critical information infrastructure operators or data processors process personal information of more than one million individuals provide personal information to overseas parties; (3) data processors that have cumulatively provided personal information of 100,000 people or sensitive personal information of 10,000 people to overseas since January 1 of the previous year, provide personal information to overseas parties; or (4) other scenarios required by the CAC to apply for security assessments occur. In addition, these measures require data processors to carry out self-assessments of risks of providing data overseas before applying to the CAC for security assessments. As of the date of this Shell Company Report on Form 20-F, the Measures for the Security Assessment of Cross-Border Transfer of Data has not materially affected our business or results of operations. Since the Measures for the Security Assessment of Cross-Border Transfer of Data was newly enacted, there remain substantial uncertainties about its interpretation and implementation, and it is unclear whether the relevant PRC regulatory authority would reach the same conclusion as us.

The approval of and/or filing with the CSRC or other PRC government authorities may be required in connection with our offshore offerings under PRC law, and, if required, we cannot predict whether or for how long we will be able to obtain such approval or complete such filing.

On February 17, 2023, the CSRC released a set of regulations consisting of six documents, including the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies and five supporting guidelines, collectively, the Overseas Listing Filing Rules, which came into effective on March 31, 2023. According to the Overseas Listing Filing Rules, China-based companies that have already offered shares or been listed overseas prior to the implementation of such new regulations qualify as "Stock Enterprises", and Stock Enterprises are not required to apply for the filing immediately until a subsequent overseas offering or listing occurs. However, the Overseas Listing Filing Rules, among others, require the issuer or its main operational entity in the PRC to file with the CSRC for its follow-on securities offerings in the same offshore market within three business days after the completion of such offerings, and file with the CSRC for its offerings or listing in offshore stock market other than the stock market of its initial public offering or listing within three business days after the submission of offering application outside mainland China.

We had been listed on the NASDAQ prior to the implementation of the Overseas Listing Filing Rules. Therefore, we are qualified as a "Stock Enterprise" and are not required to apply for the filing immediately until a subsequent overseas offering or listing occurs according to the Overseas Listing Filing Rules. However, we are required to file with the CSRC for its follow-on securities offerings in the same offshore market within three business days after the completion of such offerings, and file with the CSRC for our offerings or listing in offshore stock market other than the stock market of our initial public offering or listing within three business days after the submission of offering application outside mainland China. Failure to comply with the filing requirements for any offering, listing or any other capital raising activities, may result in administrative penalties, such as order to rectify, warnings, fines and other penalties, on us, our controlling shareholders, the actual controllers, any person directly in charge and other directly liable persons. Given the uncertainties surrounding the CSRC filing requirements at this stage, we cannot assure you that we will be able to complete the filings and fully comply with the relevant new rules on a timely basis, or at all, if we conduct listing in other offshore stock markets or follow-on offerings, issuance of convertible corporate bonds, exchangeable bonds, or other kinds of equity security in the future.

As of the date of this Shell Company Report on Form 20-F, we have not received any inquiry, notice, warning, or sanctions regarding offshore offering from the CSRC or any other PRC regulatory authorities. However, if it is determined in the future that approval from the CSRC or other regulatory authorities or other procedures are required for our offshore offerings, it is uncertain whether we can or how long it will take us to obtain such approval or complete such procedures and any such approval or completion could be rescinded. Any failure to obtain or delay in obtaining such approval or completing such procedures for our offshore offerings, or a rescission of any such approval obtained by us, would subject us to sanctions by the CSRC or other PRC regulatory authorities for failure to seek approval for our offshore offerings. These regulatory authorities may impose fines and penalties on our operations in China, limit our ability to pay dividends outside of China, limit our operating privileges in China, delay or restrict the repatriation of the proceeds from our offshore offerings into China or take other actions that could materially and adversely affect our business, financial condition, results of operations, and prospects, as well as the trading price of our ordinary shares and ADSs.

Adverse changes in economic and political policies of the PRC government could negatively impact China's overall economic growth, which could materially adversely affect our business.

We conduct substantially all of operations through the PRC subsidiaries, the VIEs in China. Accordingly, our business, results of operations, financial condition and prospects depend significantly on economic developments in China. China's economy differs from the economies of most other countries in many respects, including the amount of government involvement in the economy, the general level of economic development, growth rates and government control of foreign exchange and the allocation of resources.

While the PRC economy has grown significantly over the past few decades, this growth has remained uneven across different periods, regions and economic sectors. The PRC government also exercises significant control over China's economic growth by allocating resources, controlling the payment of foreign currency denominated obligations, setting monetary policy and providing preferential treatment to particular industries or companies. Any actions and policies adopted by the PRC government could negatively impact the Chinese economy, which could materially adversely affect our business.

Uncertainties in the interpretation and enforcement of PRC laws, rules and regulations could materially adversely affect our business.

We, the PRC subsidiaries face risks arising from the legal system in China, including risks and uncertainties regarding the interpretation and enforcement of laws and that rules and regulations in China can change quickly with very short notice.

The PRC legal system is based on written statutes. In 1979, the PRC government began to publish a comprehensive system of laws and regulations governing economic matters in general, and forms of foreign investment (including wholly foreign-owned enterprises and joint ventures) in particular. These laws, regulations and legal requirements are relatively new and often change, and their interpretation and enforcement may raise uncertainties that could limit the reliability of the legal protections available to us, the PRC subsidiaries. In addition, the PRC legal system is based in part on government policies and internal rules, some of which are not published on a timely basis, and which may have retroactive effect. As a result, we may not be aware of violation of these policies and rules until after the violation occurs.

We cannot predict future developments in the PRC legal system. We may need to procure additional permits, authorizations and approvals for our operations, which we may not be able to obtain. Our inability to obtain such permits or authorizations may materially adversely affect our business, results of operations and financial condition.

Administrative and court proceedings in China may be protracted, resulting in substantial costs and diversion of resources and management attention. Since PRC administrative and court authorities retain significant discretion in interpreting and implementing statutory and contractual terms, it may be difficult to evaluate the outcome of administrative and court proceedings and the level of legal protection that we may enjoy. These uncertainties may impede our ability to enforce contracts and could materially adversely affect our business, financial condition and results of operations.

PRC regulations relating to investments in offshore companies by PRC residents may subject PRC-resident beneficial owners or the PRC subsidiaries to liability or penalties, limit our ability to inject capital into the PRC subsidiaries or limit the PRC subsidiaries' ability to increase their registered capital or distribute profits to us, or may otherwise adversely affect our business and financial condition.

On July 4, 2014, SAFE issued the Circular on Relevant Issues Concerning Foreign Exchange Administration on Domestic Residents' Offshore Investment and Financing and Roundtrip Investment through Special Purpose Vehicles ("Circular 37"). Circular 37 replaced the Notice on Issues Relating to the Administration of Foreign Exchange in Fund-Raising and Reverse Investment Activities of Domestic Residents Conducted Through Offshore Special Purpose Companies ("Notice 75"), which became effective on November 1, 2005.

Circular 37 stipulates that prior to establishing or assuming control of an offshore company (the "Offshore SPV"), for financing that Offshore SPV with assets of, or equity interests in, an enterprise in the PRC, each PRC resident (whether a natural or legal person) who is a beneficial owner of the Offshore SPV must complete prescribed registration procedures with the local branch of SAFE. Pursuant to Circular 37, PRC residents must amend their SAFE registrations under certain circumstances, including upon any injection of equity interests in, or assets of, a PRC enterprise to the Offshore SPV or upon any material change in the capital of the Offshore SPV (including a transfer or swap of shares, a merger or division).

On February 13, 2015, SAFE issued the Notice on Further Simplifying and Improving Policies for the Foreign Exchange Administration of Direct Investment ("Notice 13"). Notice 13 states that local PRC banks will examine and handle foreign exchange registrations for overseas direct investment, including the initial foreign exchange registration and amendment registration, from June 1, 2015. However, substantial uncertainties remain with respect to the interpretation and implementation of this notice by governmental authorities and banks.

On December 26, 2017, the NDRC issued the Measures for the Administration of Overseas Investment of Enterprises ("Measures 11"), which became effective from March 1, 2018. Measures 11 states that PRC enterprises must obtain approval from the NDRC or file with the NDRC their offshore investments made through controlled Offshore SPVs.

Pursuant to the Measures 11 and the Measures for the Administration of Outbound Investment published by the MOFCOM in September 2014, any outbound investment of PRC enterprises must be approved by or filed with MOFCOM, NDRC or their local branches. State-owned enterprises may also be required to complete approval or filing procedures with state-owned assets supervision and administration authorities with respect to certain outbound direct investments.

We have requested that our current shareholders and beneficial owners who, to our knowledge, are PRC residents complete the foreign exchange registrations and that those who, to our knowledge, are PRC enterprises comply with outbound investment related regulations. However, we may not be fully aware of the identities of beneficial owners who are PRC residents. We do not have control over our beneficial owners and cannot guarantee that all of our beneficial owners who are PRC residents will comply with the requirements under Circular 37 or related SAFE rules, or other outbound investment related regulations.

If any of our beneficial owners who are PRC residents fail to comply with Circular 37 or related SAFE rules or other outbound investment related regulations, the PRC subsidiaries could be subject to fines and legal penalties. Failure to comply with Circular 37 or related SAFE rules or other outbound investment related regulations could be deemed as evasion of foreign exchange controls and subject us to liability under PRC law. As a result, SAFE could restrict our foreign exchange activities, including dividends and other distributions made by the PRC subsidiaries to us and our capital contributions to the PRC subsidiaries.

If any of our beneficial owners who are PRC residents fail to comply with Measures 11, the investments of such beneficial owners could be subject to suspension or termination, while such beneficial owners could be subject to warnings or applicable criminal liabilities. Any of the foregoing could materially adversely affect our operations, acquisition opportunities and financing alternatives.

Failure to comply with the registration requirements for employee stock ownership plans or share option plans may subject us and our PRC equity incentive plan participants to fines and other legal or administrative sanctions.

Pursuant to Circular 37, PRC residents who participate in share incentive plans in overseas non-publicly-listed companies due to their position as director, senior management or employee of the PRC subsidiaries of overseas companies may submit applications to SAFE or its local branches for foreign exchange registration before exercising rights. Our directors, executive officers and other employees who are PRC residents that have been granted options may follow Circular 37 to apply for foreign exchange registration.

We and our directors, executive officers and other employees who are PRC residents that have been granted options are subject to the Notice on Issues Concerning the Foreign Exchange Administration for Domestic Individuals Participating in Stock Incentive Plan of Overseas Publicly Listed company, issued by SAFE in February 2012. According to the Notice, employees, directors, supervisors and other management members participating in any stock incentive plan of an overseas publicly listed company who are PRC residents must register with SAFE through a domestic qualified agent and complete certain other procedures.

Failure to complete SAFE registrations may subject our employees, directors, supervisors and other management members participating in our stock incentive plans to fines and legal sanctions or limit the PRC subsidiaries' ability to distribute dividends to us. Failure to complete SAFE registrations may also limit our ability to make payments under the share incentive plans or receive dividends or sales proceeds related thereto, or to contribute additional capital into the PRC subsidiaries in China. In addition, we face regulatory uncertainties that could restrict our ability to adopt additional share incentive plans for our directors and employees under PRC law.

We may be treated as a resident enterprise for PRC tax purposes under the PRC Enterprise Income Tax Law and may therefore be subject to PRC income tax.

Under the PRC Enterprise Income Tax Law effective from January 1, 2008 and last amended on December 29, 2018, as well as its implementation rules effective from January 1, 2008 and amended on April 23, 2019, an enterprise established outside of the PRC with a "de facto management body" in the PRC is considered a resident enterprise and will be subject to a 25% enterprise income tax on its global income. The implementation rules define the term "de facto management body" as an establishment that carries out substantial and overall management and control over the manufacturing and operations, personnel, accounting and properties of an enterprise.

The State Administration of Taxation has issued guidance, known as Circular 82, which provides certain specific criteria for determining whether the "de facto management body" of a Chinese-controlled offshore-incorporated enterprise is located in China. Circular 82 only applies to offshore enterprises controlled by PRC enterprises, not those, such as us, controlled by foreign enterprises or individuals.

However, the determining criteria set forth in Circular 82 may reflect the State Administration of Taxation's general position on how the "de facto management body" test should determine the tax resident status of offshore enterprises, regardless of whether they are controlled by PRC enterprises. We may be considered a PRC tax resident under the new tax law and may become subject to the uniform 25% enterprise income tax on their global income, which could materially adversely affect their results of operations.

Dividends payable to foreign investors and gains on the sale of Class A Ordinary Shares by foreign investors may become subject to PRC tax law.

Under the PRC Enterprise Income Tax Law and its implementing rules, in general, a 10% PRC withholding tax is applicable to dividends payable to investors that are non-resident enterprises that do not have an establishment or place of business in the PRC, or have such establishment or place of business but the dividends are not effectively connected with such establishment or place of business, in each case to the extent such dividends are derived from sources within the PRC. Similarly, any gain realized on the transfer of Class A Ordinary Shares by such investors is also subject to PRC tax at a current rate of 10%, subject to any reduction or exemption set forth in relevant tax treaties, if such gain is regarded as income derived from sources within the PRC.

If we are deemed as a PRC resident enterprise, dividends paid on the Class A Ordinary Shares, and any gain realized from the transfer of the Class A Ordinary Shares, will be treated as income derived from sources within the PRC and be subject to PRC taxation. Furthermore, if we are deemed as a PRC resident enterprise, dividends payable to individual investors who are non-PRC residents and any gain realized on the transfer of the Class A Ordinary Shares by such investors may be subject to PRC tax at a current rate of 20%, subject to any reduction or exemption set forth in applicable tax treaties.

If we or any of our subsidiaries established outside China are considered a PRC resident enterprise, it is unclear whether holders of the Class A Ordinary Shares can claim the benefit of income tax treaties or agreements entered into between China and other countries or areas. If dividends payable to non-PRC investors or gains from the transfer of the Class A Ordinary Shares by such investors are subject to PRC tax, the value of your investment in the Class A Ordinary Shares may decline significantly.

Our shareholders face uncertainties with respect to indirect transfers of equity interests in PRC resident enterprises by their non-PRC holding companies.

On February 3, 2015, the State Administration of Taxation issued the Circular on Issues of Enterprise Income Tax on Indirect Transfers of Assets by Non-PRC Resident Enterprises ("Circular 7"), which replaced or supplemented certain previous rules under the Notice on Strengthening Administration of Enterprise Income Tax for Share Transfers by Non-PRC Resident Enterprises (the "Circular 698"), issued by the State Administration of Taxation on December 10, 2009. Circular 7 sets out a wider scope of indirect transfer of PRC assets that might be subject to PRC enterprise income tax. Circular 7 also includes detailed guidelines regarding when such indirect transfer is considered to lack a bona fide commercial purpose and thus regarded as avoiding PRC tax. On October 17, 2017, the SAT issued the Announcement on Issues Relating to Withholding at Source of Income Tax of Non-resident Enterprises (the "SAT Circular 37"), which came into effect on December 1, 2017 and was amended on June 15, 2018. SAT Circular 37 further clarifies the practices and procedures for withholding non-resident enterprise income tax.

The conditional reporting obligation of the non-PRC investor under Circular 698 is replaced by a voluntary reporting by the transferor, the transferee or the underlying PRC resident enterprise transferred. Using a "substance over form" principle, PRC tax authorities may disregard the existence of the overseas holding company if the company lacks a reasonable commercial purpose and was established for the purpose of reducing, avoiding or deferring PRC tax. As a result, gains derived from such indirect transfer may be subject to PRC enterprise income tax, currently at a rate of 10%, and the transferee has an obligation to withhold tax from the sale proceeds.

Gains from the sale of shares by investors through a public stock exchange are not subject to the PRC enterprise income tax pursuant to Circular 7 where such shares were acquired in a transaction through a public stock exchange.

There remains uncertainty as to the application of Circular 7 and the SAT Circular 37. PRC tax authorities may determine that Circular 7 and the SAT Circular 37 are applicable to offshore restructuring transactions or sale of the shares of offshore subsidiaries where non-resident enterprises, as the transferors, were involved. PRC tax authorities may pursue such non-resident enterprises with respect to a filing regarding the transactions and request the PRC subsidiaries to assist in the filing.

As a result, our non-resident subsidiaries in such transactions may risk being subject to filing obligations or being taxed under Circular 7 and the SAT Circular 37, unless it can be justified that the transactions are of reasonable business purposes such as group restructuring or other allowed circumstances. Practically, there has been no major transaction of similar nature challenged by the PRC tax authorities. However, given the increasingly tightened tax administration in China and the uncertainties under Circular 7, we cannot assure you that there is no tax reporting or settlement risk for such transactions.

Governmental control of currency conversion may limit the ability of us, the PRC subsidiaries to utilize our net revenues effectively and our ability to transfer cash among the group, across borders, and to investors and affect the value of your investment.

The PRC government imposes controls on the convertibility of Renminbi into foreign currencies and, in certain cases, the remittance of currency out of China. The PRC subsidiaries receive substantially all of their net revenue in Renminbi. Under the current corporate structure, we primarily rely on dividend payments from the PRC subsidiaries to fund any cash and financing requirements we may have.

The Renminbi is convertible under the "current account," which includes dividends, trade and service-related foreign exchange transactions, but not under the "capital account," which includes foreign direct investment and loans, including loans we may secure from or for our onshore subsidiaries. Certain PRC subsidiaries may purchase foreign currency for settlement of "current account transactions" without the approval of SAFE by complying with certain procedural requirements.

However, PRC governmental authorities may limit or eliminate the ability of the PRC subsidiaries to purchase foreign currencies for current account transactions. Foreign exchange transactions under the capital account remain subject to limitations and require approvals from, or registration with, SAFE and other relevant PRC governmental authorities.

Since a significant amount of the PRC subsidiaries' revenue is denominated in Renminbi, any existing and future restrictions on currency exchange may limit their ability to utilize cash generated in Renminbi to fund their business activities outside of the PRC or pay dividends in foreign currencies to the shareholders, including holders of the Class A Ordinary Shares. These restrictions may also limit our ability to obtain foreign currency through debt or equity financing for the PRC subsidiaries.

Fluctuations in the value of the Renminbi may materially adversely affect your investment.

The value of the Renminbi against the U.S. dollar and other currencies may fluctuate and is affected by, among other things, changes in political and economic conditions in China and by China's foreign exchange policies. With the development of the foreign exchange market and progress towards interest rate liberalization and Renminbi internationalization, the PRC government may announce further changes to the exchange rate system, and the Renminbi may appreciate or depreciate significantly against the U.S. dollar. It is difficult to predict how market forces or PRC or U.S. government policy may impact the exchange rate between the Renminbi and the U.S. dollar.

Significant revaluation of the Renminbi may materially adversely affect your investment. For example, to the extent that we need to convert U.S. dollars received from offshore financing activities into Renminbi for the operations of the PRC subsidiaries, appreciation of the Renminbi against the U.S. dollar would decrease the Renminbi amount that we would have received from the conversion. Conversely, if we, the PRC subsidiaries convert Renminbi into U.S. dollars for the purpose of making payments for dividends on the Class A Ordinary Shares or for other business purposes, appreciation of the U.S. dollar against the Renminbi would reduce the U.S. dollar amount available to us, the PRC subsidiaries.

Limited hedging options are available in China to reduce our exposure to exchange rate fluctuations. As of the date of this Shell Company Report on Form 20-F, we have not entered into any material hedging transactions to reduce our exposure to foreign currency exchange risk. While we may enter into hedging transactions in the future, the availability and effectiveness of these hedges may be limited, and we may not be able to adequately hedge our exposure. In addition, currency exchange losses may be magnified by PRC exchange control regulations that restrict our ability to convert Renminbi into foreign currency.

If the U.S. Public Company Accounting Oversight Board, or the PCAOB, is unable to inspect our auditors as required under the Holding Foreign Companies Accountable Act, the SEC will prohibit the trading of our ADSs. A trading prohibition for our ADSs, or the threat of a trading prohibition, may materially and adversely affect the value of your investment. Additionally, the inability of the PCAOB to conduct inspections of our auditors would deprive our investors of the benefits of such inspections.

Pursuant to the Holding Foreign Companies Accountable Act (the "HFCA Act"), if the Public Company Accounting Oversight Board (the "PCAOB"), is unable to inspect an issuer's auditors for three consecutive years, the issuer's securities are prohibited to trade on a U.S. stock exchange. The PCAOB issued a Determination Report on December 16, 2021 (the "Determination Report") which found that the PCAOB is unable to inspect or investigate completely registered public accounting firms headquartered in: (1) mainland China of the People's Republic of China because of a position taken by one or more authorities in mainland China; and (2) Hong Kong, a Special Administrative Region and dependency of the PRC, because of a position taken by one or more authorities in Hong Kong. Furthermore, the Determination Report identified the specific registered public accounting firms which are subject to these determinations ("PCAOB Identified Firms").

Our former auditor, Marcum Asia CPAs LLP ("Marcum Asia"), the independent registered public accounting firm that issued the audit report for our fiscal year ended September 30, 2021 and 2022 included elsewhere in this Shell Company Report on Form 20-F, our current auditor OneStop Assurance PAC Singapore ("OneStop"), and WWC, P.C. ("WWC"), which issued the audit reports for the fiscal year ended December 31, 2021 and December 31, 202 with respect to Alpha Mind included elsewhere in this Shell Company Report on Form 20-F, as auditors of companies that are traded publicly in the United States and a firm registered with the PCAOB, are subject to laws in the U.S. pursuant to which the PCAOB conducts regular inspections to assess its compliance with the applicable professional standards. As of the date of this Shell Company Report on Form 20-F, Marcum Asia, OneStop and WWC are not included in the list of PCAOB Identified Firms in the Determination Report.

On August 26, 2022, the PCAOB announced that it had signed a Statement of Protocol (the "Protocol") with the China Securities Regulatory Commission (the "CSRC") and the Ministry of Finance ("MOF") of the People's Republic of China, governing inspections and investigations of audit firms based in mainland China and Hong Kong. Pursuant to the Protocol, the PCAOB conducted inspections on select registered public accounting firms subject to the Determination Report in Hong Kong between September and November 2022.

On December 15, 2022, the PCAOB board announced that it has completed the inspections, determined that it had complete access to inspect or investigate completely registered public accounting firms headquartered in mainland China and Hong Kong, and voted to vacate the Determination Report.

Notwithstanding the foregoing, the Company's ability to retain an auditor subject to the PCAOB inspection and investigation, including but not limited to inspection of the audit working papers related to us, may depend on the relevant positions of U.S. and Chinese regulators. OneStop's audit working papers related to us are located in China. With respect to audits of companies with operations in China, such as the Company, there are uncertainties about the ability of its auditor to fully cooperate with a request by the PCAOB for audit working papers in China without the approval of Chinese authorities. If the PCAOB is unable to inspect or investigate completely the Company's auditor because of a position taken by an authority in a foreign jurisdiction, or the PCAOB re-evaluates its determination as a result of any obstruction with the implementation of the Statement of Protocol, then such lack of inspection or re-evaluation could cause trading in the Company's securities to be prohibited under the HFCA Act, and ultimately result in a determination by a securities exchange to delist the Company's securities. Accordingly, the HFCA Act calls for additional and more stringent criteria to be applied to emerging market companies upon assessing the qualification of their auditors, especially the non-U.S. auditors who are not inspected by the PCAOB. These developments could add uncertainties to our offering.

On December 29, 2022, the Accelerating Holding Foreign Companies Accountable Act, or the AHFCA Act, was signed into law, which reduced the number of consecutive non-inspection years required for triggering the prohibitions under the HFCA Act from three years to two. As a result, the risks mentioned above have been heightened.

If our ADSs are subject to a trading prohibition under the HFCA Act or the AHFCA Act, the price of our ADSs may be adversely affected, and the threat of such a trading prohibition would also adversely affect their price. If we are unable to be listed on another securities exchange that provides sufficient liquidity, such a trading prohibition may substantially impair your ability to sell or purchase our ADSs when you wish to do so. Furthermore, if we are able to maintain a listing of our ordinary shares on a non-U.S. exchange, investors owning our ADSs may have to take additional steps to engage in transactions on that exchange, including converting ADSs into ordinary shares and establishing non-U.S. brokerage accounts.

The HFCA Act also imposes additional certification and disclosure requirements for Commission Identified Issuers, and these requirements apply to issuers in the year following their listing as Commission Identified Issuers. The additional requirements include a certification that the issuer is not owned or controlled by a governmental entity in the Relevant Jurisdiction, and the additional requirements for annual reports include disclosure that the issuer's financials were audited by a firm not subject to PCAOB inspection, disclosure on governmental entities in the Relevant Jurisdiction's ownership in and controlling financial interest in the issuer, the names of Chinese Communist Party, or CCP, members on the board of the issuer or its operating entities, and whether the issuer's articles include a charter of the CCP, including the text of such charter.

The enforcement of the PRC Labor Contract Law and other labor-related regulations in the PRC may adversely affect our business and results of operations.

The Standing Committee of the National People's Congress enacted the Labor Contract Law in 2008, and amended it on December 28, 2012. The Labor Contract Law introduced specific provisions related to fixed-term employment contracts, part-time employment, probationary periods, consultation with labor unions and employee assemblies, employment without a written contract, dismissal of employees, severance, and collective bargaining to enhance previous PRC labor laws.

Under the Labor Contract Law, an employer must sign an unlimited-term labor contract with any employee who has worked for the employer for ten consecutive years. Furthermore, if an employee requests or agrees to renew a fixed-term labor contract that has already been entered into twice consecutively, the resulting contract, with certain exceptions, must have an unlimited term, subject to certain exceptions.

With certain exceptions, an employer must pay severance to an employee where a labor contract is terminated or expires. In addition, PRC governmental authorities have introduced various new labor-related regulations since the effectiveness of the Labor Contract Law. Under the PRC Social Insurance Law and the Administrative Measures on Housing Fund, employees must participate in pension insurance, work-related injury insurance, medical insurance, unemployment insurance, maternity insurance, and housing funds. Employers must apply for social insurance registration and open housing fund accounts for the employees and are required, together with their employees or separately, to pay the social insurance premiums and housing funds for their employees.

Certain of the PRC subsidiaries have not made full contributions to social security insurance plans and housing provident fund for our employees in compliance with the relevant PRC regulations. As a result, we may be required to make up the contributions for these plans as well as to pay late fees and fines.

In addition, certain of the PRC subsidiaries provide social security insurance through third-party human resources agencies to pay social insurance premiums and make contributions to housing funds. Under the agreements entered into between the third-party human resources agencies and the PRC subsidiaries and their relevant subsidiaries, the third-party human resources agencies are obligated to pay social insurance premiums and housing funds for employees of these entities. Such arrangement may be deemed as a failure to comply with the relevant PRC laws and regulations which require an employer to pay social insurance premiums and make contributions to housing funds. Furthermore, if the third-party human resource agencies fail to pay the social insurance premiums or housing fund contributions for and on behalf of employees as required under applicable PRC laws and regulations, the PRC subsidiaries and their subsidiaries may be subject to penalties imposed by the local social insurance authorities and the local housing fund management centers for failing to discharge their obligations to pay social insurance and housing funds as an employer. In addition, we have accrued in the financial statements but not made full contributions to the social insurance plans and the housing provident fund for employees as required by the relevant PRC laws and regulations. As of the date of this Shell Company Report on Form 20-F, we are not aware of any notice from regulatory authorities or any claim or request from these employees in this regard.

As the interpretation and implementation of these regulations are evolving, employment practices of the PRC subsidiaries may not be at all times deemed in compliance with the regulations. As a result, these entities could be subject to penalties or incur significant liabilities in connection with labor disputes or investigations.

There are uncertainties under the PRC laws relating to the procedures for U.S. regulators to investigate and collect evidence from companies located in the PRC.

Shareholder claims or regulatory investigation that are common in the United States generally are difficult to pursue as a matter of law or practicality in China. For instance, in China, there are significant legal and other obstacles to providing information needed for regulatory investigations or litigations initiated outside China. Although the authorities in China may establish a regulatory cooperation mechanism with the securities regulatory authorities of another country or region to implement cross-border supervision and administration, such cooperation with the securities regulatory authorities in the Unities States may not be efficient in the absence of mutual and practical cooperation mechanism.

According to Article 177 of the PRC Securities Law (the "Article 177"), which became effective in March 2020, no overseas securities regulator is allowed to directly conduct investigation or evidence collection activities within the territory of the PRC. Accordingly, without PRC government approval, no entity or individual in China may provide documents and information relating to securities business activities to overseas regulators when it is under direct investigation or evidence discovery conducted by overseas regulators, which could present significant legal and other obstacles to obtaining information needed for investigations and litigation conducted outside of China. The inability for an overseas securities regulator to directly conduct investigation or evidence collection activities within China may further increase difficulties faced by you in protecting your interests. Furthermore, as of the date of this Shell Company Report on Form 20-F, there have not been implementing rules or regulations regarding the application of Article 177, and, accordingly, it remains unclear as to how it will be interpreted, implemented or applied by relevant government authorities. As such, there are also uncertainties as to the procedures and requisite timing for the overseas securities regulatory agencies to conduct investigations and collect evidence within the territory of the PRC. If the U.S. securities regulatory agencies are unable to conduct such investigations, there exists a risk that they may determine to suspend or de-register our registration with the SEC and may also delist our securities from trading market within the United States.

Risks Related to the ADSs

The market price for the ADSs may be volatile.

The trading prices of the ADSs have fluctuated significantly and will continue to be volatile and could fluctuate widely due to factors beyond our control. This may happen because of broad market and industry factors, like the performance and fluctuation in the market prices or the underperformance or deteriorating financial results of other listed internet or other companies based in China that have listed their securities in the United States in recent years. The securities of some of these companies have experienced significant volatility since their initial public offerings, including, in some cases, substantial price declines in their trading prices. The trading performances of other Chinese companies' securities after their offerings, including internet and e commerce companies, may affect the attitudes of investors toward Chinese companies listed in the United States, which consequently may impact the trading performance of the ADSs, regardless of our actual operating performance. In addition, any negative news or perceptions about inadequate corporate governance practices or fraudulent accounting, corporate structure or other matters of other Chinese companies may also negatively affect the attitudes of investors towards Chinese companies in general, including us, regardless of whether we have conducted any inappropriate activities. In addition, securities markets may from time to time experience significant price and volume fluctuations that are not related to our operating performance, which may have a material adverse effect on the market price of the ADSs.

In addition to the above factors, the price and trading volume of the ADSs may be highly volatile due to multiple factors, including, among others, (i) regulatory developments affecting us, our business partners, third-party service providers, financial institutions, or our industry, (ii) market conditions in the insurance agency industry, (iii) changes in the performance or market valuations of other insurance agency companies, (iv) announcements by us or our competitors of new product and service offerings, acquisitions, strategic relationships, joint ventures or capital commitments, (v) actual or anticipated fluctuations in our quarterly results of operations and changes or revisions of our expected results, or changes in financial estimates by securities research analysts, (vi) negative publicity about us, our management or our industry, (vii) additions to or departures of our directors and senior management, and (viii) sales or perceived potential sales of additional ordinary shares or ADSs. Furthermore, as a result of the narrow band of our ADSs publicly available for trading, small trades can cause significant percentage changes in valuation in a short time period. Such volatility may affect the attitude of investors towards our securities, which consequently may impact the trading performance of our ADSs, regardless of our actual operating performance.

If we fail to meet the applicable listing requirements, NASDAQ may delist our ADSs from trading on its exchange in which case the liquidity and market price of our ADSs could decline and our ability to raise additional capital would be adversely affected.

Our ADSs are currently listed for trading on the NASDAQ Global Market. There are a number of requirements that must be met in order for our ADSs to remain listed on the NASDAQ Global Market, including but not limited to the minimum bid price of at least US$1.00 per ADS, and the failure to meet any of these listing standards could result in the delisting of our ADSs from NASDAQ. We cannot assure you that we will be able to comply with all Nasdaq Listing Rules at all times, or regain compliance in a timely manner in case of a default and avoid any subsequent adverse action taken by NASDAQ, including but not limited to delisting.

An active market for the ADSs may not be maintained.

The ADSs began trading on NASDAQ in November 2019, and we can provide no assurance that we will be able to maintain an active trading market on NASDAQ or any other exchange in the future. If an active market for the ADSs is not maintained, it may be difficult for the ADS holders to sell the ADSs without depressing the market price for the ADSs, or at all. An inactive market may also impair our ability to raise capital by selling ADSs and may impair our ability to acquire other businesses or property using our ADSs as consideration.

If securities or industry analysts do not publish research or publish inaccurate or unfavorable research about our business, the market price for the ADSs and trading volume could decline.

The trading market for the ADSs will depend in part on the research and reports that securities or industry analysts publish about us or our business. If research analysts do not establish and maintain adequate research coverage or if one or more of the analysts who cover us downgrade our ADSs or publish inaccurate or unfavorable research about our business, the market price for the ADSs would likely decline. If one or more of these analysts cease coverage of our company or fail to publish reports on us regularly, we could lose visibility in the financial markets, which, in turn, could cause the market price or trading volume for the ADSs to decline.

Because we do not expect to pay dividends in the foreseeable future, you must rely on price appreciation of the ADSs for return on your investment.

We currently intend to retain most, if not all, of our available funds and any future earnings to fund the development and growth of our business. As a result, we do not expect to pay any cash dividends in the foreseeable future. Therefore, you should not rely on an investment in the ADSs as a source for any future dividend income.

Our board of directors has discretion as to whether to distribute dividends, subject to certain restrictions under Cayman Islands law, namely that our company may only pay dividends out of profits or share premium, and provided always that in no circumstances may a dividend be paid if this would result in our company being unable to pay its debts at they fall due in the ordinary course of business. Even if our board of directors decides to declare and pay dividends, the timing, amount and form of future dividends, if any, will depend on, among other things, our future results of operations and cash flow, our capital requirements and surplus, the amount of distributions, if any, received by us from our subsidiary, our financial condition, contractual restrictions and other factors deemed relevant by our board of directors. Accordingly, the return on your investment in ADSs will likely depend entirely upon any future price appreciation of the ADSs. There is no guarantee that our ADSs will appreciate in value or even maintain the price at which the ADS holders purchased the ADSs. You may not realize a return on your investment in the ADSs and you may even lose your entire investment in the ADSs.

Conversion of the convertible notes and exercise of the warrants we issued may dilute the ownership interest of existing shareholders, including holders who had previously converted their convertible notes.

The conversion of some or all of the convertible notes and the exercise of some or all of the warrants will dilute the ownership interests of existing shareholders and existing holders of our ADSs. Any sales in the public market of the ADSs issuable upon such conversion of the notes and exercise of the warrants could adversely affect prevailing market prices of our ADSs. In addition, the existence of the convertible notes and warrants may encourage short selling by market participants because the conversion of the convertible notes and the exercise of the warrants could depress the price of our ADSs.

Provisions of the convertible notes we offered could also discourage an acquisition of us by a third party.

Certain provisions of the convertible notes could make it more difficult or more expensive for a third party to acquire us, or may even prevent a third party from acquiring us. For example, in terms of the convertible notes we initially offered in July 2020, upon the occurrence of a fundamental change, holders of the convertible notes may require us to redeem their convertible notes at the specified fundamental change repurchase price, which includes a premium. By discouraging an acquisition of us by a third party, these provisions could have the effect of depriving the holders of our ordinary shares and holders of our ADSs of an opportunity to sell their ordinary shares and ADSs, as applicable, at a premium over prevailing market prices.

Substantial future sales or perceived potential sales of ADSs in the public market could cause the price of the ADSs to decline.

Sales of the ADSs in the public market, or the perception that these sales could occur, could cause the market price of the ADSs to decline. As of the date of this Shell Company Report on Form 20-F, we had 2,837,892,046,400 ordinary shares outstanding, consisting of 2,587,892,046,400 Class A ordinary shares represented by ADSs and 250,000,000,000 Class B ordinary shares. All our ADSs are freely transferable without restriction or additional registration under the Securities Act. The remaining ordinary shares outstanding are subject to volume and other restrictions as applicable under Rules 144 and 701 under the Securities Act. To the extent shares are released before the expiration of the lock-up period and sold into the market, the market price of the ADSs could decline.

We have granted share-based awards to certain management, employees and non-employees. In addition, we adopted a share incentive plan in 2019, or the 2019 Plan, and subsequently introduced a new share incentive plan in 2022, or the 2022 Plan under which we may have the discretion to grant a range of share-based awards to eligible participants. We intend to register all Class A ordinary shares that we have issued or that we may issue in connection with any employee share-based awards. Once we register these ordinary shares, ADSs representing them can be freely sold in the public market upon issuance, subject to volume limitations applicable to affiliates. If ADSs representing a large number of our ordinary shares or securities convertible into our ordinary shares are sold in the public market after they become eligible for sale, the sales could reduce the trading price of the ADSs and impede our ability to raise future capital. In addition, any ordinary shares that we issue under our share incentive plan would dilute the percentage ownership held by investors who purchase the ADSs.

The voting rights of holders of ADSs are limited by the terms of the deposit agreement, and you may not be able to exercise your right to direct the voting of the underlying ordinary shares which are represented by your ADSs.

As a holder of our ADSs, you will not have any direct right to attend general meetings of our shareholders or to cast any votes at such meetings. You will only be able to exercise the voting rights which attach to the underlying ordinary shares which are represented by your ADSs indirectly by giving voting instructions to the depositary in accordance with the provisions of the deposit agreement. Under the deposit agreement, you may vote only by giving voting instructions to the depositary, as the holder of the underlying ordinary shares which are represented by your ADSs. If we ask for your instructions, upon receipt of your voting instructions, the depositary will endeavor to vote the underlying ordinary shares in accordance with your instructions. You will not be able to directly exercise any right to vote with respect to the underlying ordinary shares unless you withdraw the shares and become the registered holder of such shares prior to the record date for the general meeting. Under our third amended and restated memorandum and articles of association, the minimum notice period required to be given by our company to our registered shareholders for convening a general meeting is ten (10) days. When a general meeting is convened, you may not receive sufficient advance notice to enable you to withdraw the underlying shares which are represented by your ADSs and become the registered holder of such shares prior to the record date for the general meeting to allow you to attend the general meeting or to vote directly with respect to any specific matter or resolution which is to be considered and voted upon at the general meeting. In addition, under third amended and restated memorandum and articles of association, for the purposes of determining those shareholders who are entitled to attend and vote at any general meeting, our directors may close our register of members and/or fix in advance a record date for such meeting, and such closure of our register of members or the setting of such a record date may prevent you from withdrawing the underlying shares represented by your ADSs and becoming the registered holder of such shares prior to the record date, so that you would not be able to attend the general meeting or to vote directly. Where any matter is to be put to a vote at a general meeting, the depositary will, if we request, and subject to the terms of the deposit agreement, endeavor to notify you of the upcoming vote and to deliver our voting materials to you. We cannot assure you that you will receive the voting materials in time to ensure that you can instruct the depositary to vote the underlying shares which are represented by your ADSs. In addition, the depositary and its agents are not responsible for failing to carry out voting instructions or for their manner of carrying out your voting instructions. This means that you may not be able to exercise your right to direct the voting of the underlying shares which are represented by your ADSs, and you may have no legal remedy if the underlying shares are not voted as you requested.

Your right to participate in any future rights offerings may be limited, which may cause dilution to your holdings.

We may from time to time distribute rights to our shareholders, including rights to acquire our securities. However, we cannot make such rights available to you in the United States unless we register both the rights and the securities to which the rights relate under the Securities Act or an exemption from the registration requirements is available. Under the deposit agreement, the depositary will not make rights available to you unless both the rights and the underlying securities to be distributed to ADS holders are either registered under the Securities Act or exempt from registration under the Securities Act. We are under no obligation to file a registration statement with respect to any such rights or securities or to endeavor to cause such a registration statement to be declared effective and we may not be able to establish a necessary exemption from registration under the Securities Act.

Accordingly, you may be unable to participate in our rights offerings in the future and may experience dilution in your holdings.

You may not receive dividends or other distributions on our ordinary shares and you may not receive any value for them, if it is illegal or impractical to make them available to you.

The depositary has agreed to pay to you the cash dividends or other distributions it or the custodian receives on our ordinary shares or other deposited securities underlying your ADSs, after deducting its fees and expenses. You will receive these distributions in proportion to the number of ordinary shares your ADSs represent. However, the depositary is not responsible if it decides that it is unlawful or impractical to make a distribution available to any holders of ADSs. For example, it would be unlawful to make a distribution to a holder of ADSs if it consists of securities that require registration under the Securities Act but that are not properly registered or distributed under an applicable exemption from registration. The depositary may also determine that it is not feasible to distribute certain property through the mail. Additionally, the value of certain distributions may be less than the cost of mailing them. In these cases, the depositary may determine not to distribute such property. We have no obligation to register under U.S. securities laws any ADSs, ordinary shares, rights or other securities received through such distributions. We also have no obligation to take any other action to permit the distribution of ADSs, ordinary shares, rights or anything else to holders of ADSs. This means that you may not receive distributions we make on our ordinary shares or any value for them if it is illegal or impractical for us to make them available to you. These restrictions may cause a material decline in the value of the ADSs.

ADSs holders may not be entitled to a jury trial with respect to claims arising out of or relating to our shares, the ADSs or the deposit agreement, which could result in less favorable outcomes to the plaintiffs in any such action.

The deposit agreement governing the ADSs representing our Class A ordinary shares provides that, to the fullest extent permitted by law, ADS holders waive the right to a jury trial of any claim they may have against us or the depositary arising out of or relating to our shares, the ADSs or the deposit agreement, including any claim under the U.S. federal securities laws.

If we or the depositary opposed a jury trial demand based on the waiver, the court would determine whether the waiver was enforceable based on the facts and circumstances of that case in accordance with the applicable state and federal law. To our knowledge, the enforceability of a contractual pre-dispute jury trial waiver in connection with claims arising under the federal securities laws has not been finally adjudicated by the United States Supreme Court. However, we believe that a contractual pre-dispute jury trial waiver provision is generally enforceable, including under the laws of the State of New York, which govern the deposit agreement, by a federal or state court in the City of New York, which has non-exclusive jurisdiction over matters arising under the deposit agreement. In determining whether to enforce a contractual pre-dispute jury trial waiver provision, courts will generally consider whether a party knowingly, intelligently and voluntarily waived the right to a jury trial. We believe that this is the case with respect to the deposit agreement and the ADSs. It is advisable that you consult legal counsel regarding the jury waiver provision before entering into the deposit agreement.

If you or any other holders or beneficial owners of ADSs bring a claim against us or the depositary in connection with matters arising under the deposit agreement or the ADSs, including claims under federal securities laws, you or such other holder or beneficial owner may not be entitled to a jury trial with respect to such claims, which may have the effect of limiting and discouraging lawsuits against us and the depositary. If a lawsuit is brought against either or both of us and the depositary under the deposit agreement, it may be heard only by a judge or justice of the applicable trial court, which would be conducted according to different civil procedures and may result in different outcomes than a trial by jury would have, including results that could be less favorable to the plaintiffs in any such action.

Nevertheless, if this jury trial waiver provision is not permitted by applicable law, an action could proceed under the terms of the deposit agreement with a jury trial. No condition, stipulation or provision of the deposit agreement or ADSs serves as a waiver by any holder or beneficial owner of ADSs or by us or the depositary of compliance with any substantive provision of the U.S. federal securities laws and the rules and regulations promulgated thereunder.

You may be subject to limitations on transfer of your ADSs.

Your ADSs are transferable on the books of the depositary. However, the depositary may close its transfer books at any time or from time to time when it deems expedient in connection with the performance of its duties. In addition, the depositary may refuse to deliver, transfer or register transfers of ADSs generally when our books or the books of the depositary are closed, or at any time if we or the depositary deems it advisable to do so because of any requirement of law or of any government or governmental body, or under any provision of the deposit agreement, or for any other reason.

Certain judgments obtained against us may not be enforceable.

We are an exempted company limited by shares incorporated under the laws of the Cayman Islands. We conduct substantially all of our operations in China and substantially all of our assets are located in China. In addition, a majority of our directors and executive officers reside within China, and most of the assets of these persons are located within China. As a result, it may be difficult or impossible for you to effect service of process within the United States upon these individuals, or to bring an action against us or against these individuals in the United States in the event that you believe your rights have been infringed under the U.S. federal securities laws or otherwise. Even if you are successful in bringing an action of this kind, the laws of the Cayman Islands and of the PRC may render you unable to enforce a judgment against our assets or the assets of our directors and officers.

There is uncertainty as to whether the courts of the Cayman Islands would (i) recognize or enforce judgments of U.S. courts obtained against us or our directors or officers that are predicated upon the civil liability provisions of the securities laws of the United States or any state in the United States, or (ii) entertain original actions brought in the Cayman Islands against us or our directors or officers that are predicated upon the securities laws of the United States or any state in the United States. Although there is no statutory enforcement in the Cayman Islands of judgments obtained in the federal or state courts of the United States, the courts of the Cayman Islands would recognize as a valid judgment, a final and conclusive judgment in personam obtained in the foreign courts against our company under which a sum of money is payable (other than a sum of money payable in respect of multiple damages, taxes or other charges of a like nature or in respect of a fine or other penalty) or, in certain circumstances, an in personam judgment for non-monetary relief, and would give a judgment based thereon provided that (a) such courts had proper jurisdiction over the parties subject to such judgment, (b) such courts did not contravene the rules of natural justice of the Cayman Islands, (c) such judgment was not obtained by fraud, (d) the enforcement of the judgment would not be contrary to the public policy of the Cayman Islands, (e) no new admissible evidence relevant to the action is submitted prior to the rendering of the judgment by the courts of the Cayman Islands, and (f) there is due compliance with the correct procedures under the laws of the Cayman Islands. However, the Cayman Islands courts are unlikely to enforce a judgment obtained from United States courts under civil liability provisions of the U.S. federal securities law if such judgment is determined by the courts of the Cayman Islands to give rise to obligations to make payments that are penal or punitive in nature. Because such a determination has not yet been made by a court of the Cayman Islands, it is uncertain whether such civil liability judgments from U.S. courts would be enforceable in the Cayman Islands. A Cayman Islands court may stay enforcement proceedings if concurrent proceedings are being brought elsewhere. The recognition and enforcement of foreign judgments are provided for under the PRC Civil Procedures Law. PRC courts may recognize and enforce foreign judgments in accordance with the requirements of the PRC Civil Procedures Law based either on treaties between China and the country where the judgment is made or on principles of reciprocity between jurisdictions. China does not have any treaties or other forms of reciprocity with the United States that provide for the reciprocal recognition and enforcement of foreign judgments. In addition, according to the PRC Civil Procedures Law, the PRC courts will not enforce a foreign judgment against us or our director and officers if they decide that the judgment violates the basic principles of PRC laws or national sovereignty, security or public interest. As a result, it is uncertain whether and on what basis a PRC court would enforce a judgment rendered by a court in the United States.

You may face difficulties in protecting your interests, and your ability to protect your rights through U.S. courts may be limited, because we are incorporated under Cayman Islands law.

We are an exempted company limited by shares incorporated under the laws of the Cayman Islands. Our corporate affairs are governed by our amended and restated memorandum and articles of association, the Companies Act (As Revised) of the Cayman Islands (the "Company Act") and the common law of the Cayman Islands. The rights of shareholders to take action against the directors, actions by minority shareholders and the fiduciary duties of our directors to us under Cayman Islands law are to a large extent governed by the common law of the Cayman Islands. The common law of the Cayman Islands is derived in part from comparatively limited judicial precedent in the Cayman Islands as well as from the common law of England, the decisions of whose courts are of persuasive authority, but are not binding, on a court in the Cayman Islands. The rights of our shareholders and the fiduciary duties of our directors under Cayman Islands law are not as clearly established as they would be under statutes or judicial precedent in some jurisdictions in the United States. In particular, the Cayman Islands has a less developed body of securities laws than the United States. Some U.S. states, such as Delaware, have more fully developed and judicially interpreted bodies of corporate law than the Cayman Islands. In addition, Cayman Islands companies may not have standing to initiate a shareholder derivative action in a federal court of the United States.

Shareholders of Cayman Islands exempted companies like us have no general rights under Cayman Islands law to inspect corporate records or to obtain copies of lists of shareholders of these companies. Our directors have discretion under our third amended and restated memorandum and articles of association to determine whether or not, and under what conditions, our corporate records may be inspected by our shareholders, but are not obliged to make them available to our shareholders. This may make it more difficult for you to obtain the information needed to establish any facts necessary for a shareholder resolution or to solicit proxies from other shareholders in connection with a proxy contest.

As a result of all of the above, our public shareholders may have more difficulty in protecting their interests in the face of actions taken by management, members of the board of directors or controlling shareholders than they would as public shareholders of a company incorporated in the United States.

Our dual class share structure with different voting rights limits your ability to influence corporate matters and could discourage others from pursuing any change of control transactions that holders of our Class A ordinary shares and the ADSs may view as beneficial.

We have a dual class share structure. As of the date of this Shell Company Report, Golden Stream Ltd., a company controlled by Mr. Qu Chengcai, the Chief Executive Officer of the Group, beneficially owns all of our issued Class B ordinary shares. In respect of matters requiring the votes of shareholders, holders of Class A ordinary shares are entitled to one vote per share, while holders of Class B ordinary shares are entitled to ten votes per share based on our dual class share structure. Each Class B ordinary share is convertible into one (1) Class A ordinary share at any time by the holder thereof, while Class A ordinary shares are not convertible into Class B ordinary shares under any circumstances. Upon any transfer of Class B ordinary shares by a holder thereof to any person or entity which is not an affiliate of such holder, such Class B ordinary shares shall be automatically and immediately converted into the equal number of Class A ordinary shares.

Our board of directors has approved and adopted a new share incentive plan (the "2022 Plan"). The maximum number of shares available for issuance under the 2022 Plan is 250,000,000,000 Class B ordinary shares of the Company (the "Shares"). The board of directors has also approved the issuance of the Shares to Golden Stream Ltd. (the "ESOP Platform"), which is holding these Shares (representing 8.8% of the total outstanding share capital and 49.1% of the voting power of the Company) and will act upon the instructions from a senior management committee of the Company determined on a unanimous basis in relation to the voting and, prior to the vesting of the Shares to the relevant grantee of the share-based awards under the 2022 Plan, the disposition of the Shares. The Shares held by the ESOP Platform are reserved for share-based awards that the Company may grant in the future under the 2022 Plan. As of the date of this Shell Company Report on Form 20-F, no share-based awards have been granted under the 2022 Plan.

As of the date of this Shell Company Report on Form 20-F, Golden Stream Ltd. beneficially owns 250,000,000,000 Class B ordinary shares representing 49.1% of the aggregate voting power of our company due to the disparate voting powers associated with our dual class share structure. See "Item 6. Directors, Senior Management and Employees—E. Share Ownership." Golden Stream Ltd. is holding these shares issued under the Company's share incentive plan adopted in November 2022 (the "2022 Plan") and will act upon the instructions from a senior management committee of the Company determined on a unanimous basis in relation to the voting and, prior to the vesting of the shares to the relevant grantee of the share-based awards under the 2022 Plan, the disposition of the shares. As a result of the dual class share structure and the concentration of ownership, Golden Stream Ltd. has considerable influence over matters such as decisions regarding change of directors, mergers, change of control transactions and other significant corporate actions. It may take actions that are not in the best interest of us or our other shareholders. This concentration of ownership may discourage, delay or prevent a change in control of our company, which could have the effect of depriving our other shareholders of the opportunity to receive a premium for their shares as part of a sale of our company and may reduce the price of the ADSs. This concentrated control limits your ability to influence corporate matters and could discourage others from pursuing any potential merger, takeover or other change of control transactions that holders of Class A ordinary shares and ADSs may view as beneficial. In addition, the significant concentration of share ownership may adversely affect the trading price of the ADSs due to investors' perception that conflicts of interest may exist or arise. For more information regarding our principal shareholders and their affiliated entities, see "Item 6. Directors, Senior Management and Employees—E. Share Ownership."

Our memorandum and articles of association contain anti-takeover provisions that could discourage a third party from acquiring us and adversely affect the rights of holders of our ordinary shares and the ADSs.

Our third amended and restated memorandum and articles of association contain certain provisions that could limit the ability of others to acquire control of our company, including a provision that grants authority to our board of directors to establish and issue from time to time one or more series of preferred shares without action by our shareholders and to determine, with respect to any series of preferred shares, the terms and rights of that series. These provisions could have the effect of depriving our shareholders and ADS holders of the opportunity to sell their shares or ADSs at a premium over the prevailing market price by discouraging third parties from seeking to obtain control of our company in a tender offer or similar transactions.

We are an emerging growth company and may take advantage of certain reduced reporting requirements.

We are an "emerging growth company" as defined in the JOBS Act, and we may take advantage of certain exemptions from various requirements applicable to other public companies that are not emerging growth companies including, most significantly, not being required to comply with the auditor attestation requirements of Section 404 of Sarbanes-Oxley Act of 2002 for so long as we are an emerging growth company. As a result, if we elect not to comply with such auditor attestation requirements, our investors may not have access to certain information they may deem important.

The JOBS Act also provides that an emerging growth company does not need to comply with any new or revised financial accounting standards until such date that a private company is otherwise required to comply with such new or revised accounting standards. In other words, an "emerging growth company" can delay the adoption of certain accounting standards until those standards would otherwise apply to private companies. We have elected to take advantage of the extended transition period. As a result of this election, our future financial statements may not be comparable to other public companies that comply with the public company effective dates for these new or revised accounting standards.

We are a foreign private issuer within the meaning of the rules under the Exchange Act, and as such we are exempt from certain provisions applicable to U.S. domestic public companies.

- Because we qualify as a foreign private issuer under the Exchange Act, we are exempt from certain provisions of the securities rules and regulations in the United States that are applicable to U.S. domestic issuers, including:

- the rules under the Exchange Act requiring the filing with the SEC of quarterly reports on Form 10-Q or current reports on Form 8-K;

- the sections of the Exchange Act regulating the solicitation of proxies, consents, or authorizations in respect of a security registered under the Exchange Act;

- the sections of the Exchange Act requiring insiders to file public reports of their stock ownership and trading activities and liability for insiders who profit from trades made in a short period of time; and

- the selective disclosure rules by issuers of material nonpublic information under Regulation FD.

We are required to file an annual report on Form 20-F within four months of the end of each financial year. In addition, we intend to publish our results on a quarterly basis as press releases, distributed pursuant to the rules and regulations of the NASDAQ Global Market. Press releases relating to financial results and material events will also be furnished to the SEC on Form 6-K. However, the information we are required to file with or furnish to the SEC will be less extensive and less timely compared to that required to be filed with the SEC by U.S. domestic issuers. As a result, you may not be afforded the same protections or information that would be made available to you were you investing in a U.S. domestic issuer.

As a company incorporated in the Cayman Islands, we are permitted to adopt certain home country practices in relation to corporate governance matters that differ significantly from the NASDAQ Global Market corporate governance listing standards; these practices may afford less protection to shareholders than they would enjoy if we complied fully with the NASDAQ Global Market corporate governance listing standards.

As a Cayman Islands company listed on the NASDAQ Global Market, we are subject to the NASDAQ Global Market corporate governance listing standards. However, NASDAQ Global Market rules permit a foreign private issuer like us to follow the corporate governance practices of its home country. Certain corporate governance practices in the Cayman Islands, which is our home country, may differ significantly from the NASDAQ Global Market corporate governance listing standards. Currently, we follow our home country practices and rely on certain exemptions provided by the NASDAQ Global Market corporate governance listing standards to a foreign private issuer, including exemptions from the requirements to have:

- majority of independent directors on our board of directors;

- a minimum of three members in our audit committee;

- only independent directors being involved in the selection of director nominees and determination of executive officer compensation;
- regularly scheduled executive sessions of independent directors;
- a quorum of annual general meeting which is no less than 33 1/3% of our outstanding shares; and
- shareholder approval prior to an issuance of securities in connection with (i) acquisition of the stock or assets of another company, (ii) change of control, (iii) equity compensation, and (iv) transactions other than public offerings.

As a result of our reliance on the corporate governance exemptions available to foreign private issuers, you do not have the same protection afforded to shareholders of companies that are subject to all of NASDAQ Global Market corporate governance listing standards.

There is a significant risk that we may be classified as a passive foreign investment company, or PFIC, for U.S. federal income tax purposes, which could subject U.S. investors in ADSs or Class A ordinary shares to significant adverse U.S. federal income tax consequences.

A non-U.S. corporation will be a passive foreign investment company, or PFIC, if, in any particular taxable year, either (a) 75% or more of its gross income for such year consists of certain types of "passive" income or (b) 50% or more of the value of its assets (generally determined on the basis of a quarterly average) is attributable to assets that produce or are held for the production of passive income. For this purpose, passive income generally includes dividends, interest, gains from certain commodities transactions, rents, royalties and the excess of gains over losses from the disposition of assets that produce passive income. However, rents derived in the active conduct of a trade or business and received from an unrelated party are considered active income for these purposes. Goodwill is treated as an active asset under the PFIC rules to the extent attributable to activities that produce active income. Cash generally is a passive asset for these purposes.

Based on the composition of our income and assets and the trading price of our ADSs or Class A ordinary shares, we believe there is a significant risk that we were a PFIC for U.S. federal income tax purposes for our 2022 taxable year. The determination of whether we are a PFIC must be made annually based on the facts and circumstances at that time.

If it is determined we are a PFIC for any portion of our taxable year that is included in the holding period of a U.S. Holder (as defined in "Item 10. Additional Information—E. Taxation—United States Federal Income Tax Considerations") of our ADSs or Class A ordinary shares, the U.S. Holder may be subject to increased U.S. federal income tax liability upon a sale or other disposition of our ADSs or Class A ordinary shares or the receipt of certain excess distributions from us and may be subject to additional reporting requirements.

If we are a PFIC in any taxable year, a U.S. Holder may incur significantly increased U.S. federal income tax on gain recognized on the sale or other disposition of the ADSs or Class A ordinary shares and on the receipt of distributions on the ADSs or Class A ordinary shares to the extent such gain or distribution is treated as an "excess distribution" under the federal income tax rules, and such U.S. Holder may be subject to burdensome reporting requirements. Further, if we are a PFIC for any year during which a U.S. Holder holds ADSs or Class A ordinary shares, we generally will continue to be treated as a PFIC for all subsequent years during which such U.S. Holder holds our ADSs or Class A ordinary shares unless we cease to be a PFIC and the U.S. Holder makes a special "purging" election on U.S. Internal Revenue Service ("IRS") Form 8621. See "Item 10. Additional Information—E. Taxation—United States Federal Income Tax Considerations—Passive Foreign Investment Company Rules" for more details.

We will incur increased costs as a result of being a public company, particularly after we cease to qualify as an "emerging growth company."

As a public company, we have incurred and expect to continue to incur significant legal, accounting and other expenses that we did not incur as a private company. The Sarbanes-Oxley Act of 2002, as well as rules subsequently implemented by the SEC and the NASDAQ Global Market, impose various requirements on the corporate governance practices of public companies. As a company with less than US$1.07 billion in net revenues for our last financial year, we qualify as an "emerging growth company" pursuant to the JOBS Act. An emerging growth company may take advantage of specified reduced reporting and other requirements that are otherwise applicable generally to public companies. These provisions include exemption from the auditor attestation requirement under Section 404 of the Sarbanes-Oxley Act of 2002 in the assessment of the emerging growth company's internal control over financial reporting and permission to delay adopting new or revised accounting standards until such time as those standards apply to private companies.

We expect these rules and regulations to increase our legal and financial compliance costs and to make some corporate activities more time-consuming and costly. After we are no longer an "emerging growth company," we expect to incur significant expenses and devote substantial management effort toward ensuring compliance with the requirements of Section 404 of the Sarbanes-Oxley Act of 2002 and the other rules and regulations of the SEC. For example, as a result of becoming a public company, we will need to increase the number of independent directors and adopt policies regarding internal controls and disclosure controls and procedures. We also expect that operating as a public company will make it more difficult and more expensive for us to obtain director and officer liability insurance, and we may be required to accept reduced policy limits and coverage or incur substantially higher costs to obtain the same or similar coverage. In addition, we will incur additional costs associated with our public company reporting requirements. It may also be more difficult for us to find qualified persons to serve on our board of directors or as executive officers. We are currently evaluating and monitoring developments with respect to these rules and regulations, and we cannot predict or estimate with any degree of certainty the amount of additional costs we may incur or the timing of such costs.

In the past, shareholders of a public company often brought securities class action suits against the company following periods of instability in the market price of that company's securities. If we were involved in a class action suit, it could divert a significant amount of our management's attention and other resources from our business and operations, which could harm our results of operations and require us to incur significant expenses to defend the suit. Any such class action suit, whether or not successful, could harm our reputation and restrict our ability to raise capital in the future. In addition, if a claim is successfully made against us, we may be required to pay significant damages, which could have a material adverse effect on our financial condition and results of operations.

ITEM 4. INFORMATION ON THE COMPANY

A. History and Development of the Company

Corporate History of FLJ Group Limited

We began our operation through Qingke Fashion Life Service Co., Ltd., or Q&K Fashion, which was established on November 8, 2007 by certain individuals related to our founder and former chief executive officer, Mr. Guangjie Jin, who transferred all voting rights to Mr. Guangjie Jin by proxy agreements. We substantially commenced our apartment rental business in 2012. During the period from 2007 to 2014, Q&K Fashion undertook several rounds of equity financing in the PRC. Mr. Guangjie Jin held more than 50% controlling interests over Q&K Fashion since the date of its incorporation.

On August 2, 2013, Q&K Fashion incorporated Shanghai Qingke E commerce Co., Ltd, or Q&K E-commerce. On March 17, 2015, Q&K E-commerce incorporated Shanghai Qingke Equipment Rental Co., Ltd., or Q&K Equipment Rental. From 2013 to 2015, Q&K Fashion transferred all of its shareholding over Q&K E-commerce to several investors and our founder and former chief executive officer, Mr. Guangjie Jin, allowing the latter to obtain control through majority equity ownership.

To facilitate financing and offshore listing, we underwent a series of reorganization, or the Reorganization as follows. We incorporated Q&K International Group Limited in the Cayman Islands as our offshore holding company in August 2014.

On November 5, 2019, our ADSs commenced trading on the Nasdaq under the symbol "QK." We raised from our initial public offering, after underwriters exercised their over-allotment option in full, approximately US$44.5 million in net proceeds after deducting underwriting discounts and commissions and estimated offering expenses payable by us.

We changed our company name from "Q&K International Group Limited" to "FLJ Group Limited", effective on September 13, 2022. In addition, our ADSs began trading under the new ticker symbol "FLJ" on the NASDAQ effective on September 26, 2022.

The Disposal

On October 31, 2023, FLJ Group Limited entered into an equity transfer agreement to sell all of its equity interest in Haoju to Wangxiancai Limited, a limited company incorporated under the laws of Hong Kong for nominal consideration (the "Disposal"). The Disposal was completed on the same date. As a result of the Disposal, FLJ Group Limited no longer conducts the long-term apartment rental business.

The Acquisition

On November 22, 2023, FLJ Group Limited entered into an equity acquisition agreement with Alpha Mind, an insurance agency and insurance technology business in the PRC, and Alpha Mind's then shareholders to acquire all of the issued and outstanding shares in Alpha Mind for an aggregate purchase price of US$180,000,000 or RMB equivalent. The purchase price is payable in the form of promissory note (collectively, the "Notes"). The Notes have a maturity of 90 days from the closing date, an interest rate at an annual rate to 3% per annum and will be secured by all of the issued and outstanding equity of the Alpha Mind and all of the assets of the Alpha Mind, including its consolidated entities. For more details, see "Item 3. Key Information—D. Risk Factors-Risks Related to our Business and Industry— If we are unable to repay or refinance the Notes, we will lose control and will no longer be able to consolidate the results of operation of Alpha Mind. In addition, our level of indebtedness could adversely affect our business, financial condition, results of operations and prospects."

The Acquisition was completed on December 28, 2023, upon which Alpha Mind become a wholly-owned subsidiary of FLJ Group Limited and we assumed and began conducting the principal business of Alpha Mind.

See "Item 4.C. Information on the Company—Organizational Structure" for a diagram illustrating our corporate structure upon consummation of the Acquisition.

Our principal executive offices are located at Room 1610, No.917, East Longhua Road, Huangpu District, Shanghai, 200023, People's Republic of China. Our telephone number at this address is +86-21-6417-9625. Our registered office in the Cayman Islands is located at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1 1111, Cayman Islands.

Corporate History of Alpha Mind and Its Consolidated Entities

Alpha Mind Technology Limited ("Alpha Mind") is a holding company incorporated on April 17, 2023 under the laws of British Virgin Islands. Alpha Mind has no substantive operations other than holding all of the outstanding share capital of Alpha Mind Technology Limited ("Alpha Mind HK"), which is also a holding company incorporated in Hong Kong on October 19, 2021. Alpha Mind operates as an agency to sell insurance products in the PRC, through the VIEs, Huaming Insurance Agency Co., Ltd ("Huaming Insurance"), which was established on March 7, 2014, and Huaming Yunbao (Tianjin) Technology Co., Ltd ("Huaming Yunbao"), which was established on May 8, 2015. See "Item 4. Information on the Company — C. Organizational Structure — Contractual Arrangements with the VIEs and Their Shareholders" for details.

On April 13, 2022, Alpha Mind HK became the sole shareholder of Jiachuang Yingan (Beijing) Information & Technology Inc. ("Jiachuang Yingan", or the "WFOE"), a company incorporated in China on August 2, 2019. Jiachuang Yingan entered into a series of contractual arrangements with Huaming Insurance and Huaming Yunbao and the shareholders of Huaming Insurance and Huaming Yunbao, through which Alpha Mind obtained control and became the primary beneficiary of Huaming Insurance and Huaming Yunbao. As a result, Huaming Insurance and Huaming Yunbao became Alpha Mind's VIEs.

Investors should submit any inquiries to the address and telephone number of our principal executive offices. Our main website is www.qk365.com. The information contained on our website is not a part of this Shell Company Report on Form 20-F.

SEC maintains an internet site (http://www.sec.gov), which contains reports, proxy and information statements, and other information regarding us that file electronically with the SEC.

B. Business Overview

Overview

We are a professional insurance agency which provides a wide variety of insurance products in China. We are committed to providing insurance purchasers with comprehensive services, spanning from application to claim settlement, through our professional and dedicated approach. Since our establishment in 2014, initially specializing in automobile insurance, we have accumulated substantial expertise and successfully expanded our insurance product portfolio to encompass a wide range of offerings. These include life, health, group accident, and various other property-related insurances.

Leveraging the growing ubiquity of mobile internet, we introduced our cutting-edge SaaS platform in 2023. This technological advancement has significantly streamlined and popularized our insurance agency business, enhancing accessibility and convenience for our customers.

With our strong foundation and unwavering commitment to excellence, we are confident in our ability to maintain a prominent position in the thriving Chinese insurance agency market. Furthermore, we are well-positioned to leverage our professional services and innovative technology, enabling us to emerge as a leader in China's insurance agency sector. We are principally engaged in the insurance agency business primarily through a "Business to Business to Consumer," or B2B2C, model. We offer a wide variety of insurance products underwritten by major insurance companies in China to insurance purchasers and generate revenue from commissions from the insurance companies, typically based on a percentage of the premium paid by insurance purchasers. For 2021 and 2022 and the six months ended June 30, 2023, we sold more than 799,444, 4,162,277 and 2,700,509 insurance policies with an aggregate premium of approximately RMB1,883.9 million, RMB2,170.6 million and RMB1,076.8 million, and achieved revenue of RMB290 million (US$44.9 million) RMB319 million (US$47.4 million and RMB133 million (US$19.2 million, respectively.

We sell insurance policies primarily through a network of external referral sources, which comprised more than one referral service provider, more than 857 external registered sales representatives and 197 strategic channel partners as of June 30, 2023, as well as through our in-house sales force. As of June 30, 2023, we had branch coverage in 17 cities in 11 provinces, autonomous regions and municipalities in China and had established collaborative relationships with 17 insurance companies and approximately 113 of their branches in China.

We primarily operate in China's insurance market. According to CBIRC, the total insurance premium in China reached approximately RMB4.7 trillion in 2022, increased by 4.6% from approximately RMB4.5 trillion in 2021. The insurance premium from property related insurance reached approximately RMB1.3 trillion, increased by 8.9% from approximately RMB1.2 trillion in 2021. We expect the growth of China's insurance market to continue, and the competition among insurance agencies to intensify.

Our Insurance Agency Business

We launched our insurance agency business in 2014. We specialized in distributing automobile insurance policies at the earlier stage of our business and subsequently expanded our insurance product portfolio to include other types of insurance including life, health, group accident and other property related insurances. In 2022, insurance premium from property related insurance accounted for approximately 93.9% of the total insurance premium from our insurance policies sold.

We generate revenue from our insurance agency business primarily through collecting commissions from insurance companies for successful sales of their insurance products, which are typically based on a percentage of the premium paid by insurance policy purchasers. The commission rates are typically set by insurance companies and vary for different product types, different insurance companies and different geographic regions in which the insurance products are sold. The commission rates are also subject to adjustments by insurance companies from time to time based on their expectation on profits, consumer demand for insurance products in the market, the availability and pricing of comparable products from other insurance companies, regulatory requirements and governmental policies, and other factors that affect insurance companies at the relevant time. In this connection, our average commission rates also varied between different cities in which we operate our insurance agency business, and for the years ended 2021 and 2022 and the six months ended June 30, 2023, our by-city average commission rates ranged from 11% to 32%, 11% to 34% and 9% to 35%, respectively, while our overall average commission rate was 16%, 16% and 14%, respectively.

Our SaaS Platform

In 2023, capitalizing on the growing prevalence of mobile internet, we introduced our SaaS platform to enhance our insurance agency business. The implementation of our SaaS platform has allowed us to offer more comprehensive services and expand our reach from offline to online customers. This innovative platform has several key advantages that further augment our services:

- *Insurance product front* – The SaaS platform seamlessly connects with insurance companies' system, granting us access to their extensive product offering database. This capability enhances our capability to identify and recommend the most suitable insurance product based on the specific needs of end customers.

- *Employee front* – Through the SaaS platform, individuals aspiring to become insurance agents can easily submit their applications to us. This streamlined process enables us to expand our sales team while minimizing costs.

- *Training front* – Our SaaS platform offers a wide range of comprehensive online training courses to our insurance agents. This valuable resource helps enhance their technical expertise and sales acumen, ultimately improving their overall performance.

- *End customer front* – The SaaS platform provides our end customers with a host of support services, including round-the-clock online customer service and efficient claim settlement assistance. Additionally, it empowers us to identify and target potential customers, enabling us to channel our sales efforts more effectively.

Our Insurance Products

We primarily offer automobile insurance and other property related insurance products underwritten by major insurance companies in China. For the years ended December 31, 2021 and 2022 and the six months ended June 30, 2023, revenue arising from the sales of automobile insurance and other property related insurance products amounted to RMB264.3 million, RMB299.7 million and RMB129.7 million, representing 91.2%, 93.9% and 97.5% of our total revenue, while revenue arising from the sales of other types of insurance products such as life, health and group accident insurance amounted to RMB25.6 million, RMB19.5 million and RMB3.3 million, representing 8.8%, 6.1% and 2.5% of our total revenue, respectively.

For 2021 and 2022 and the six months ended June 30, 2023, we sold 799,444, 4,162,277 and 2,700,509 insurance policies of various insurance companies, respectively. Our insurance policies generally have a term of one year. These policies are underwritten by insurance companies directly, and we are not a party to the insurance policy or other agreements with the purchasers of the policies.

Our Business Partners

We cooperate with a variety of business partners in conducting our businesses, including customers and suppliers in our insurance agency business.

Our customers for the insurance agency business are major insurance companies in China, which we consider as our insurance company partners. As of June 30, 2023, we had established business relationships with 17 insurance companies.

We conduct regular visits to, and organize periodic marketing events for insurance companies, including their headquarters and their branches in different regions, to promote our insurance agency services and introduce our business model and the functionalities of our SaaS platform, particularly on how they facilitate end consumers reach, user experience and transaction efficiency. Our senior management and marketing department at headquarters maintain close communications with the headquarters of major insurance companies. We also invite insurance companies to visit our headquarters and branches to demonstrate our business operations, flows and strengths.

Our suppliers primarily include external referral sources which we consider as our distribution channel partners. As of June 30, 2023, we had established business relationships with 197 distribution channel partners.

We engage external referral sources in different geographic locations of various types of businesses. We select our external referral sources based on various criteria, including their reputation, consumer flows, industry experience, operational track record and previous relationship with us. We require our external referral sources to obtain necessary licenses and certificates required to conduct their relevant business.

Our End Customers

We sell the insurance products primarily to individual end consumers. We are not a party to the insurance policies underwritten by insurance companies, and generally do not enter into any agreements with our end consumers. We actively promote insurance products we carry to end consumers. Through our marketing network, we contact potential end consumers with our target demographics on a regular basis. We also keep track of our end consumers who bought insurance products from us.

Sales and Marketing

We focus our marketing efforts on engaging insurance companies, sales channel partners and end customers. We have a dedicated marketing team at our headquarters, which formulates and executes our overall sales, marketing and branding strategies.

Our service personnel at local branches visit our insurance company partners regularly to promote our services and products and hold educational seminars and networking events to attract end customers and build our brand recognition. We also promote our products and services by attending conferences and industry exhibitions and through word-of-mouth referrals. We also utilize targeted advertisement placements on the Internet and social media platforms to increase brand exposure, build trust among potential end customers and improve end customer conversion.

Competition

We face competition principally from other insurance agency companies, including:

- large insurance agency companies;
- online insurance agency platforms; and
- insurance companies' direct online sales platforms.

We may face new competition as we introduce new services, as our existing services evolve, or as other companies introduce new services.

While the insurance agency industry is evolving rapidly and is becoming increasingly competitive, we believe that we compete favorably because of our strong technology and infrastructure capabilities, deep connections with insurance companies and strong marketing capabilities].

Intellectual Property

We seek to protect our intellectual property through a combination of patent protection, copyrights, trademarks, service marks, domain names, trade secret laws, confidentiality procedures and contractual restrictions.

As of the date of this Shell Company Report on Form 20-F, we had one copyright, one domain name and one trademark registered in China. Our intellectual properties are complementary and indispensable to each other to form the basis of our services and solutions and our operational systems. We intend to file additional intellectual property applications as we continue to innovate through our research and development efforts, and to pursue additional intellectual property protection to the extent we deem it beneficial and cost-effective.

We enter into confidentiality agreements with our key employees. In addition, the cooperation agreements that we enter into with our business partners include confidentiality provisions.

For additional information about our intellectual property and associated risks, see "Item 3. Key Information—D. Risk Factors—Risks Related to Our Business and Industry— We may be subject to intellectual property infringement claims or other allegations by third parties, which may materially and adversely affect our business, results of operations and prospects."

Seasonality

We generally experience a lower transaction volume for our insurance agency business during the first quarter of a given year due to holiday seasons in China, and remain relatively stable for the remaining threequarters of the year.

Regulations

We operate in an increasingly complex legal and regulatory environment. We are subject to a variety of PRC and foreign laws, rules and regulations across numerous aspects of our business. This section sets forth a summary of the principal PRC laws, rules and regulations relevant to our business and operations in the PRC.

Regulation of Insurance Agencies

The principal regulation governing professional insurance agencies is the Provisions on the Regulation of Insurance Agencies, effective from January 1, 2021. The Provisions on the Regulation of Insurance Agencies regulate market access, operating rules, market exit, monitoring and inspection, and legal obligations for insurance agencies.

According to the Provisions on the Regulation of Insurance Agencies, "insurance agencies" refers to organizations or individuals that are entrusted by an insurance company and collect commissions from the insurance company to handle the insurance business on an agency basis within the scope authorized by the insurance company, including professional insurance agencies, sideline insurance agencies and individual insurance agents.

To establish a professional insurance agency, the minimum registered capital depends on its business region. For professional insurance agencies whose business regions are not limited to the province, autonomous region, municipality directly under the central government, or city specifically designated in the state plan where they are registered, the minimum registered capital should be RMB50 million, while for those operating within the province, autonomous region, municipality directly under the central government, or city specifically designated in the state plan where they are registered, the minimum registered capital should be RMB20 million. The registered capital of a professional insurance agency must be paid-in monetary capital. An insurance professional agency must obtain an Insurance Agent Operating License.

A professional insurance agency may engage in the following insurance agency businesses:

- selling insurance products on behalf of the insurer principal;
- collecting insurance premiums on behalf of the insurer principal;
- conducting loss surveys and handling claims of insurance businesses on behalf of the insurer principal; and
- other business activities specified by the CBIRC.

According to the Notice to Overhaul Chaotic Auto Insurance Market (the "Overhaul Notice"), promulgated by the CIRC on July 6, 2017, all property insurance companies must intensify their compliance management and control of vehicle insurance intermediary businesses, and comply with authorization and management responsibilities applicable to intermediaries and individuals. Property insurance companies may not entrust any institution without lawful qualification to conduct insurance sale activities, or pay vehicle insurance service charges to unqualified institutions, directly or in a disguised way.

Property insurance companies may not entrust or permit any cooperative intermediary to delegate vehicle insurance agency rights to any other institution. A property insurance company may entrust a third-party internet platform to provide webpage-linking services, but may not entrust or permit any third-party internet platform without a lawful qualification as an insurance intermediary to engage in insurance sale activities on its website, including trial calculations of insurance premiums, price quotations and comparisons, business promotions and fund payments.

Property insurance companies must submit for approval of the terms and premium ratios for vehicle insurance. Any property insurance company, insurance intermediary or individual may not grant or undertake to grant benefits not specified in an insurance contract to the policyholder or the insured, including by returning cash or providing prepaid cards, negotiable securities, insurance products, coupons or other property, or offsetting premiums by reward points or exchanging reward points for goods. Property insurance companies, insurance intermediaries or individuals may not pay interest or benefits not specified in an insurance contract in a disguised way such as by allowing the insured to participate in a promotional campaign organized by any other institution or individual.

According to the Guiding Opinions on Implementation of the Comprehensive Reform of Vehicle Insurance promulgated by the CBIRC on September 2, 2020, insurance companies and intermediaries will be under simultaneous investigation and handling in the vehicle insurance field, to severely crack down on the illegal acts such as obtaining service charges by fabricating intermediary business, issuing false invoices and bundled sales. In addition, it is imperative to promote insurance companies and intermediaries to improve the connection of information systems, to regulate the settlement and payment of service charges, and prohibit the advance payment by sales personnel. Insurance intermediaries are prohibited from carrying out non-local vehicle insurance business.

Pursuant to the Administrative Measures for Insurance Sales Activities (Draft for Comment) issued by the CBIRC on July 19, 2022, insurance companies and insurance intermediaries shall not engage in insurance sales practices beyond the scope of business and regional scope approved by the law and regulatory system as well as regulatory agencies. Insurance sales personnel shall not engage in insurance sales practices beyond the scope of authorization of their respective institutions. Insurance companies and insurance intermediaries should strengthen the management of insurance sales channel business, implement the responsibility for insurance sales channel business compliance, improve the supervision of insurance sales channel compliance, and shall not use the insurance sales channel to carry out illegal and irregular activities.

Qualification Management for Practitioners of Insurance Agencies

Based on the Provisions on the Regulation of Insurance Agencies, the CBIRC is authorized by law and the State Council to exercise centralized supervision and administration competence over practitioners of insurance agencies by category. Under the Provisions on the Regulation of Insurance Agencies, the term “practitioners of insurance agencies” refers to individuals of insurance agencies who engage in sale of insurance products or the relevant loss survey.

Based on the Provisions on the Regulation of Insurance Agencies, the Circular of the China Insurance Regulatory Commission on Issues concerning the Administration of Insurance Intermediary Practitioners promulgated by the CIRC on August 3, 2015 and Notice on Cancelling and Adjusting a Group of Administrative Approval Items promulgated by the CIRC on August 7, 2015, prior to practice of practitioners of insurance agencies, the employer should file practice registration information for such personnel on the CBIRC insurance intermediaries monitoring information system, without requiring a qualification certificate as a prerequisite for practice registration management.

Professional insurance agencies, including us, are obligated to monitor the sales activities of the salespersons and restrict and prohibit the misconduct of such insurance sales practitioners employed by or cooperated with such professional insurance agencies. Any failure to do so may result in rectification orders, penalties or fines to the practitioners of insurance agencies and the professional insurance agencies themselves.

Regulation of Internet Insurance

On December 7, 2020, CBIRC issued Measures for the Regulation of Internet Insurance Businesses (the "Internet Insurance Measures"). Pursuant to the Internet Insurance Measures, no institutions or individuals other than insurance institutions, which refer to insurance companies, insurance agency companies, insurance brokerage companies and other qualified insurance intermediaries, may engage in the internet insurance business. Under the Internet Insurance Measures, an insurance institution may sell insurance products or provide insurance brokerage services via the Internet and self-service terminal equipment, so that consumers can independently learn the product information and complete insurance purchase on their own through such insurance institution's self-operated network platform or the self-run network platforms of other insurance institutions. However, the insurance application pages must belong to the self-run network platform of such insurance institution. "Self-operated online platforms" refer to online platforms set up by insurance institutions with independent operation and complete data authority. Self-operated online platforms shall effectively isolate from its affiliated parties such as shareholders, actual controllers and senior executives of the company in such aspects as finance, business, information system and customer information protection etc.

An insurance institution conducting Internet insurance businesses and its self-operated network platform shall meet the following conditions:

- the place of service access is within the territory of the PRC;
- it shall meet the provisions of the relevant laws and regulations and the qualification requirements of the competent authority of the relevant industry;
- it shall have an information management system and core business system supporting the operation of Internet insurance businesses, which shall be effectively isolated from other irrelevant information systems of the insurance institution;
- it shall have sound cybersecurity monitoring, information notification and emergency response mechanisms, as well as sound cybersecurity protection means such as boundary protection, intrusion detection, data protection and disaster recovery;
- it shall implement the national graded protection system for cybersecurity, carry out record-filing of the grading of cybersecurity, regularly carry out graded protection assessment, and implement security protection measures for the corresponding grades;
- it shall have a legal and compliant marketing model and establish an operation and service system that meets the operation needs of Internet insurance, meets the characteristics of Internet insurance users and supports the service coverage regions;
- it shall establish or specify an Internet insurance business management department, equip itself with corresponding professionals, designate a senior executive to serve as the person in charge of Internet insurance businesses, and specify the persons in charge of the self-run network platforms respectively;
- it shall have a sound management system and operating procedures for Internet insurance businesses;
- an insurance company shall, in carrying out Internet insurance sales, comply with the relevant provisions of the CBIRC on the regulatory evaluation for solvency and protection of consumers' rights and interests;
- a professional insurance intermediary shall be a national agency, and its business regions are not limited to the province where its head office is registered, and shall comply with the relevant provisions of the CBIRC on the classified regulation of professional insurance intermediaries; and
- it shall meet other conditions prescribed by the CBIRC.

According to the Internet Insurance Measures, "Internet insurances companies" can be established upon special approval by the CBIRC and registered in accordance with the law without establishing branches and specialize in carrying out Internet insurance business nationwide in order to promote the integration and innovation of insurance business with the Internet, big data and other new technologies. An Internet insurance company shall not sell insurance products offline or through other insurance institutions.

In addition, an Internet enterprise is allowed to use the self-operated network platform to sell Internet insurance products and provide insurance services as an insurance agent, provided that such Internet enterprise shall obtain the insurance agency operating license for operating insurance agency business.

Non-insurance institutions may not carry out Internet insurance business, including but not limited to the following commercial acts: (i) providing consulting services for insurance products; (ii) comparing insurance products, trial calculation of insurance premiums and comparing quotations; (iii) designing insurance purchase plans for insurance applicants; (iv) going through insurance purchase formalities on behalf of clients; and (v) collecting insurance premiums as an agent.

The Internet Insurance Measures provides that the CBIRC and its local offices are responsible for the development of the regulatory system for Internet insurance business in an overall manner, and the CBIRC and its local offices shall, in accordance with the division of regulatory work for insurance institutions, implement daily monitoring and regulation of Internet insurance business.

Regulation of Services Provided by Professional Insurance Agency and Its Practitioners

Based on the Provisions on the Regulation of Insurance Agencies, professional insurance agencies and practitioners may not take the following deceptive actions in insurance agency activities:

- deceiving the insurer, applicant, the insured or beneficiary;
- concealing important information relating to the insurance contract;
- obstructing the applicant to perform his/her obligation of disclosure, or inducing him/her not to perform his/her obligation of disclosure;
- giving or promising to give the applicant, the insured or the beneficiary benefits other than those stipulated in the insurance contract;
- coercing, inducing or restricting the applicant to enter into an insurance contract by taking advantage of his/her administrative power, position or the advantage of his/her occupation or by other unfair means;
- forging or altering an insurance contract without authorization, or providing false supporting materials for the parties to an insurance contract;
- misappropriating, withholding or occupying insurance premiums or insurance benefits;
- seeking improper benefits for other institutions or individuals by taking advantage of his/her business;
- defrauding the insurance benefits by colluding with the applicant, the insured or beneficiary; or
- disclosing business secrets of the insurer, the applicant or the insured known in the business activities.

A professional insurance agency may not sign insurance contracts on behalf of a contributor. On April 2, 2019, the CBIRC issued a Notice to Rectify the Irregularities in the Insurance Intermediary Market (the "Rectify Notice"), requiring all insurance companies and insurance intermediaries to conduct self-inspections to determine whether their practices violate relevant regulations.

According to the Rectify Notice, among other matters, insurance intermediaries and insurance agencies must rectify any non-compliance practices, such as granting or undertaking to grant policyholders, insured parties or beneficiaries benefits other than those agreed in the insurance contracts, failure to register the sales persons engaged by the insurance intermediaries with the CBIRC's Insurance Intermediaries Regulatory Information System, or hiring sales person with bad conduct or who do not have professional knowledge necessary for insurance sales. As of the date this proxy statement/prospectus, CCT has completed the applicable rectification measures.

On June 23, 2020, the CBIRC further issued the Notice to Follow-up Review of the Rectification of Market Chaos in Banking and Insurance Industries (the "Review Notice"), requiring all banking and insurance institutions to carry out strict self-examination and self-rectification. According to the Review Notice, among other matters, insurance companies and insurance intermediaries must rectify any non-compliance practices, such as misleading consumers to buy insurance products by making false publicity on the grounds that the sales of insurance products are about to be stopped or the premium rates are about to be adjusted, maliciously misleading or instigating clients to cancel insurance policies, making consumers suffer from unnecessary losses of contractual rights and interests, or disclosing client information in violation of regulations. CCT has completed the self-examination and self-rectification work and reported the same to the CBIRC.

Regulations Relating to Foreign Investment

Companies established and operating in the PRC shall be subject to the Company Law of the PRC, or the PRC Company Law, which was promulgated on December 29, 1993 and newly amended on December 28, 2013 and October 26, 2018. The PRC Company Law provides general regulations for companies set up and operating in the PRC, including foreign-invested companies. Unless otherwise provided in the PRC foreign investment laws, the provisions in the PRC Company Law shall prevail.

Investments in the PRC by foreign investors and foreign-invested enterprises are regulated by the Special Administrative Measures (Negative List) for the Access of Foreign Investment, or the Negative List, the latest version of which was promulgated by the NDRC and the PRC Ministry of Commerce, or the MOFCOM on June 23, 2020 and became effective as of July 23, 2020 and Catalogue of Industries for Encouraging Foreign Investment, or the Encouraging Catalogue, the latest version of which was promulgated by the NDRC and the MOFCOM on December 27, 2020 and became effective as of January 27, 2021. The Negative List and the Encouraging Catalogue jointly categorize the industries into three categories: encouraged industries, restricted industries and prohibited industries. Establishment of wholly foreign-owned enterprises is generally allowed in industries outside of the Negative List. For the restricted industries within the Negative List, some are limited to equity or contractual joint ventures, while in some cases Chinese partners are required to hold the majority interests in such joint ventures. Foreign investors are not allowed to invest in industries in the Negative List. Industries not listed in the Negative List are generally open to foreign investment unless specifically restricted by other applicable PRC regulations. The Negative List expands the scope of permitted industries by reducing the number of industries that fall within the previous negative list where restrictions on the shareholding percentage or requirements on the composition of board or senior management still exists.

The Foreign Investment Law became effective on January 1, 2020 and has replaced the trio of three previous laws regulating foreign investment in China, or the Three FIE Laws, namely, the Sino-foreign Equity Joint Venture Enterprise Law, the Sino-foreign Cooperative Joint Venture Enterprise Law and the Wholly Foreign-invested Enterprise Law, together with their implementation rules and ancillary regulations, as the legal foundation for foreign investment in the PRC. Generally speaking, the PRC Company Law or the PRC Partnership Law shall apply with respect to an FIE's organization. This is aimed to put an end to any discrepancy between the Three FIE Laws and the Company Law.

The Foreign Investment Law mainly stipulates four forms of foreign investors, which includes: (a) a foreign investor, individually or collectively with other investors, establishes a foreign-invested enterprise within PRC; (b) a foreign investor acquires stock shares, equity shares, interests in assets, or other like rights and interests of an enterprise within PRC; (c) a foreign investor, individually or collectively with other investors, invests in a new project within PRC; and (d) foreign investors invest in China through any other methods under laws, administrative regulations, or provisions prescribed by the State Council. Compared with the Three FIE Laws, the Foreign Investment Law is profoundly different in the following aspects:

- Application of a pre-establishment national treatment. According to the Foreign Investment Law, the PRC governments shall govern foreign investment according to the system of pre-establishment national treatment, which requires treatment given to foreign investors and their investments during the market access stage shall not be inferior to treatment afforded to PRC domestic investors and their investment except where a foreign investment falls into the orbit of the Negative List.

- Application of an updated Investment Management. Pursuant to the Foreign Investment Law, the State shall establish a foreign investment information report system. Foreign investors or FIEs shall submit investment information to the competent department for commerce through the enterprise registration system and the enterprise credit information publicity system. The content and scope of information subject to the reporting obligations shall be determined under the principle of necessity. In addition, the State shall establish a security review system for foreign investment, under which a security review shall be conducted for any foreign investment affecting or having the possibility to affect the state security.

In addition, the Foreign Investment Law also provides several protective rules and principles for foreign investors and their investments in the PRC, including, among others, that local governments shall abide by their policy commitments to the foreign investors and perform all contracts entered into in accordance with the law; foreign-invested enterprises are allowed to issue stocks and corporate bonds; except for special circumstances, in which case statutory procedures shall be followed and fair and reasonable compensation shall be made in a timely manner, expropriate or requisition the investment of foreign investors is prohibited; mandatory technology transfer is prohibited; foreign investors' funds are allowed to be freely transferred out and into the territory of PRC, which run through the entire lifecycle from the entry to the exit of foreign investment; and providing an all-around and multi-angle system to guarantee fair competition of foreign-invested enterprises in the market economy. Furthermore, the Foreign Investment Law provides that foreign-invested enterprises established according to the existing laws regulating foreign investment may maintain their structure and corporate governance within five years after the implementation of the Foreign Investment Law, which means that foreign-invested enterprises may be required to adjust the structure and corporate governance in accordance with the current PRC Company Law and other laws and regulations governing the corporate governance.

On December 12, 2019, the State Council promulgated the Implementation Regulations of Foreign Investment Law, or the Implementation Regulations, which simultaneously came into force with the Foreign Investment Law from January 1, 2020. The Implementation Regulations provides specific operation rules for the principles of investment protection, investment promotion and investment management in the Foreign Investment Law.

Regulation of Foreign Investment in the Insurance Brokerage and Insurance Agency Industry

Pursuant to the Announcement of the China Insurance Regulatory Commission on Permitting Foreign Insurance Brokerage Companies to Establish Solely Foreign-invested Insurance Brokerage Companies, effective from December 11, 2006, in accordance with the related commitments of China for accession to the WTO, foreign insurance brokerage companies may establish wholly foreign-funded insurance brokerage companies in accordance with PRC laws and there are no restrictions other than those on establishment conditions and business scope. Pursuant to the Notice of the China Banking and Insurance Regulatory Commission on Widening the Scope of Business of Foreign-funded Insurance Brokerage Companies issued on and effective from April 27, 2018, foreign-funded insurance brokerage institutions that have obtained insurance brokerage business permits upon approval by the insurance regulatory authority of the State Council may engage in the same businesses as a PRC domestic insurance brokerage company.

Pursuant to the Public Announcement of the China Insurance Regulatory Commission on Relevant Matters Concerning the Application of the Insurance Agencies in Hong Kong and Macao for Establishing Solely-Invested Insurance Agencies in the Mainland issued on December 26, 2007, from January 1, 2008, local professional insurance agencies in Hong Kong or Macao which meet the requirements may apply for the establishment of solely-invested insurance agencies in the mainland of the PRC. Pursuant to the Supplements and Amendments VIII to the Mainland's Specific Commitments on Liberalization of Trade in Services for Hong Kong and the Supplements and Amendments VIII to the Mainland's Specific Commitments on Liberalization of Trade in Services for Macao, qualified insurance brokerage institutions in Hong Kong or Macao may establish solely-invested insurance agencies in Guangdong province (including Shenzhen) for practicing within Guangdong province. Pursuant to the Notice of the China Banking and Insurance Regulatory Commission on Allowing Overseas Investors to Operate Insurance Agent Business in China, effective from June 19, 2018, overseas insurance agency entities operating an insurance agency business for three or more years outside China and foreign-funded insurance companies in China which have operated for three or more years may apply to CBIRC to establish a foreign-invested insurance agency within China.

Regulations Relating to Foreign Investment in the Value-added Telecommunication Services

The Telecommunications Regulations of the People's Republic of China, which was promulgated by the State Council on September 25, 2000 and last amended on February 6, 2016, categorizes all telecommunications businesses in China as either basic telecommunications businesses or value-added telecommunications businesses. Further, according to the Catalog of Telecommunications Business, attached to the Telecommunications Regulations and last mended by the MIIT on December 28, 2015, information services provided via fixed network, mobile network and Internet fall within value-added telecommunication services.

The State Council promulgated the Administrative Rules on Foreign-invested Telecommunications Enterprises in December 2001, as last amended on February 6, 2016, or the FITE Regulations. The FITE Regulations set forth detailed requirements with respect to capitalization, investor qualifications and application procedures in connection with the establishment of a foreign-invested telecommunications enterprise. These administrative rules require a foreign-invested value-added telecommunications enterprises in mainland China to be established as Sino-foreign joint ventures, which the foreign investors may acquire up to 50% of the equity interest of such enterprise.

In July 2006, MIIT publicly released the Notice on Strengthening the Administration of Foreign Investment in Operating Value-added Telecommunications Business, or the MIIT Notice, which reiterates certain provisions under the FITE Regulations. According to the MIIT Notice, if any foreign investor intends to invest in a PRC telecommunications business, a foreign-invested telecommunications enterprise must be established and such enterprise must apply for the relevant telecommunications business licenses. Under the MIIT Notice, domestic telecommunications enterprises are prohibited from renting, transferring or selling a telecommunications license to foreign investors in any form, and from providing any resources, premises, facilities and other assistance in any form to foreign investors for their illegal operation of any telecommunications business in China.

Regulations on Consumer Protection

In October 1993, the SCNPC promulgated the Law on the Protection of the Rights and Interests of Consumers, or the Consumer Protection Law, which became effective on January 1, 1994 and was further amended on August 27, 2009 and October 25, 2013. Under the Consumer Protection Law, any business operator providing a commodity or service to a consumer is subject to certain mandatory requirements, including the following:

- to ensure that commodities and services up to certain safety requirements;
- to protect the safety of consumers;
- to disclose serious defects of a commodity or a service and to adopt preventive measures against occurrence of damage;
- to provide consumers with accurate information and to refrain from conducting false advertising;
- to obtain consents of consumers and to disclose the rules for the collection and/or use of information when collecting data or information from consumers; to take technical measures and other necessary measures to protect the personal information collected from consumers; not to divulge, sell, or illegally provide consumers' information to others; not to send commercial information to consumers without the consent or request of consumers or with a clear refusal from consumers;
- not to set unreasonable or unfair terms for consumers or alleviate or release itself from civil liability for harming the legal rights and interests of consumers by means of standard contracts, circulars, announcements, shop notices or other means;
- to remind consumers in a conspicuous manner to pay attention to the quality, quantity and prices or fees of commodities or services, duration and manner of performance, safety precautions and risk warnings, after-sales service, civil liability and other terms and conditions vital to the interests of consumers under a standard form of agreement prepared by the business operators, and to provide explanations as required by consumers; and
- not to insult or slander consumers or to search the person of, or articles carried by, a consumer or to infringe upon the personal freedom of a consumer.

Business operators in China may be subject to civil liabilities for failing to fulfill the obligations discussed above. These liabilities include restoring the consumer's reputation, eliminating the adverse effects suffered by the consumer, and offering apology and compensation for any loss thus incurred to the consumer. The following penalties may also be imposed by relevant governmental agencies upon business operators for the infraction of these obligations: issuance of a warning, confiscation of any illegal income, imposition of a fine, an order to cease business operation, revocation of its business license or imposition of criminal liabilities under circumstances that are specified in laws and statutory regulations.

In December 2003, the Supreme People's Court in China enacted the Interpretation of Some Issues Concerning the Application of Law for the Trial of Cases on Compensation for Personal Injury, which further enhances the liabilities of business operators engaged in the operation of accommodation, restaurants, or entertainment facilities and subjects such operators to compensatory liabilities for failing to fulfill their statutory obligations to a reasonable extent or to guarantee the personal safety of others.

Regulation of Anti-money laundering

Based on the Circular on Strengthening Work of Anti-Money Laundering in Insurance Industry, promulgated on August 10, 2010 by the CIRC, and Administrative Measures for the Anti-money Laundering Work in the Insurance Industry, effective from October 1, 2011, the CBIRC organizes, coordinates and directs policies concerning anti-money laundering in the insurance industry. Under these measures, insurance companies, insurance asset management companies, professional insurance agencies and insurance brokers are required to materially improve their anti-money laundering related internal control competence on the basis of real-name policy issuance and on the principle of complete customer materials, traceable transaction records and regulated funds operation.

Based on provisions of the Administrative Measures for the Anti-money Laundering Work in the Insurance Industry, insurance companies carrying out the insurance business via professional insurance agencies or financial institution-based insurance joint offering agencies must include anti-money laundering provisions in their cooperation agreements. Professional insurance agencies and brokers must establish anti-money laundering internal control systems and prohibit equity investments with funds from illicit sources.

Senior management personnel of professional insurance agencies and brokers must be versed in anti-money laundering laws and regulations. Professional insurance agencies and brokers must provide anti-money laundering training and education, properly manage major money laundering cases involving itself, facilitate anti-money laundering monitoring and inspection, administrative investigation and investigation of criminal activities involving money laundering, and keep confidential any information related to lawful anti-money laundering initiatives.

Regulations relating to Information Security and Censorship

Internet content in China is also strictly regulated and restricted from a state security standpoint. Pursuant to the Decision Regarding the Protection of Internet Security enacted by the SCNPC on December 28, 2000, which was amended on August 27, 2009, any attempt to undertake the following actions may be subject to criminal punishment in China:

- gaining improper entry into a computer or system of national strategic importance;
- disseminating politically disruptive information;
- leaking government secrets;
- spreading false commercial information; or
- infringing intellectual property rights.

The MPS has also promulgated a series of measures that prohibit the use of the internet in ways that, among other things, result in the leakage of government secrets or the spread of socially destabilizing content. The MPS and its local counterparts have supervision and inspection powers in this regard, and we may be subject to the jurisdiction of the local security bureaus. If an internet information service provider violates these measures, the PRC government may revoke its license and shut down its website. In 1997, the MPS issued the Administration Measures on the Security Protection of Computer Information Network with International Connections, which was amended by the State Council on January 8, 2011 and prohibited using internet in ways which, among others, resulted in a leakage of state secrets or spreading of socially destabilizing content.

Moreover, on December 7, 2016, the SCNPC promulgated the Cybersecurity Law of the People's Republic of China, which became effective on June 1, 2017, pursuant to which, network operators shall comply with laws and regulations and fulfill their obligations to safeguard security of the network when conducting business and providing services. Those who provide services through networks shall take technical measures and other necessary measures pursuant to laws, regulations and compulsory national requirements to safeguard the safe and stable operation of the networks, respond to network security incidents effectively, prevent illegal and criminal activities, and maintain the integrity, confidentiality and usability of network data, and the network operator shall not collect the personal information irrelevant to the services it provides or collect or use the personal information in contravention of the laws or agreements between both parties.

Regulations relating to Protection of User Identity and Information

The security and confidentiality of information on the identity of internet users are also highly regulated in China. The Internet Information Service Administrative Measures promulgated by the State Council requires internet information service providers to maintain an adequate system that protects the security of user information. In December 2005, the MPS promulgated the Regulations on Technical Measures of Internet Security Protection, requiring internet service providers to utilize standard technical measures for internet security protection. Moreover, the Rules for Regulating the Market Order of Internet Content Services, which was promulgated in December 2011, further enhances the protection of internet users' personal information by prohibiting internet information service providers from unauthorized collection, disclosure or use of personal information of their users.

In December 2012, the SCNPC promulgated the Decision on Strengthening Network Information Protection to enhance the legal protection of information security and privacy on the internet. On July 16, 2013, the Ministry of Industry and Information Technology, or the MIIT, promulgated the Provisions for the Protection of Telecommunication and Internet User Personal Information, or the Provisions for the Protection of Person Information. According to the Provisions for the Protection of Person Information, under which Internet information service providers are subject to strict requirements to protect personal information of internet users, including: if a network service provider wishes to collect or use personal information, such personal information collected shall be used only in connection with the services to be provided by Internet information service providers to such users and shall be kept in strict confidence. Furthermore, it must disclose to its users the purpose, method and scope of any such collection or usage, and must obtain consent from the users whose information is being collected or used. Network service providers are also required to establish and publish their protocols relating to personal information collection or usage, keep any collected information strictly confidential and take technological and other measures to maintain the security of such information. Network service providers are required to cease any collection or usage of the relevant personal information, and de register the relevant user account, when a user stops using the relevant Internet service. Network service providers are further prohibited from divulging, distorting or destroying any such personal information, or selling or providing such personal information unlawfully to other parties. In addition, if a network service provider appoints an agent to undertake any marketing or technical services that involve the collection or usage of personal information, the network service provider is required to supervise and manage the protection of the information. Pursuant to the Provisions for the Protection of Person Information, in broad terms, that violators may face warnings, fines, public exposure and, in the most severe cases, criminal liability.

Regulations relating to Mobile Internet Applications Information Services

In China a mobile internet application is governed by the Provisions on the Administration of Mobile Internet Application Information Services, or the Provisions on Administration of Application, as promulgated by the Cyberspace Administration of PRC on June 28, 2016 and became effective on August 1, 2016.

Pursuant to the Provisions on Administration of Application, application information service providers shall obtain the relevant qualifications as required by laws and regulations, strictly implement their information security management responsibilities, and carry out the duties including to establish and complete user information security protection mechanism, to establish and complete information content inspection and management mechanisms, to protect users' right to know the right to choose in the process of usage, and to record users' daily information and preserve it for sixty (60) days.

Regulation Relating to Intellectual Property

The Copyright Law

PRC has enacted various laws and regulations relating to the protection of copyright. PRC is a signatory to some major international conventions on protection of copyright and became a member of the Berne Convention for the Protection of Literary and Artistic Works in October 1992, the Universal Copyright Convention in October 1992, and the Agreement on Trade-Related Aspects of Intellectual Property Rights upon its accession to the World Trade Organization in December 2001.

The Copyright Law of the PRC (2010 Revision), or the Copyright Law, which was promulgated on September 7, 1990 and subsequently amended on October 27, 2001 and February 26, 2010 and the Implementation Regulation of the Trademark Law of the PRC promulgated by the State Council on August 2, 2002 and further amended on January 8, 2011 and January 30, 2013 provides that Chinese citizens, legal persons, or other organizations shall, whether published or not, enjoy copyright in their works, which include, among others, works of literature, art, natural science, social science, engineering technology and computer software. The purpose of the Copyright Law aims to encourage the creation and dissemination of works which is beneficial for the construction of socialist spiritual civilization and material civilization and promotes the development and prosperity of Chinese culture.

Pursuant to the Computer Software Protection Regulations, as promulgated by the State Council on December 20, 2001, and most recently amended on January 30, 2013, Chinese citizens, legal persons and other organizations shall enjoy copyright on the software they develop, regardless of whether the software has been released publicly. Software copyright commences from the date on which the development of the software is completed. The protection period for software copyright of a legal person or other organizations shall be 50 years, concluding on December 31 of the 50th year after the software's initial release. In order to further implement the Computer Software Protection Regulations, the State Copyright Bureau issued the Regulations for Computer Software Copyright Registration Procedures on February 20, 2002, which apply to software copyright registration, license contract registration and transfer contract registration.

The Trademark Law

Trademarks are protected by the Trademark Law of the People' Republic of China (2013 Revision) which was promulgated on August 23, 1982 and subsequently amended on February 22, 1993, October 27, 2001 and August 30, 2013 respectively as well as the Implementation Regulation of the PRC Trademark Law adopted by the State Council on August 3, 2002 and further amended on April 29, 2014. In China, registered trademarks include commodity trademarks, service trademarks, collective trademarks and certification trademarks.

The Trademark Office under the SAMR, handles trademark registrations and grants a term of ten years to registered trademarks. Trademarks are renewable every ten years where a registered trademark needs to be used after the expiration of its validity term. A registration renewal application shall be filed within 12 months prior to the expiration of the term. A trademark registrant may license its registered trademark to another party by entering into a trademark license contract. Trademark license agreements must be filed with the Trademark Office to be recorded. The licensor shall supervise the quality of the commodities on which the trademark is used, and the licensee shall guarantee the quality of such commodities. As with trademarks, the PRC Trademark Law has adopted a "first come, first file" principle with respect to trademark registration. Where the trademark for which a registration application has been made is identical or similar to another trademark which has already been registered or been subject to a preliminary examination and approval for use on the same kind of or similar commodities or services, the application for registration of such trademark may be rejected. Any person applying for the registration of a trademark may not prejudice the existing right first obtained by others, nor may any person register in advance a trademark that has already been used by another party and has already gained a "sufficient degree of reputation" through such party's use.

The Patent Law

According to the Patent Law of the People's Republic of China (2008 Revision) promulgated by the SCNPC, and its Implementation Rules (2010 Revision) promulgated by the State Council, the State Intellectual Property Office of the PRC is responsible for administering patents in the PRC. The patent administration departments of provincial or autonomous regions or municipal governments are responsible for administering patents within their respective jurisdictions. The Patent Law of the PRC and its implementation rules provide for three types of patents, "invention", "utility model" and "design". Invention patents are valid for twenty years, while design patents and utility model patents are valid for ten years, from the date of application. The Chinese patent system adopts a "first come, first file" principle, which means that where more than one person files a patent application for the same invention, a patent will be granted to the person who files the application first. To be patentable, invention or utility models must meet three criteria: novelty, inventiveness and practicability. Except under certain specific circumstances provided by law, any third party user must obtain consent or a proper license from the patent owner to use the patent. Otherwise, the use constitutes an infringement of the patent rights.

Domain Names

On May 29, 2012, the China Internet Network Information Center, or the CNNIC issued the Implementing of the Rules for China Internet Network Information Center Domain Name Registration (2012 Revision), setting forth detailed rules for registration of domain names. The MIIT promulgated the Administrative Measures on Internet Domain Name, or the Domain Name Measures on August 24, 2017, which became effective on November 1, 2017. According to the Domain Name Measures, domain name owners are required to register their domain names and the MIIT is in charge of the administration of PRC Internet domain names. The domain name services follow a "first come, first file" principle. Applicants for registration of domain names shall provide their true, accurate and complete information of such domain names to and enter into registration agreements with domain name registration service institutions. The applicants will become the holders of such domain names upon the completion of the registration procedure.

Regulations Relating to Foreign Exchange

General Administration of Foreign Exchange

Foreign currency exchange in China is primarily governed by the Foreign Exchange Control Regulations of the PRC, or the Foreign Exchange Administration Rules, promulgated by the State Council on January 29, 1996 and last amended on August 5, 2008, and various regulations issued by the State Administration of Foreign Exchange, or the SAFE and other relevant PRC government authorities. Under the Foreign Exchange Administration Rules, the RMB is freely convertible into other currencies for routine current account items, including distribution of dividends, payment of interest, trade and service related foreign exchange transactions. The conversion of RMB into other currencies for most capital account items, such as direct equity investment, overseas loan, and repatriation of investment, however, is still regulated. Payments for transactions that take place within the PRC must be made in RMB. Unless otherwise approved, PRC companies may repatriate foreign currency payments received from abroad or retain the same abroad. Foreign-invested enterprises may retain foreign exchange in accounts with designated foreign exchange banks under the current account items subject to a cap set by the SAFE or its local office. Foreign exchange proceeds under the current accounts may be either retained or sold to a financial institution engaging in settlement and sale of foreign exchange pursuant to relevant rules and regulations of the State. For foreign exchange proceeds under the capital accounts, approval from the SAFE is required for its retention or sale to a financial institution engaging in settlement and sale of foreign exchange, except where such approval is not required under the relevant rules and regulations of the PRC.

Pursuant to the Notice of the SAFE on Further Improving and Adjusting Foreign Exchange Administration Policies for Direct Investment, or the SAFE Notice No. 59, as promulgated by SAFE on November 19, 2012 and further amended on May 4, 2015 and October 10, 2018, approval is not required for the opening of an account entry in foreign exchange accounts under direct investment, for domestic transfer of the foreign exchange under direct investment. SAFE Notice No. 59 also simplified the capital verification and confirmation formalities for foreign-invested entities and the foreign capital and foreign exchange registration formalities required for the foreign investors to acquire the equities of a Chinese party, and further improve the administration on exchange settlement of foreign exchange capital of foreign-invested entities.

On February 13, 2015, SAFE promulgated the Notice on Simplifying and Improving the Foreign Currency Management Policy on Direct Investment, effective June 1, 2015, which canceled the administrative approvals of foreign exchange registration of direct domestic investment and direct overseas investment. In addition, it simplified the procedure of registration of foreign exchange and investors shall register with banks for direct domestic investment and direct overseas investment.

The Notice of the SAFE on Reforming the Management Approach regarding the Settlement of Foreign Capital of Foreign-invested Enterprise, or the SAFE Notice No. 19, was promulgated on March 30, 2015 and became effective on June 1, 2015. According to the SAFE Notice No. 19, a foreign-invested enterprise may, in response to its actual business needs, settles with a bank the portion of the foreign exchange capital in its capital account for which the relevant foreign exchange bureau has confirmed monetary contribution rights and interests (or for which the bank has registered the account crediting of monetary contribution). For the time being, foreign-invested enterprises are allowed to settle 100% of their foreign exchange capitals on a discretionary basis; a foreign-invested enterprise shall truthfully use its capital for its own operational purposes within the scope of business; where an ordinary foreign-invested enterprise makes domestic equity investment with the amount of foreign exchanges settled, the invested enterprise shall first go through domestic re-investment registration and open a corresponding account for foreign exchange settlement pending payment with the foreign exchange bureau (bank) at the place of registration.

The Notice of the SAFE on Reforming and Regulating Policies on the Control over Foreign Exchange Settlement of Capital Accounts, or the SAFE Notice No. 16, was promulgated and became effective on June 9, 2016. According to the SAFE Notice No. 16, enterprises registered in PRC may also convert their foreign debts from foreign currency into RMB on self-discretionary basis. The SAFE Notice No. 16 provides an integrated standard for conversion of foreign exchange under capital account items (including but not limited to foreign currency capital and foreign debts) on self-discretionary basis, which applies to all enterprises registered in the PRC. The SAFE Notice No. 16 reiterates the principle that RMB converted from foreign currency-denominated capital of a company may not be directly or indirectly used for purposes beyond its business scope and may not be used for investment in securities or other investment with the exception of bank financial products that can guarantee the principal within PRC unless otherwise specifically provided. Besides, the converted RMB shall not be used to make loans for related enterprises unless it is within the business scope or to build or to purchase any real estate that is not for the enterprise own use with the exception for the real estate enterprises.

On January 26, 2017, SAFE promulgated the Notice on Further Improving Reform of Foreign Exchange Administration and Optimizing Genuineness and Compliance Verification, or the SAFE Notice No. 3, which stipulates several capital control measures with respect to the outbound remittance of profits from domestic entities to offshore entities, including (i) under the principle of genuine transaction, banks shall check board resolutions regarding profit distribution, the original version of tax filing records and audited financial statements; and (ii) domestic entities shall cover losses in the previous years prior to remittance of profits. Moreover, pursuant to the SAFE Notice No. 3, domestic entities shall make detailed explanations of the sources of capital and utilization arrangements, and provide board resolutions, contracts and other proof when completing the registration procedures in connection with an outbound investment.

Regulations on Offshore Financing

On July 4, 2014, the SAFE issued the Notice on Issues Relating to the Administration of Foreign Exchange for Overseas Investment and Financing and Reverse Investment by Domestic Residents via Special Purpose Vehicles, or Circular 37, which became effective on the same date, and Circular 37 shall prevail over any other inconsistency between itself and relevant regulations promulgated earlier. Pursuant to Circular 37, any PRC residents, including both PRC institutions and individual residents, are required to register with the local SAFE branch before making contribution to a company set up or controlled by the PRC residents outside of the PRC for the purpose of overseas investment or financing with their legally owned domestic or offshore assets or interests, referred to in this circular as a "special purpose vehicle". Under Circular 37, the term "PRC institutions" refers to entities with legal person status or other economic organizations established within the territory of the PRC. The term "PRC individual residents" includes all PRC citizens (also including PRC citizens abroad) and foreigners who habitually reside in the PRC for economic benefit. A registered special purpose vehicle is required to amend its SAFE registration or file with respect to such vehicle in connection with any change of basic information including PRC individual resident shareholder, name, term of operation, or PRC individual resident's increase or decrease of capital, transfer or exchange of shares, merger, division or other material changes. In addition, if a non-listed special purpose vehicle grants any equity incentives to directors, supervisors or employees of domestic companies under its direct or indirect control, the relevant PRC individual residents could register with the local SAFE branch before exercising such options. The SAFE simultaneously issued a series of guidance to its local branches with respect to the implementation of Circular 37. Under Circular 37, failure to comply with the foreign exchange registration procedures may result in restrictions being imposed on the foreign exchange activities of the relevant onshore company, including restrictions on the payment of dividends and other distributions to its offshore parent company and the capital inflow from the offshore entity, and may also subject the relevant PRC residents and onshore company to penalties under the PRC foreign exchange administration regulations.

On February 15, 2012, SAFE issued the Notice of the State Administration of Foreign Exchange on Issues concerning the Foreign Exchange Administration of Domestic Individuals' Participation in Equity Incentive Plans of Overseas Listed Companies, or the Circular 7, which replaced the Application Procedures of Foreign Exchange Administration for Domestic Individuals Participating in Employee Stock Ownership Plans or Stock Option Plans of Overseas Publicly-listed Companies issued by SAFE on March 28, 2007. Under the Circular 7, a PRC entity's directors, supervisors, senior management officers, other staff or individuals who have an employment or labor relationship with a Chinese entity and are granted stock options by an overseas publicly-listed company are required, through a qualified PRC domestic agent which could be a PRC subsidiary of such overseas publicly-listed company, to register with SAFE and complete certain other procedures. Such PRC resident participants must also retain an overseas entrusted institution to handle matters in connection with their exercise of stock options, purchase and sale of corresponding stocks or interests, and fund transfer. The PRC agent shall, among other things, file on behalf of such PRC resident participants an application with SAFE to conduct the SAFE registration with respect to such stock incentive plan and obtain approval for an annual allowance with respect to the purchase of foreign exchange in connection with the exercise or sale of stock options or stock such participants hold. In addition, the PRC agent is required to amend the SAFE registration with respect to the stock incentive plan if there is any material change to the stock incentive plan, the PRC agent or the overseas entrusted institution or other material aspects. Such participating PRC residents' foreign exchange income received from the sale of stock and dividends distributed by the overseas publicly-listed company must be fully remitted into a PRC collective foreign currency account opened and managed by the PRC agent before distribution to such participants. We and our PRC resident employees who have been granted stock options or other share-based incentives of our company are subject to the Circular 7 as our company is an overseas listed company. If we or our PRC resident participants fail to comply with these regulations in the future, we and/or our PRC resident participants may be subject to fines and legal sanctions.

Regulations relating to Tax

Enterprise Income Tax

On March 16, 2007, the NPC promulgated the Law of the PRC on Enterprise Income Tax which was amended on February 24, 2017 and December 29, 2018, and on December 6, 2007, the State Council enacted the Regulations for the Implementation of the Law on Enterprise Income Tax, or collectively, the EIT Law. The EIT Law came into effect on January 1, 2008. According to the EIT Law, taxpayers consist of resident enterprises and Non-Resident Enterprises. Resident enterprises are defined as enterprises that are established in China in accordance with PRC laws, or that are established in accordance with the laws of foreign countries but whose actual or de facto control is administered from within the PRC. Non-Resident Enterprises are defined as enterprises that are set up in accordance with the laws of foreign countries and whose actual administration is conducted outside the PRC, but have established institutions or premises in the PRC, or have no such established institutions or premises but have income generated from inside the PRC. Under the EIT Law and relevant implementing regulations, a uniform corporate income tax rate of 25% is applicable. However, if non-resident enterprises have not formed permanent establishments or premises in the PRC, or if they have formed permanent establishment institutions or premises in the PRC but there is no actual relationship between the relevant income derived in the PRC and the established institutions or premises set up by them, the enterprise income tax is, in that case, set at the rate of 10% for their income sourced from inside the PRC. Enterprises that are recognized as high and new technology enterprises in accordance with the Notice of the Ministry of Science, the Ministry of Finance and the State Administration of Taxation on Amending and Issuing the Administrative Measures for the Determination of High and New Tech Enterprises are entitled to enjoy the preferential enterprise income tax rate of 15%. The validity period of the high and new technology enterprise qualification shall be three years from the date of issuance of the certificate of high and new technology enterprise. The enterprise can reapply for such recognition as a high and new technology enterprise before or after the previous certificate expires.

The Notice Regarding the Determination of Chinese-Controlled Offshore Incorporated Enterprises as PRC Tax Resident Enterprises on the Basis of De Facto Management Bodies promulgated by the SAT on April 22, 2009 and amended on January 29, 2014 sets out the standards and procedures for determining whether the "de facto management body" of an enterprise registered outside of the PRC and controlled by PRC enterprises or PRC enterprise groups is located within the PRC.

Value-added tax

The Provisional Regulations of the PRC on Value-added tax (2017 Revision) were promulgated by the State Council on November 19, 2017. The Detailed Rules for the Implementation of the Provisional Regulations of the PRC on Value-added tax (2011 Revision) were promulgated by the Ministry of Finance and the SAT on December 15, 2008, which were subsequently amended on October 28, 2011 and came into effect on November 1, 2011, or collectively, the VAT Law. According to the VAT Law, all enterprises and individuals engaged in the sale of goods, the provision of processing, repair and replacement services, and the importation of goods within the territory of the PRC must pay value-added tax. For general VAT taxpayers selling services or intangible assets other than those specifically listed in the VAT Law, the value-added tax rate is 6%.

Dividend Withholding Tax

The EIT Law provides that since January 1, 2008, an income tax rate of 10% will normally be applicable to dividends declared to non-PRC resident investors who do not have an establishment or place of business in the PRC, or which have such establishment or place of business, but the relevant income is not effectively connected with the establishment or place of business, to the extent such dividends are derived from sources within the PRC.

In addition, the EIT Law provides that an income tax rate of 10% will normally be applicable to dividends payable to investors that are "Non-Resident Enterprises", and gains derived by such investors, which (a) do not have an establishment or place of business in the PRC or (b) have an establishment or place of business in the PRC, but the relevant income is not effectively connected with the establishment or place of business to the extent such dividends and gains are derived from sources within the PRC. Such income tax on the dividends may be reduced pursuant to a tax treaty between China and the jurisdictions in which the non-PRC shareholders reside. Pursuant to the Arrangement Between the Mainland of China and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion With Respect to Tax on Income, or the Double Tax Avoidance Arrangement, and other applicable PRC laws, if a Hong Kong resident enterprise has satisfied the relevant conditions and requirements under such Double Tax Avoidance Arrangement and other applicable laws, the 10% withholding tax on the dividends the Hong Kong resident enterprise receives from a PRC resident enterprise may be reduced to 5%. However, based on the Notice on Certain Issues with Respect to the Enforcement of Dividend Provisions in Tax Treaties, or Notice No. 81, issued on February 20, 2009 by the SAT, if the relevant PRC tax authorities determine, in their discretion, that a company benefits from such reduced income tax rate due to a structure or arrangement that is primarily tax driven, such PRC tax authorities may adjust the preferential tax treatment. In August 2015, the State Administration of Taxation promulgated the Administrative Measures for Non-resident Taxpayers to Enjoy Treatment under Tax Treaties, or SAT Circular 60, which became effective on November 1, 2015. SAT Circular 60 provides that Non-Resident Enterprises are not required to obtain pre-approval from the relevant tax authority in order to enjoy the reduced withholding tax. Instead, Non-Resident Enterprises and their withholding agents may, by self-assessment and on confirmation that the prescribed criteria to enjoy the tax treaty benefits are met, directly apply the reduced withholding tax rate, and file the necessary forms and supporting documents when performing tax filings, which will be subject to post tax filing examinations by the relevant tax authorities.

According to the Circular on Several Questions regarding the "Beneficial Owner" in Tax Treaties, which was issued on February 3, 2018 by the SAT and took effect on April 1, 2018, when determining the applicant's status of the "beneficial owner" regarding tax treatments in connection with dividends, interest or royalties in the tax treaties, several factors, including without limitation, whether the applicant is obligated to pay more than 50% of his or her income in 12 months to residents in a third country or region, whether the business operated by the applicant constitutes the actual business activities, and whether the counterparty country or region to the tax treaties does not levy any tax or grants tax exemption on relevant incomes or levy tax at an extremely low rate, will be taken into account, and it will be analyzed according to the actual circumstances of the specific cases. This circular further provides that applicants who intend to prove his or her status as the "beneficial owner" shall submit the relevant documents to the relevant tax bureau according to the Announcement on Issuing the Measures for the Administration of Non-resident Taxpayers' Enjoyment of the Treatment under Tax Agreements.

Regulations Relating to Dividend Distribution

The principal regulations governing distribution of dividends of foreign-invested enterprises include (i) the Company Law, promulgated by the SCNPC on December 29, 1993, and as amended on December 25, 1999, August 28, 2004, October 27, 2005, December 28, 2013 and October 26, 2018, respectively, (ii) the Foreign-invested Enterprise Law, promulgated by the SCNPC on April 12, 1986, and as amended on October 31, 2000 and September 3, 2016, respectively, and (iii) the Implementation Rules of the Foreign-invested Enterprise Law approved by the State Council on October 28, 1990, and as amended on April 12, 2001, and February 19, 2014, respectively.

Under these laws and regulations, foreign-invested enterprises in China may pay dividends only out of their accumulated profits, if any, determined in accordance with PRC accounting standards and regulations. In addition, foreign-invested enterprises in China are required to allocate at least 10% of their respective accumulated profits each year, if any, to fund certain reserve funds unless these reserves have reached 50% of the registered capital of the enterprises. These reserves are not distributable as cash dividends. A foreign-invested enterprise has the discretion to allocate a portion of its after tax profits to staff welfare and bonus funds. A Chinese company (including the foreign-invested enterprise) is not permitted to distribute any profits until any losses from prior fiscal years have been offset. Profits retained from prior fiscal years may be distributed together with distributable profits from the current fiscal year.

Regulations Relating to Merger and Acquisition and Overseas Listing

On August 8, 2006, six PRC regulatory agencies, namely the MOFCOM, the State Assets Supervision and Administration Commission, the State Administration of Taxation, the State Administration of Industry and Commerce, or the SAIC, the China Securities Regulatory Commission, or the CSRC, and the SAFE, jointly adopted the Regulations on Mergers and Acquisitions of Domestic Enterprises by Foreign Investors, or the New M&A Rule, which became effective on September 8, 2006. This New M&A Rule, as amended on June 22, 2009, purports, among other things, to require offshore special purpose vehicles, or SPVs, formed for overseas listing purposes through acquisitions of PRC domestic companies and controlled by PRC companies or individuals, to obtain the approval of the CSRC prior to publicly listing their securities on an overseas stock exchange. On September 21, 2006, the CSRC published a notice on its official website specifying documents and materials required to be submitted to it by SPVs seeking CSRC approval of their overseas listings.

The New M&A Rule also established additional procedures and requirements that could make merger and acquisition activities by foreign investors more time-consuming and complex, including requirements in some instances that the MOFCOM be notified in advance of any change of control transaction in which a foreign investor takes control of a PRC domestic enterprise.

Regulation relating to Employment and Social Welfare

Labor Protection

The main PRC employment laws and regulations include the Labor Law of the PRC, as revised on December 29, 2018, the Labor Contract Law of the PRC, or the Labor Contract Law and the Implementing Regulations of the Employment Contract Law of the PRC.

The Labor Contract Law was promulgated on June 29, 2007, revised on December 28, 2012, and came into force on July 1, 2013. This law governs the establishment of employment relationships between employers and employees, and the execution, performance, termination of, and the amendment to, employment contracts. The Labor Contract Law is primarily aimed at regulating employee/employer rights and obligations, including matters with respect to the establishment, performance and termination of labor contracts. Pursuant to the Labor Contract Law, labor contracts shall be concluded in writing if labor relationships are to be or have been established between enterprises or institutions and the laborers. Enterprises and institutions are forbidden to force laborers to work beyond the time limit and employers shall pay laborers for overtime work in accordance with national regulations. In addition, labor wages shall not be lower than local standards on minimum wages and shall be paid to laborers in a timely manner. In addition, according to the Labor Contract Law: (i) employees must adhere to regulations in the labor contracts concerning commercial confidentiality and non-competition; (ii) employees may terminate their employment contracts with their employers if their employers fail to make social insurance contributions in accordance with the law; and (iii) enterprises and institutions shall establish and improve their system of workplace safety and sanitation, strictly abide by state rules and standards on workplace safety, educate laborers in labor safety and sanitation in the PRC.

The Labor Contract Law imposes more stringent requirements on labor dispatch. According to the Labor Contract Law, (i) it is strongly emphasized that dispatched contract workers shall be entitled to equal pay for equal work as an employee of an employer; (ii) dispatched contract workers may only be engaged to perform temporary, auxiliary or substitute works; and (iii) an employer shall strictly control the number of dispatched contract workers so that they do not exceed certain percentage of total number of employees and the specific percentage shall be prescribed by the Ministry of Human Resources and Social Security. Under the law, "temporary work" means a position with a term of less than six months; "auxiliary work" means a non-core business position that provides services for the core business of the employer; and "substitute work" means a position that can be temporarily replaced with a dispatched contract worker for the period that a regular employee is away from work for vacation, study or other reasons. According to the Interim Provisions on Labor Dispatch promulgated by the Ministry of Human Resources and Social Security on January 24, 2014, which became effective on March 1, 2014, (i) the number of dispatched contract workers hired by an employer should not exceed 10% of the total number of its employees (including both directly hired employees and dispatched contract workers); and (ii) in the case that the number of dispatched contract workers exceeds 10% of the total number of its employees at the time when the Interim Provisions on Labor Dispatch became effective, the employer must formulate a plan to reduce the number of its dispatched contract workers to comply with the aforesaid cap requirement prior to March 1, 2016. In addition, such plan shall be filed with the local administrative authority of human resources and social security. Nevertheless, the Interim Provisions on Labor Dispatch do not invalidate the labor contracts and dispatch agreements entered into prior to December 28, 2012 and such labor contracts and dispatch agreements may continue to be performed until their respective dates of expiration. The employer may also not hire any new dispatched contract worker before the number of its dispatched contract workers is reduced to below 10% of the total number of its employees. In case of violation, the labor administrative department shall order rectification within a specified period of time; if the situation is not rectified within the specified period, a fine from RMB5,000 to RMB10,000 for each person shall be imposed, and the staffing company's business license shall be revoked. If a placed worker suffers any harm or loss caused by the receiving entity, the staffing company and the receiving entity shall be jointly and severally liable for damages.

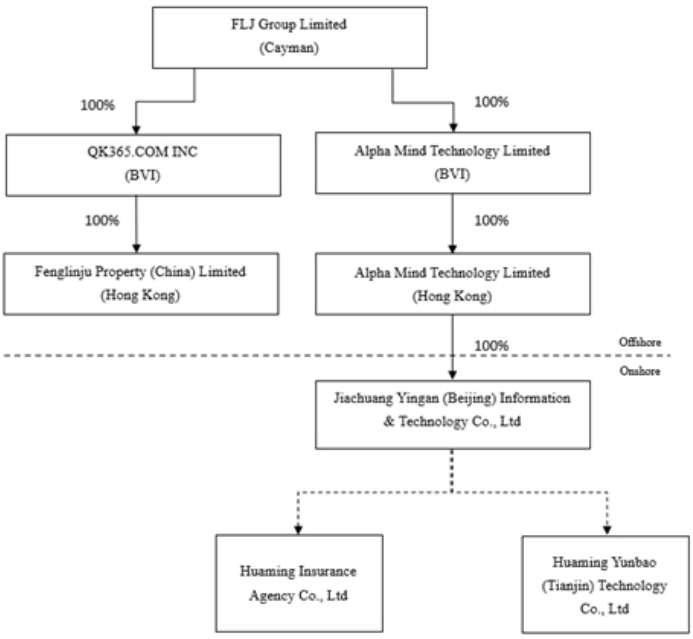
Social Insurance and Housing Fund

As required under the Regulation of Insurance for Labor Injury implemented on January 1, 2004 and amended in 2010, the Provisional Measures for Maternity Insurance of Employees of Corporations implemented on January 1, 1995, the Decisions on the Establishment of a Unified Program for Basic Old Aged Pension Insurance of the State Council issued on July 16, 1997, the Decisions on the Establishment of the Medical Insurance Program for Urban Workers of the State Council promulgated on December 14, 1998, the Unemployment Insurance Measures promulgated on January 22, 1999 and the Social Insurance Law of the PRC implemented on July 1, 2011 and revised on December 29, 2018, enterprises are obliged to provide their employees in the PRC with welfare schemes covering pension insurance, unemployment insurance, maternity insurance, labor injury insurance and medical insurance. These payments are made to local administrative authorities and any employer that fails to contribute may be fined and ordered to make up within a prescribed time limit.

In accordance with the Regulations on the Management of Housing Funds which was promulgated by the State Council in 1999 and amended in 2002, enterprises must register at the competent managing center for housing funds and upon the examination by such managing centers of housing funds, these enterprises shall complete procedures for opening an account at the relevant bank for the deposit of employees' housing funds. Enterprises are also required to pay and deposit housing funds on behalf of their employees in full and in a timely manner, and any employer that fails to open such bank account or contribute any housing funds may be fined and ordered to make up within a prescribed time limit.

C. Organizational Structure

The following diagram illustrates our corporate structure, including our principal subsidiaries immediately upon the closing of the Acquisition:



Contractual Arrangements with the VIEs and Their Shareholders

Agreements that Provide Us with Effective Control over the VIEs

Equity Pledge Agreements

The WFOE entered in to an equity pledge agreement with each of the VIEs and its shareholders on April 13, 2022. The registration of the equity pledge with the relevant office of the Administration for Industry and Commerce in accordance with PRC Property Rights Law was completed on January 1, 2022. Pursuant to the equity pledge agreement and upon the completion of the equity pledge registration, each shareholder of each of the VIEs has pledged all of its equity interest in each of the VIEs to the WFOE to guarantee the performance by such shareholder and each of the VIEs of their respective obligations under the exclusive business cooperation agreement, powers of attorney and exclusive option agreement as well as their respective liabilities arising from any breach. If each of the VIEs or any of its shareholders breaches any obligations under these agreements, the WFOE, as pledgee, will be entitled to dispose of the pledged equity and have priority to be compensated by the proceeds from the disposal of the pledged equity. Each of the shareholders of each of the VIEs agrees that before its obligations under the contractual arrangements are discharged, he or she will not dispose of the pledged equity interests, create or allow any encumbrance on the pledged equity interests, or take any action which may result in any change of the pledged equity that may have material adverse effects on the pledgee's rights under this agreement without the prior written consent of the WFOE. The equity pledge agreement will remain effective until each of the VIEs and its shareholders discharge all their obligations under the contractual arrangements.

Power of Attorney

The WFOE entered in to a power of attorney with each of the VIEs and its shareholders on April 13, 2022. Pursuant to the power of attorney, each shareholder of each of the VIEs irrevocably authorizes any person(s) designated by the WFOE to act as his or her exclusive agent and attorney to exercise all of such shareholder's voting and other rights associated with the shareholder's equity interest in each of the VIEs, such as the right to appoint or remove directors, supervisors and officers, as well as the right to sell, transfer, pledge and dispose of all or a portion of the shares held by such shareholder. Each power of attorney will remain in force as long as the shareholder remains a shareholder of each of the VIEs.

Agreement that Allows Us to Receive Economic Benefits from the VIEs

Exclusive Business Cooperation Agreements

The WFOE entered into an exclusive business cooperation agreements with each of the VIEs on April 13, 2022. The WFOE has the exclusive right to provide each of the VIEs with technical support, consulting services and other services. In exchange, the WFOE is entitled to receive a service fee from each of the VIEs on an annual basis and at an amount equal to 100% of the consolidated net income (gross income less costs) of each of the VIEs.

Each of the VIEs has granted the WFOE the exclusive right to purchase any or all of their business or assets at the lowest price permitted under PRC law. This agreement remains effective unless otherwise agreed among the parties.

Agreement that Provides Us with the Option to Purchase the Equity Interest and Assets in the VIE

Exclusive Option Agreements

Pursuant to the exclusive option agreements entered into by the WFOE with each of the VIEs and shareholders of the VIEs on April 13, 2022, the shareholders of each of the VIEs have irrevocably granted the WFOE an exclusive option to purchase, by itself or by persons designated by it, at its discretion at any time, to the extent permitted under PRC law, all or part of such shareholders' equity interests in each of the VIEs.

The purchase price of the equity interests in each of the VIEs shall be equal to the minimum price regulated by the PRC law.

Without the WFOE's prior written consent, each of the VIEs and its shareholders have agreed not to amend each of the VIEs' articles of association, increase or decrease each of the VIEs' registered capital, change each of the VIEs' structure or registered capital in other manners, sell or otherwise dispose of each of the VIEs' material assets or beneficial interests in each of the VIEs, create or allow any encumbrance on each of the VIEs' material assets or provide any loans.

WFOE is entitled to all dividends and other distributions declared by each of the VIEs, and the shareholders of each of the VIEs have agreed to pay any such dividends or distributions to WFOE or any other person designated by WFOE to the extent permitted under applicable PRC laws. The exclusive option agreements will remain effective until all equity interests of each of the VIEs held by its shareholders have been transferred or assigned to WFOE or its designated person.

Spousal Consent Letters

Each spouse of the relevant individual shareholders of the VIEs has signed a spousal consent letter. Under the spousal consent letter, the signing spouse unconditionally and irrevocably agreed that the disposition of the equity interest in the VIEs which is held by and registered under the name of his or her spouse shall be made pursuant to the above-mentioned equity pledge agreements, exclusive option agreements, shareholders' power of attorney and exclusive business cooperation agreement, as amended from time to time. Moreover, the spouse undertook not to make any assertions in relation to such equity interest held by and registered under the name of his or her spouse.

D. Property, Plants and Equipment

The table below contains a summary of our properties upon consummation of the Acquisition:

Location	Space (sq.m.)	Use	Lease Term
Room 1610, No 917, East Longhua Road, Huangpu District, Shanghai, PRC	107.7	Administration	August 1, 2023 to July 31, 2024
503-07-A, No.9, East Zone, Airport Business Park, No.80 Huanhe North Road, Tianjin Pilot Free Trade Zone (Airport Economic Zone)	320.0	Administration	June 1, 2023 to December 31, 2023
Room 1105, Building D, Junli Commercial Building, Yangcun Street, wuqing district, Tianjin.	76.4	Administration	September 1, 2022 to August 31, 2025
No.2416, 24th Floor, Shanghai Building, Jinzhai Modern Industrial Park, Lu 'an City, Anhui Province	76.3	Administration	May 1, 2023 to April 30, 2024

We believe that our existing facilities are generally adequate to meet our current needs, but expect to seek additional space as needed to accommodate future growth.

ITEM 4A. UNRESOLVED STAFF COMMENTS

None.

ITEM 5. OPERATING AND FINANCIAL REVIEW AND PROSPECTS

The following discussion of our financial condition and results of operations is based upon and should be read in conjunction with (i) for FLJ Group Limited: (a) the audited consolidated statements of income information and consolidated statements of cash flow information, for the years ended December 31, 2020,2021, and 2022 and the audited consolidated balance sheet information as of December 31, 2020, 2021, and 2022; (b) the unaudited statements of income information and consolidated statements of cash flow information for the six months ended March 31, 2023 and the unaudited consolidated balance sheet information as of March 31, 2023, together with the notes thereto, (ii) for Alpha Mind: (a) the audited consolidated statements of income information and consolidated statements of cash flow information for the years ended December 31, 2021 and 2022 and the audited consolidated balance sheet information as of December 31, 2021 and 2022, and (b) the unaudited consolidated statements of income information and consolidated statements of cash flow information for the six months ended June 30, 2023 and the unaudited consolidated balance sheet information as of June 30, 2023, together with the notes thereto, as well as (iii) the pro forma condensed combined statement as of and for the year ended September 30, 2022 and the six months ended March 31, 2023, each of which appear elsewhere in this Shell Company Report on Form 20-F.

This report contains forward-looking statements. See "Forward-Looking Statements" in this Shell Company Report on Form 20-F. In evaluating our business, you should carefully consider the information provided under the caption "Item 3. Key Information—D. Risk Factors" in this Shell Company Report on Form 20-F. We caution you that our businesses and financial performance are subject to substantial risks and uncertainties.

A. Operating Results

FLJ

FLJ incurred a net loss from continuing operations of RMB 1,500.8 million, RMB399.7 million, RMB243.9 million and RMB43.3 million (US$6.3 million) for the years ended September 30, 2020, 2021 and 2022, and the six months ended March 31, 2023, respectively. FLJ did not generate revenues from continuing operations prior to the consummation of the Acquisition and since it became a shell company as of October 31, 2023.

Alpha Mind

Key Factors Affecting Alpha Mind's Results of Operations

Our results of operations have been, and are expected to continue to be, materially affected by a number of factors, many of which are outside of our control, including the following:

Insurance premiums and commission rates

We provide agency services for well-known insurance companies in China by distributing insurance products underwritten by them, and receive commissions from these insurance companies. The commissions we receive from insurance companies for purchase of insurance policies are generally calculated as a percentage of the insurance premiums paid by the insurance purchasers, i.e., end consumers of the insurance policies. Our revenue and results of operations are thus affected by the insurance premiums of the policies we sell, the commission rates for such policies and the number of insurance policies we sell.

Cost of insurance agency business

Cost of sales for our insurance agency business primarily comprises fees paid to our distribution channel partners. The rates of fees paid to the distribution channel partners fluctuate frequently depending on the competitive landscape and the market conditions in the respective geographical markets.

Our ability to maintain and expand end consumer base

Business prospects for our insurance agency business depend in a large part on our ability to expand our reach to a continuously expanding base of new insurance purchasers. We strive to provide end consumers with satisfactory experience, which to a large extent influences our ability to maintain and establish relationships with our insurance company customers. Our ability to expand our end consumer base will directly affect our future performance.

Our ability to maintain trusted relationship with our business partners

We cooperate with a variety of business partners in conducting our businesses, including customers and suppliers in our insurance agency business. We act as agent for insurance companies, which are our customers. We distribute insurance products underwritten by them to end consumers, and earn commissions on such insurance products. We also collaborate with various distribution channel partners, who are our suppliers, to expedite our market penetration and broaden our end consumer reach. Our relationships with these business partners are crucial for us to continue our business growth and deliver satisfactory experience to end consumers of our services.

Regulatory environment in China

We are subject to the regulatory oversight of a number of insurance and related regulators in China. These regulators have a broad authority over our business, including certifying the eligibility for us to provide insurance agency services, authorizing the geographical area in which we operate, establishment of branch institutions and prescribing prohibited acts for professional insurance agencies and their practitioners. As a result of the broad oversight by these regulators, we are occasionally subject to overlapping, conflicting and/or heightened regulations. Our efforts to comply with changes in regulations may lead to increased operating and administrative expenses.

Key Components of Results of Operations

Revenues

Alpha Mind generates revenue primarily from its insurance agency services. According to the agency service contracts made by and between Alpha Mind and insurance carriers, Alpha Mind is authorized to sell insurance products provided by insurance companies to the insureds as an insurance agent, and collects commission from the respective insurance companies as revenue. Alpha Mind recorded insurance agency commission revenue in the amount of US$44.9 million, US$47.4 million, US$23.4 million and US$19.2 million for the years ended December 31, 2021 and 2022, and the six months ended June 30, 2022 and 2023, respectively.

Cost of Revenues

Cost of revenues consists primarily of commissions paid to distribution channels. Alpha Mind generally recognizes commissions as cost of revenues when incurred. For the years ended December 31, 2021 and 2022, and six months ended June 30, 2022 and 2023, the cost of revenue amounted to US$41.9 million, US$43.6 million, US$22.1 million and US$18.1 million, respectively.

Operating Expenses

The following table sets forth the components of Alpha Mind's operating expenses for the periods presented.

	For the Year Ended December 31,		For the Six Months Ended June 30,	
	(Audited)	*(Audited)*	*(Unaudited)*	*(Unaudited)*
	2021	**2022**	**2022**	**2023**
			US$	
Selling and marketing	2,440,581	3,380,556	901,369	959,852
General and administrative:				
Payroll and related benefits	803,833	641,389	427,203	402,844
Other general and administrative	601,128	1,152,245	419,291	208,725
Total Operating Expenses	**3,845,542**	**5,174,190**	**1,747,863**	**1,571,421**

Selling and marketing expenses. Alpha Mind's selling and marketing expenses mainly consist of advertising and marketing expenses. For the years ended December 31, 2021 and 2022, and the six months ended June 30, 2022 and 2023, the selling expenses amounted to US$2.4 million, US$3.4 million, US$0.9 million and US$1.0 million, respectively.

General and administrative expenses. Alpha Mind's general and administrative expenses consists of payroll and related benefits, and other general and administrative expenses. For the years ended December 31, 2021 and 2022, and the six months ended June 30, 2022 and 2023, the general and administrative expenses amounted to US$1.4 million, US$1.8 million, US$0.8 million and US$0.6 million, respectively.

Results of Operations

The following table sets forth a summary of Alpha Mind's combined statements of loss and other comprehensive loss for the years and period indicated. This information should be read together with Alpha Mind's combined financial statements and related notes included elsewhere in this Shell Report on Form 20-F. The results of operations in any period are not necessarily indicative of Alpha Mind's future trends.

	For the Year Ended December 31,		For the Six Months Ended June 30,	
	2021	2022	2022	2023
	(Audited)	*(Audited)*	*(Unaudited)*	*(Unaudited)*
			US$	
REVENUE	44,948,234	47,443,458	23,410,471	19,210,144
COST OF REVENUE	41,946,093	43,614,455	22,067,728	18,069,023
GROSS PROFIT	3,002,141	3,829,003	1,342,743	1,141,121
OPERATING EXPENSES:				
Selling and marketing	2,440,581	3,380,556	901,369	959,852
General and administrative				
Payroll and related benefits	803,833	641,389	427,203	402,844
Other general and administrative	601,128	1,152,245	419,291	208,725
Total Operating Expenses	3,845,542	5,174,190	1,747,863	1,571,421
LOSS FROM OPERATIONS	(843,401)	(1,345,187)	(405,120)	(430,300)
OTHER INCOME (EXPENSE):				
Interest income	40,275	18,559	9,239	2,422
Interest expense	(70,196)	(13,266)	(5,786)	(2,564)
Other income, net	239,305	818,372	220,616	412,658
Total other income	209,384	823,665	224,069	412,516
LOSS BEFORE INCOME TAXES	(634,017)	(521,522)	(181,051)	(17,784)
INCOME TAXES	(16,393)	(4,047)	11,268	44,100
NET INCOME/(LOSS) FOR THE YEAR/PERIOD	(650,410)	(525,569)	(169,783)	26,316

Six Months Ended June 30, 2023 Compared to the Six Months Ended June 30, 2022

Revenue

Total revenues decreased from US$23.4 million in the six months ended June 30, 2022 to US$19.2 million in the same period in 2023. The decrease was primarily attributable to the COVID-19 pandemic during the first quarter in 2023 which led to the slowdown of economic activities.

Cost of revenue

Cost of revenues decreased from US$22.1 million in the six months ended June 30, 2022 to US$18.1 million in the same period in 2023. The decrease was primarily attributable to decrease of sales of insurance products.

Gross profit

Alpha Mind's gross profit was US$1.3 million in the six months ended June 30, 2022, compared with a gross profit of US$1.1 million in the same period in 2023.

Operating expenses

Operating expenses decreased from US$1.7 million in the six months ended June 30, 2022 to US$1.6 million in the same period in 2023.

Selling and marketing expenses.

Selling and distribution expenses increased from US$0.9 million in the six months ended June 30, 2022 to US$1.0 million in the same period in 2023, primarily due to the expansion in marketing activities.

General and administrative expenses.

General and administrative expenses decreased from US$0.8 million in the six months ended June 30, 2022 to US$0.6 million in the same period in 2023, primarily due to the business operation adjustments in some branch offices, and provision for bad debts in the first half of 2022.

Other income/(expense)

Other income was US$0.2 million for the six months ended June 30, 2022 to US$0.4 million for the same period in 2023. The significant change was primarily because we received the government grants.

Income taxes

Alpha Mind's income taxes increased from US$11 thousand for the six months ended June 30, 2022 to US$44 thousand for the same period in 2023, mainly due to an increase in deferred tax income.

Net Income/(Loss)

As a result of the foregoing, Alpha Mind recorded net profit of US$26 thousand for the six months ended June 30, 2023, compared to a net loss of US$170 thousand for the same period in 2022.

Year Ended December 31, 2022 Compared to Year Ended December 31, 2021

Revenue

Total revenues increased from US$44.9 million in 2021 to US$47.4 million in 2022. The increase was primarily attributable to our efforts in business development and growth with more insurance company partners.

Cost of revenue

Cost of revenues increased from US$41.9 million in 2021 to US$43.6 million in 2022. The increase was primarily in line with the growth of our revenue.

Gross profit

Alpha Mind's gross profit was US$3.8 million in 2022, compared with a gross profit of US$3.0 million in 2021. The increase was primarily attributable to the increase in our revenue and the optimization of our distribution channel suppliers.

Operating expenses

Operating expenses increased from US$3.8 million in 2021 to US$5.2 million in 2022.

Selling and marketing expenses

Selling and distribution expenses increased from US$2.4 million in 2021 to US$3.4 million in 2022, primarily due to our increase in marketing activities.

General and administrative expenses

General and administrative expenses increased from US$1.4 million in 2021 to US$1.8 million in 2022, primarily due to our business growth.

Other income

Other income was US$0.8 million in 2022 as compared with US$0.2 million in 2021. The significant change was primarily attributable to an increase in our net other income due to increase in government grants.

Income taxes

Alpha Mind's income taxes decreased from US$16.4 thousand in 2021 to US$4.0 thousand in 2022, mainly in line with the decrease of loss before taxes.

Net loss

As a result of the foregoing, Alpha Mind recorded a net loss of US$0.5 million in 2022, compared to a net loss of US$0.7 million in 2021.

Off Balance Sheet Arrangements

Alpha Mind has not entered into any off-balance sheet financial guarantees or other off-balance sheet commitments to guarantee the payment obligations of any third parties. Alpha Mind has not entered into any derivative contracts that are indexed to our shares and classified as shareholder's equity or that are not reflected in our combined financial statements.

Furthermore, Alpha Mind does not have any retained or contingent interest in assets transferred to an uncombined entity that serves as credit, liquidity or market risk support to such entity. Alpha Mind does not have any variable interest in any uncombined entity that provides financing, liquidity, market risk or credit support to us or engages in leasing, hedging or product development services with us.

B. Liquidity and Capital Resources

FLJ

The following table sets forth a summary of FLJ's cash flows for the periods indicated:

	For the year ended September 31,			For the six months ended March 31,	
	2020	2021	2022	2022	2023
	(Audited)	*(Audited)*	*(Audited)*	*(Unaudited)*	*(Unaudited)*
			RMB in thousands		
Net cash (used in) provided by operating activities	54,841	(109,661)	(39,589)	(27,545)	(25,478)
Net cash used in investing activities	(138,670)	(6,486)	(11,468)	—	—
Net cash provided by (used in) financing activities	(134,924)	101,601	29,309	16,532	25,527
Effect of foreign exchange rate changes	(295)	2,032	5,374	(142)	(545)
Net decrease in cash, cash equivalents and restricted cash	(219,048)	(12,514)	(16,374)	(11,155)	(496)
Cash, cash equivalents and restricted cash at the beginning of the year	250,814	31,766	19,252	19,252	2,878
Cash, cash equivalents and restricted cash at the end of the year	31,766	19,252	2,878	8,097	2,382

Operating Activities

Net cash provided by operating activities in the six months ended March 31, 2023 was RMB25.5 million (US$3.7 million), which was primarily attributable to a net loss of RMB43.3 million (US$6.3 million) adjusted by non-cash items of RMB15.9 million (US$2.3 million) and a net working capital inflow of RMB1.9 million (US$0.3 million). The non-cash items of RMB15.9 million (US$2.3 million) were primarily attributable to RMB10.5 million (US$1.5 million) of impairment loss on long-lived assets and RMB3.2 million (US$0.5 million) of depreciation and amortization expenses. The net working capital inflow of RMB1.9 million (US$0.3 million) was primarily attributable to RMB34.1 million (US$5.0 million) increase of accounts payable and RMB22.2 million (US$3.2 million) increase of accrued expenses and other current liabilities primarily due to increase in tenant deposits, offset by RMB14.9 million (US$2.2 million) increase of other current assets primarily due to increase in due from shareholders in connection with their deposit of ordinary shares for issuance of ADS, RMB29.9 million (US$4.3 million) decrease of deferred revenue, RMB8.7 million (US$1.3 million) decrease of deposits from tenants.

Net cash used in operating activities was RMB39.6 million (US$5.6 million) in the year ended September 30, 2022, which was primarily attributable to a net income of RMB820.0 million (US$115.3 million) adjusted by non-cash items of RMB980.2 million (US$137.8 million) and a net working capital inflow of RMB116.6 million (US$16.4 million). The non-cash items of RMB980.2 million (US$137.8 million) were primarily attributable to RMB1,554.5 million (US$218.5 million) of gains from deconsolidation of VIE's subsidiaries, RMB423.7 million (US$59.6 million) of inducement expenses and impairment loss of RMB 100.2 million (US$14.1 million). The net working capital inflow of RMB116.6 million (US$16.4 million) was primarily attributable to RMB90.7 million (US$12.8 million) increase of accounts payable and RMB59.2 million (US$8.3 million) decrease of other current assets, offset by RMB40.7 million (US$5.7 million) decrease of deferred revenue, RMB25.9 million (US$3.6 million) decrease of deposits from tenants and RMB 42.7 million (US$6.0 million) decrease of accrued expenses and other current liabilities.

Net cash used in operating activities was RMB109.7 million (US$17.0 million) in the year ended September 30, 2021, which was primarily attributable to a net loss of RMB569.2 million (US$88.3 million), partially offset by non-cash items of RMB304.4 million (US$47.2 million) and a net working capital inflow of RMB155.2 million (US$24.1 million). The non-cash items of RMB304.4 million (US$47.2 million) were primarily attributable to (i) impairment loss of RMB199.6 million (US$31.0 million), (ii) writing off doubtful accounts of RMB150.2 million (US$23.3 million), and (iii) depreciation and amortization of RMB79.3 million (US$12.3 million), partially offset by the deferred rent of RMB214.6 million (US$33.3 million). The net working capital inflow of RMB155.2 million (US$24.1 million) was primarily attributable to (i) an increase in accrued expenses and other current liabilities of RMB51.2 million (US$7.9 million), (ii) a decrease in other assets of RMB47.6 million (US$7.4 million), and (iii) a decrease in the prepaid rent and deposit of RMB37.6 million (US$5.8 million), partially offset by (i) a decrease in deferred revenue of RMB18.6 million (US$2.9 million) and (ii) a decreased in deposits from tenants of RMB16.4 million (US$2.5 million).

Net cash provided by operating activities was RMB54.8 million (US$8.1 million) in the year ended September 30, 2020, which was primarily attributable to a net loss of RMB1,533.6 million (US$225.9 million) adjusted by non-cash items of RMB1,296.5 million (US$191.0 million) and a net working capital inflow of RMB292.0 million (US$43.0 million). The non-cash items of RMB1,296.5 million (US$191.0 million) were primarily attributable to (i) impairment loss of RMB846.8 million (US$124.7 million) as we recorded an impairment, (ii) loss from disposal of property, plant and equipment of RMB469.0 million (US$69.1 million) as we terminated our leases with landlords of 48,292 rental units before the end of the original lease terms in FY 2020 due to the COVID-19 pandemic, and (iii) depreciation and amortization of RMB263.0 million (US$38.7 million), partially offset by (i) reverse of deferred rent of RMB201.1 million (US$29.6 million) due to the early termination of leases with landlords and (ii) fair value change of contingent earn-out liabilities of RMB97.4 million (US$14.3 million). The net working capital inflow of RMB292.0million (US$43.0 million) was primarily attributable to (i) an increase in accrued expenses and other current liabilities of RMB269.5 million (US$39.7 million), (ii) a decrease in prepaid rent and deposit of RMB146.9 million (US$21.6 million), and (iii) an increase in accounts payable of RMB115.2 million (US$17.0 million) and, partially offset by (i) a decrease in deposits from tenants of RMB161.5 million (US$23.8 million) and (ii) a decrease in deferred revenue of RMB127.9 million (US$18.8 million).

Investing Activities

FLJ did not record any net cash used in investing activities in the six months ended March 31, 2023.

Net cash used in investing activities was RMB11.5 million (US$1.6 million) in the year ended September 30, 2022, primarily due to our RMB9.8 million (US$1.4 million) investment in acquiring non-controlling interest and RMB1.7 million (US$0.2 million) disposal of cash in deconsolidated subsidiaries, VIE and VIE's subsidiaries.

Net cash used in investing activities was RMB6.5 million (US$1.0 million) in the year ended September 30, 2021, primarily due to our payment of RMB6.5 million (US$1.0 million) for asset acquisition in July 2020.

Net cash used in investing activities was RMB138.7 million (US$20.4 million) in the year ended September 30, 2020, due to our purchases of property and equipment of RMB99.2 million (US$14.6 million) and partial payment for asset acquisition of RMB39.5 million (US$5.8 million).

Financing Activities

Net cash provided by financing activities in the six months ended March 31, 2023 was RMB25.5 million (US$3.7 million). This was attributable to proceeds from short-term borrowings of RMB25.5 million (US$3.7 million).

Net cash provided by financing activities was RMB29.3 million (US$4.1 million) in the year ended September 30, 2022. This primarily consisted of the proceeds of RMB20.0 million (US$2.8 million) from issuance of convertible notes, (ii) the proceeds of RMB6.5 million (US$0.9 million) from short-term bank borrowings, and (iii) the proceeds of RMB4.7 million (US$0.7 million) from borrowings from related parties, offset by (i) the repayment of RM2.0 million (US$0.3 million) from rental installment loans.

Net cash provided by financing activities was RMB101.6 million (US$15.8 million) in the year ended September 30, 2021. This primarily consisted of (i) the proceeds of RMB113.2 million (US$17.6 million) from issuance of convertible notes, (ii) the proceeds of RMB75.3 million (US$11.7 million) from long-term bank borrowings, and (iii) the proceeds of RMB39.7 million (US$6.2 million) from short-term bank borrowings, partially offset by (i) the repayment of RMB85.0 million (US$13.2 million) from rental installment loans, and (ii) the repayment of RMB4.5 million (US$0.7 million) of short-term bank borrowings and RMB37.1 million (US$5.8 million) of long-term borrowings.

Net cash used in financing activities was RMB134.9 million (US$18.0 million) in the year ended September 30, 2020. This primarily consisted of (i) the repayment of RMB924.2 million (US$136.1 million) of rental installment loans, and (ii) the payment of RMB248.9 million (US$36.7 million) for repurchase of ADS from certain investors into treasury shares, partially offset by (i) proceeds of RMB351.0 million (US$51.7 million) from short-term bank borrowing, (ii) net proceeds of RMB289.0 million (US$44.5 million) from IPO, net of issuance cost of RMB29.3 million (US$4.3 million), and (iii) proceeds of RMB258.1 million (US$38.0 million) from rental installment loans.

Alpha Mind

Cash Flows and Working Capital

The following table sets forth a summary of Alpha Mind's cash flows for the periods presented:

	For the year ended December 30,		For the six months ended June 30,	For the six months ended June 30,
	2021	2022	2022	2023
	(Audited)	*(Audited)*	*(Unaudited)*	*(Unaudited)*
	US$			
Summary Combined Cash Flow Data:				
Net cash provided by (used in) operating activities	195,210	(122,054)	106,408	(45,070)
Net cash provided by (used in) investing activities	(389,025)	48,579	57,162	—
Net cash generated from (used in) financing activities	422,217	(58,016)	34,018	35,575
Net increase (decrease) in cash, cash equivalents, and restricted cash	228,402	(131,491)	197,588	(9,495)
Cash, cash equivalents, and restricted cash at beginning of year	1,044,352	1,296,256	1,296,256	1,059,659
Cash, cash equivalents, and restricted cash at end of year	1,296,256	1,059,659	1,420,911	990,931

To date, Alpha Mind has financed its operating and investing activities mainly though cash generated from operating activities. As of June 30, 2023, Alpha Mind had US$299.0 thousand in cash and cash equivalents, of which 96% were held in RMB.

Operating activities

Net cash used in operating activities was US$4.5 thousand in the six months ended June 30, 2023, which was primarily attributable to a net income before tax of US$26.3 thousand, adjusted for certain non-cash items consisting primarily of (i) the depreciation and amortization of US$11.2 thousand, (ii) Deferred taxes expense of US$48.8 thousand, (iii)Gain on short-term investment of US$3.3 thousand and (iiii) Allowance for bad debts of US$1.4 thousand. The adjustment for changes in operating assets and liabilities primarily reflected (i) a decrease in accounts receivable of US$627.7 thousand, mainly due to monthly fluctuation of sales revenue, (ii) an increase in prepayments of US$17.7 thousand, mainly due to the prepayment of cost of revenue to distribution channels, and (iii) decrease in related-party trade receivable of US$19.8 thousand mainly due to repayments of borrowing from related-parties, partially offset by an increase in accrued expenses and other liabilities of US$238.1 thousand and a decrease in accounts payable of US$905.4 thousand.

Net cash used in operating activities was US$122.1 thousand in 2022, which was primarily attributable to a net loss before tax of US$525.6 thousand, adjusted for certain non-cash items consisting primarily of (i) the depreciation expense of US$16.3 thousand, (ii) allowance for bad debts of US$81.1 thousand and (iii) deferred taxes expense of US$22.2 thousand. The adjustment for changes in operating assets and liabilities primarily reflected (i) an increase in prepayments of US$859.4 thousand, mainly due to the prepayment was recorded in cost of revenue, (ii) an increase in accounts receivable of US$391.8 thousand, mainly due to the increase of sales revenue, partially offset by an increase in accounts payable of US$737.2 thousand.

Net cash used in operating activities was US$195.2 thousand in 2021, which was primarily attributable to a net loss before income tax of US$650.4 thousand, adjusted for certain non-cash items consisting primarily of (i) the depreciation expense of US$17.3 thousand, and (ii) allowance for bad debts of US$16.5 thousand. The adjustment for changes in operating assets and liabilities primarily reflected an increase in accounts receivable of US$1.2 million, mainly due to the increase of sales revenue, partially offset by an increase in accounts payable of US$1.7 million.

Investing activities

Alpha Mind did not record any net cash used in investing activities in the six months ended March 31, 2023.

Net cash provided by investing activities was US$48.6 thousand in 2022, consisting of US$90.3 thousand from purchase of short-term investment, partially offset by US$41.7 thousand used in the purchase of property and equipment.

Net cash used in investing activities was US$389.0 thousand in 2021, which was from purchase of short-term investment.

Financing activities

Net cash provided by financing activities in the six months ended June 30, 2023 was US$35.6 thousand, which was received from related parties.

Net cash used in financing activities in 2022 was US$58.0 thousand, which was repayment to related parties.

Net cash provided by financing activities in 2021 was US$422.2 thousand, consisting of US$434.0 thousand from borrowed from related parties, partially offset by US$11.8 thousand of repayment to related parties.

Material Cash Requirements

Other than the ordinary cash requirements for Alpha Mind's operations, its material cash requirements as of June 30, 2023 and any subsequent interim period primarily include SaaS platform development and updates on software, new product promotion campaigns and expansion on our R&D team. Alpha Mind intends to fund its existing and future material cash requirements with its existing cash balance and other financing alternatives. Alpha Mind will continue to make cash commitments to support the growth of its business.

The following table sets forth Alpha Mind's contractual obligations as of June 30, 2023.

		Payment Due by Period				
	Total	Less Than 1 year	1-2 Years	2-3 Years	3-5 Years	Over 5 Years
				(US$)		
Operating Leases	54,808	37,225	17,583	-	-	-

Other than as shown above, Alpha Mind did not have any significant capital and other commitments, long-term obligations, or guarantees as of June 30, 2023.

C. Research and Development, Patents, and Licenses, etc.

We will invest in the research and development of our products and services, primarily in our SaaS platform. We recently establish a research and development team consisting of specialized technicians and professionals.

We regard our trademarks, copyrights, know-how, technologies, domain names, and other intellectual property as critical to our success. As of June 30, 2023, Alpha Mind owned one registered trademarks worldwide, one copyright, and one registered domain name that are material to our business.

D. Trend Information

Other than as disclosed elsewhere in this Shell Company Report on Form 20-F, we are not aware of any trends, uncertainties, demands, commitments or events since June 30, 2023 that are reasonably likely to have a material adverse effect on our total net revenues, income, profitability, liquidity or capital resources, or that caused the disclosed financial information to be not necessarily indicative of future operating results or financial conditions.

E. Critical Accounting Estimates

FLJ Group Limited

Our expectations regarding the future are based on available information and assumptions that we believe to be reasonable, which together form our basis for making judgments about matters that are not readily apparent from other sources. Since the use of estimates is an integral component of the financial reporting process, our actual results could differ from those estimates. Some of our accounting policies require a higher degree of judgment than others in their application.

An accounting policy is considered critical if it requires an accounting estimate to be made based on assumptions about matters that are highly uncertain at the time such estimate is made and if different accounting estimates that reasonably could have been used, or changes in the accounting estimates that are reasonably likely to occur, could materially impact the combined and consolidated financial statements.

When reading our consolidated financial statements, you should consider our selection of critical accounting policies, the judgment and other uncertainties affecting the application of such policies and the sensitivity of reported results to changes in conditions and assumptions.

Our critical accounting policies and practices include the following: (i) revenue recognition; (ii) convertible loans; (iii) lease accounting with landlords; and (iv) income taxes. See Note 2—Summary of Principal Accounting Policies to FLJ Group Limited's unaudited condensed consolidated financial statements as of and for the six months ended March 31, 2023 included herein for the disclosure of these accounting policies. We believe the following accounting estimates involve the most significant judgments used in the preparation of our financial statements.

Impairment of long-lived assets

We evaluates our long-lived assets and finite lived intangibles for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. When these events occur, we measure impairment by comparing the carrying amount of the assets to future undiscounted net cash flows expected to result from the use of the assets and their eventual disposition. If the sum of the expected undiscounted cash flows is less than the carrying amount of the assets, we recognize an impairment loss equal to the difference between the carrying amount and fair value of these assets.

For the six months ended March 31, 2022 and 2023, we recognized impairment of RMB 100,156 and RMB 10,474 against trademark and apartment rental contracts (See Note 5 – Intangible assets to our unaudited condensed consolidated financial statements as of and for the six months ended March 31, 2023 included herein), respectively.

Revenue Recognition

We source apartments from landlords and convert them into standardized furnished rooms to lease to tenants seeking affordable residences in China. Revenues are primarily derived from rental service and value-added services.

Rental Service Revenues

Rental service revenues are primarily derived from the lease payments from our tenants and are recorded net of tax.

We typically enter into 26-month leases with our tenants, a majority of which have a lock-in period of 12 months or shorter. The lock-in period represents the term during which termination will result in the forfeiture of deposit, which is typically one or two months' rent. We determine that the lock-in period is the lease term under ASC 840. When tenants terminate their leases, we return unused portions of any prepaid rentals to the tenant within a prescribed period of time. Deposit can only be returned for termination after the lock-in period. Monthly rent is fixed throughout the lock-in period and there is no rent-free period or rent escalations during the period. We determine all lease arrangements with tenants are operating leases since the benefits and risks incidental to ownership remains with us. Revenue is recognized on a straight-line basis starting from the commencement date stated in the lease agreements.

Value-added Services and Others

Value-added services and others primarily consist of fees received from the tenants from our provision of internet connection and utility services as part of the lease agreement. The service fees are fixed in the agreements and recognized on a monthly basis during the period of the lease term. The service fee are recognized on a gross basis as we have latitude in determining prices and bear inventory risks.

Operating lease

We adopted the ASU 2016-02, Leases (Topic 842) on October 1, 2022 using a modified retrospective approach reflecting the application of the standard to leases existing at, or entered after, the beginning of the earliest comparative period presented in the consolidated financial statements.

We lease apartments from landlords, which are classified as operating leases in accordance with Topic 842. Operating leases are required to record in the balance sheet as right-of-use assets and lease liabilities, initially measured at the present value of the lease payments. We have elected the package of practical expedients, which allows us not to reassess (1) whether any expired or existing contracts as of the adoption date are or contain a lease, (2) lease classification for any expired or existing leases as of the adoption date, and (3) initial direct costs for any expired or existing leases as of the adoption date. We elected the short-term lease exemption as the lease terms are 12 months or less.

At the commencement date, we recognize the lease liability at the present value of the lease payments not yet paid, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, our incremental borrowing rate for the same term as the underlying lease.

The right-of-use asset is recognized initially at cost, which primarily comprises the initial amount of the lease liability, plus any initial direct costs incurred, consisting mainly of brokerage commissions, less any lease incentives received. All right-of-use assets are reviewed for impairment. There was no impairment for right-of-use lease assets as of March 31, 2023.

Alpha Mind

The preparation of financial statements in conformity with U.S. GAAP requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

Significant estimates and assumptions reflected in Alpha Mind's consolidated financial statements during the years ended December 31, 2021 and 2022 include, but not are not limited to, the allowance for doubtful accounts, the useful life of property and equipment, and assumptions used in assessing impairment of long-lived assets, revenue recognition, allowance for deferred tax assets and the associated valuation allowance. We base the estimates on historical experience and various other assumptions that are believed to be reasonable, the results of which form the basis for making judgments about the carrying values of assets and liabilities. Actual results could materially differ from those estimates.

Revenue Recognition

Alpha Mind recognizes revenue under Accounting Standards Codification ("ASC") Topic 606, Revenue from Contracts with Customers ("ASC 606"). The core principle of the revenue standard is that a company should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which we expect to be entitled in exchange for those goods or services. The following five steps are applied to achieve that core principle:

- Step 1: Identify the contract with the customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognize revenue when the company satisfies a performance obligation

Alpha Mind generates revenue primarily from its insurance agency services. According to the agency service contracts made by and between us and insurance carriers, Alpha Mind is authorized to sell insurance products provided by insurance companies to the insureds as an insurance agent, and collects commission from the respective insurance carriers as revenue.

The commission charged is determined by the terms agreed in the agency service contract, typically a percentage of insurance premium. The performance obligation is considered met and revenue is recognized when the insurance agency services are rendered and completed at the time an insurance policy becomes effective and the premium is collected from the insured.

The necessary data to reasonably determine the revenue amount is controlled by the insurance companies, and bill statement is confirmed with us on a monthly basis. Alpha Mind has met all the criteria of revenue recognition when the premiums are collected by the respective insurance carriers and not before, because collectability is not ensured until receipt of the premium.

Therefore, we do not accrue any commissions prior to the receipt of the related premiums of insurance carriers, due to the specific practice in the industry.

Concentrations of Credit Risk

We have operations carried out in China. Accordingly, our business, financial condition and results of operations may be influenced by the political, economic and legal environment in China, and by the general state of China's economy. Our operations in China are subject to specific considerations and significant risks not typically associated with companies in North America. Our results may be adversely affected by changes in governmental policies with respect to laws and regulations, anti-inflationary measures, currency conversion and remittance abroad, and rates and methods of taxation, among other things.

ITEM 6. DIRECTORS, SENIOR MANAGEMENT AND EMPLOYEES

A. Directors and Senior Management

The following table sets forth information regarding our directors and executive officers as of the date of this Shell Company Report on Form 20-F.

Directors and Executive Officers	Age	Position/Title
Chengcai Qu	41	Chairman of the board of directors, chief executive officer, chief operating officer and vice president
Gang Xie	50	Director, chief technology officer
Jiamin Chen	42	Director and vice president
Zongquan Yang	39	Director
Yanan Zhou	38	Director
Yue Hu	31	Director
Chen Chen	42	Independent director
Zhenkun Wang	42	Independent director
Zhichen (Frank) Sun	40	Chief Financial Officer

Mr. Chengcai Qu has been the chairman of our board of directors and chief executive officer since January 2021, our chief operating officer since June 2020, our director since March 2020, and our vice president since 2014. Prior to joining our company, Mr. Qu was a director of the office of public relations at Antai School of Economics and Management of Shanghai Jiao Tong University from November 2006 to November 2013. From June 2004 to October 2006, Mr. Qu was a newspaper reporter specializing in business and management. Mr. Qu received a bachelor's degree in literature from Shanghai University of Finance and Economics in 2004, and a master's degree in business administration from Shanghai Jiao Tong University in 2013.

Mr. Gang Xie has been our director and chief technology officer since our inception in 2012. Mr. Xie is also a director of Shanghai Liangzhouban Decoration Co., Ltd. and Shanghai Ziniu Property Management Co., Ltd. Prior to joining our company, he was a platform research and development manager of Shanghai Koss Software Co., Ltd from August 2008 to December 2011. From December 2007 to June 2008, he was a project manager at the mobile phone division of Ping An Insurance (Group) Corporation of China. From February 2005 to November 2007, he was a senior manager and technology director of Handlink Ltd. From September 2000 to January 2005, he was a system architect and project manager of Shanghai Insk Computer Co., Ltd. From August 1995 to August 2000, he was an engineer and project leader of Shanghai Electronic Technology Co., Ltd. Mr. Xie received his bachelor's degree in engineering in 1995 from Shanghai University of Science and Technology.

Mr. Jiamin Chen has been our director and vice president since February 2022, our general manager of the investment and financing department since he joined our Company in July 2019. Prior to joining our company, he was a manger of the personal credit department at Shanghai Branch of China Construction Bank from April 2006 to June 2019. Mr. Chen received his bachelor's degree in computer science and technology from Shanghai University of Engineering and Technology in 2006.

Mr. Zongquan Yang has been our director and vice president since February 2022, our head of product management department and senior manager of IT center since May 2017. Prior to joining our company, he was a project manager of E-Commerce Business and manager of research and development department at Yonyou Software Co., Ltd. from September 2009 to October2017. Prior to that, Mr. Yang was a development engineer and project manager of Shanghai Hengju Network Technology Co. from September 2005 to October2009 and a development engineer at Shanghai Youfu Computer Network Co., Ltd. in 2005. Mr. Yang received his bachelor's degree in computer science and technology from Nankai University in 2012.

Ms. Yanan Zhou has been our independent director since December 2023. Ms. Zhou has served as executive director of investment banking division of Gujia (Beijing) Technology Co., Ltd. since November 2020. Ms. Zhou was a senior financial product manager and CEO assistant at a FinTech company named JianLC from 2018 to 2020. From November 2015 to December 2017, Ms. Zhou worked as a manager of FinTech division in Hfax.com. Prior to that, Ms. Zhou was the senior project manager of financial business division in Horizon Research Group from May 2012 to November 2015. Ms. Zhou received a bachelor's degree in journalism in 2008 and a master's degree in communication studies in 2011 from Hohai University, respectively. Ms. Zhou also obtained the securities qualification and fund qualification.

Ms. Yue Hu has been our director since December 2023. Ms. Hu has served as the senior finance manager in Gujia (Beijing) Technology Co., Ltd. since 2022. Prior to that, Ms. Hu was a junior auditor and a senior auditor at Ernst & Young Hua Ming LLP from 2018 to 2020 and from 2020 to 2022, respectively. Ms. Hu received her bachelor's degree at accounting from Sichuan University and master's degree at accounting from the University of Texas at Dallas in 2014 and in 2017, respectively.

Mr. Chen Chen has been our independent director since November 2019. Mr. Chen has served as chief financial officer of Yunji Inc. since May 2018. Mr. Chen has more than 16 years of comprehensive experience in audit and consulting services. Prior to joining Yunji, Mr. Chen was a partner at Deloitte, and had been working in Deloitte since July 2002. Mr. Chen is a member of the Association of International Certified Professional Accountants (AICPA) and China Institute of Certified Public Accountants (CICPA). Mr. Chen received his bachelor's degree from Shanghai Jiao Tong University in 2002.

Mr. Zhenkun Wang has been our independent director since June 2023. Mr. Wang is the founder and CEO of Shanghai Shiwei Technology Co., Ltd., a company mainly focused on project and product development in enterprise-level metaverse applications, and has been serving as the chairman of its board since January 2015. Mr. Wang received his bachelor's degree from Shanghai University of Finance and Economics in 2004.

Mr. Zhichen (Frank) Sun has been our chief financial officer since January 2020. He served as our financial director from April 2017 to January 2020. Prior to joining our company, Mr. Sun was an audit senior manager of Ernst & Young LLP, Shanghai office from January 2016 to April 2017. From January 2011 to December 2015, he was an audit manager of Deloitte LLP, Calgary office. From July 2005 to December 2010, he was successively a senior auditor and an audit manager of Deloitte Touche Tohmatsu Certified Public Accountants LLP, Shanghai office. Mr. Sun received his bachelor's degree in Japanese language and literature from Shanghai International Studies University in 2005. Mr. Sun holds CPA designations in China and Canada.

Board Diversity Disclosure

The following information was provided by our directors on a voluntary basis.

Board Diversity Matrix (As of date of this Shell Company Report on Form 20-F)

Country of Principal Executive Offices	Shanghai, China
Foreign Private Issuer	Yes
Disclosure Prohibited Under Home Country Law	No
Total Number of Directors	8

	Female	Male	Non-Binary	Did not disclose
Part I: Gender Identity				
Directors	2	6	0	0
Part II: Demographic Background				
Underrepresented Individual in Home Country		0		
LGBTQ+		0		
Did Not Disclose Demographic Background		0		

B. Compensation

For FY 2022, we paid an aggregate of approximately RMB1.19 million (US$0.16 million) in cash to our directors and executive officers. Except as disclosed in this Shell Company Report, we have not set aside or accrued any amount to provide pension, retirement or other similar benefits to our executive officers and directors. Our PRC subsidiaries are required by law to make contributions equal to certain percentages of each employee's salary for his or her pension insurance, medical insurance, unemployment insurance and other statutory benefits and a housing provident fund.

Employment Agreements and Indemnification Agreements

We have entered into employment agreements with each of our executive officers. Under these agreements, each of our executive officers is employed for a specified time period. We may terminate employment for cause, at any time, for certain acts of the executive officer, such as conviction or plea of guilty to a felony or any crime involving moral turpitude, negligent or dishonest acts to our detriment, or misconduct or a failure to perform agreed duties. If the executive officer otherwise fails to perform agreed duties, we may terminate employment upon 30 day advance written notice. In such case of termination by us, we will provide severance payments to the executive officer as expressly required by applicable law of the jurisdiction where the executive officer is based. The executive officer may resign at any time upon mutual agreement or 30 day advance written notice.

Each executive officer has agreed to hold, both during and after the termination or expiry of his or her employment agreement, in strict confidence and not to use, except as required in the performance of his or her duties in connection with the employment or pursuant to applicable law, any of our confidential information or trade secrets, any confidential information or trade secrets of our clients or prospective clients, or the confidential or proprietary information of any third party received by us and for which we have confidential obligations. The executive officers have also agreed to disclose in confidence to us all inventions, designs and trade secrets which they conceive, develop or reduce to practice during the executive officer's employment with us and to assign all right, title and interest in them to us upon our request.

In addition, each executive officer has agreed to be bound by non-competition and non-solicitation restrictions during the term of his or her employment and typically for two years following the last date of employment. Specifically, each executive officer has agreed not to (i) engage directly or indirectly in any business, including his or her own business, related to the development, operation or sales of any same or similar technologies or products, whether as employee, consultant or otherwise; (ii) approach directly or indirectly our clients or customers for the purpose of doing business of the same or a similar nature to our business with such persons or entities that will harm our business relationships with these persons or entities or for purposes of making such persons or entities limit or terminate their business relationship with us; or (iii) seek directly or indirectly, to solicit the services of any of our employees who is employed by us.

We have entered into indemnification agreements with each of our directors and executive officers. Under these agreements, we may agree to indemnify our directors and executive officers against certain liabilities and expenses incurred by such persons in connection with claims made by reason of their being a director or officer of our company.

Stock Options and RSUs

In September 2019, our board of directors approved our 2019 share incentive plan, or the 2019 Plan, to provide incentives to employees, officers, directors and consultants and promote the success of our business.

Further, in November 2022, our board of directors approved our 2022 share incentive plan, or the 2022 Plan, to provide incentives to employees, officers, directors and consultants and promote the success of our business.

Stock Options A

In August 2014, April 2016 and October 2016, we granted an aggregate number of 26.86 million share options to certain of our management, employees and non-employees ("Stock Options A"), 16.61 million of which had been forfeited as of the date of this Shell Company Report on Form 20-F. The remaining Stock Options A are exercisable into 10.25 million Class B ordinary shares. The exercise price of Stock Options A is RMB2.0 per ordinary share. Stock Options A vest 50% on the first and second calendar year after the year of our initial public offering. All grantees of Stock Options A are restricted from transferring more than 25% of their total converted ordinary shares each year after the exercise date.

Stock Options B

In July 2017, we granted 43.14 million share options to our management and employees ("Stock Options B"), 19.29 million of which had been forfeited as of the date of this Shell Company Report on Form 20-F. The remaining Stock Options B are exercisable into 23.85 million Class A ordinary shares. The exercise price of Stock Options B is RMB2.0 per ordinary share. Stock Options B vested immediately upon the grant-date. All grantees of Stock Options B are restricted from transferring their converted ordinary shares after certain periods subsequent to the date of our initial public offering. If the grantee of Stock Options B resigned from our company before the restricted period lapses, we have the right to repurchase the Stock Options B or ordinary shares at RMB2.0 per Stock Option B or ordinary share.

The following table summarizes, as of the date of this Shell Company Report, the outstanding Stock Options A and Stock Options B granted to our directors, officers and other grantees.

Name	Ordinary Shares Underlying Award Granted	Exercise Price (per share)	Date of Grant	Date of Expiration
Chengcai Qu	*	RMB2.0	July 31, 2017	December 31, 2025
Gang Xie	*	RMB2.0	August 31, 2014	August 30, 2024
Zhichen (Frank) Sun	*	RMB2.0	July 31, 2017	December 31, 2025
Zongquan Yang	*	RMB2.0	August 31, 2014 and July 31, 2017	May 31, 2014 and December 31, 2024
Other	24,100,000	RMB2.0	from August 31, 2014 to July 31, 2017	from August 30, 2024 to December 31, 2025
Total	34,100,000			

* Less than 1% of our total outstanding shares.

RSUs

In March 2021, we issued 25,000,000 restricted share units ("RSUs") to a consulting company for the service provided, pursuant to the 2019 Plan. All of the RSUs were vested immediately upon grant. The consulting company exercised all of these RSUs and therefore we issued 25,000,000 Class A ordinary shares to this consulting company pursuant to the 2019 Plan and the award agreement. We recorded the RSUs at the measurement date fair value per share of US$0.09 by reference to the share price in the open market on the grant date.

As of the date of this Shell Company Report on Form 20-F, no RSU is outstanding.

2019 Share Incentive Plan

The 2019 Plan became effective immediately upon the completion of our initial public offering. The maximum number of shares that may be issued under the 2019 Plan is 10% of the total outstanding shares as of the date of the consummation of our initial public offering.

In June 2022, FLJ Group Limited (the "Group") issued 72 million stock options to Mr. Qu, the Chief Executive Officer of the Group. All of the stock options were vested immediately upon grant. The Group recorded stock options at the grant date fair value per ADS of US$1.4537 by reference to the share price in the open market on grant date. In June 2022, the Group issued 50.36 million stock options to Mr. Sun, the Chief Financial Officer of the Group, of which 43.18 million stock options vested immediately upon grant, 3.59 million stock options vested on August 3, 2022, and the remaining 3.59 million stock options vested on August 3, 2023. The Group recorded stock options at the grant date fair value per ADS of US$1.4537 by reference to the share price in the open market on grant date.

As of the date of this Shell Company Report on Form 20-F, we have issued 25,000,000 RSUs and 122,360,108 options under the 2019 Plan, of which 25,000,000 RSUs and 115,180,054 options have been exercised.

The following paragraphs describe the principal terms of our share incentive plan:

Plan Administration. Our board of directors or a committee of one or more members of our board of directors (the "Committee") will administer the 2019 Plan. The Committee will determine the participants to receive awards, the nature and the amount of each award to be granted to each participant, and the terms and conditions of each award grant.

Type of Awards. The 2019 Plan permits the awards of options, restricted shares, restricted share units or any other type of awards that the Committee decides.

Award Agreement. Awards granted under the 2019 Plan are evidenced by an award agreement that sets forth terms, conditions and limitations for each award, which may include the term of the award, the provisions applicable in the event of the grantee's employment or service terminates, and our authority to unilaterally or bilaterally amend, modify, suspend, cancel or rescind the award.

Eligibility. We may grant awards to employees, consultants, and directors, as determined by the Committee.

Vesting Schedule. In general, the Committee determines the vesting schedule, which is specified in the relevant award agreement. Unless otherwise specified in the 2019 Plan, the term of any award granted under the 2019 Plan shall not exceed ten (10) years.

Exercise of Options. Subject to any specific designation in the 2019 Plan, the Committee determines the exercise price for each award, which is stated in the relevant award agreement. Unless otherwise specified in the 2019 Plan, the maximum exercisable term of options is ten years from the date of a grant.

Transfer Restrictions. Awards may not be transferred in any manner by the recipient except as otherwise provided in the 2019 Plan, by applicable law and by relevant award agreement.

Termination and Amendment. Unless terminated earlier, the 2019 Plan has a term of ten years. Subject to any specific designation in the 2019 Plan, our board of directors has the authority to amend or terminate the 2019 Plan; provided, however, that any amendment or modification of the maximum number of shares that may be issued under the 2019 Plan shall be determined by at least two-thirds of votes cast by directors in a duly constituted meeting (which, for this purpose, shall include all independent directors to be quorate), including affirmative votes from all independent directors. However, no such action may adversely affect in any material way any awards previously granted unless agreed by the recipient, unless otherwise specified in the 2019 Plan.

2022 Share Incentive Plan

In November 2022, our board of directors has approved and adopted a new share incentive plan (the "2022 Plan"). The maximum number of shares available for issuance under the 2022 Plan is 2,500,000,000 Class B ordinary shares of the Company (the "Shares"). The board of directors has also approved the issuance of the Shares to Golden Stream Ltd., the current ESOP Platform of the Company, which is holding these Shares (representing 8.8% of the total outstanding share capital and 49.1% of the voting power of the Company) and will act upon the instructions from a senior management committee of the Company determined on a unanimous basis in relation to the voting and, prior to the vesting of the Shares to the relevant grantee of the share-based awards under the 2022 Plan, the disposition of the Shares. The Shares held by Golden Stream Ltd. are reserved for share-based awards that the Company may grant in the future under the 2022 Plan. As of the date of this Shell Company Report on Form 20-F, no share-based awards have been granted under the 2022 Plan.

The principal terms of the 2022 Plan are substantially the same as those of the 2019 Plan.

C. Board Practices

Our board of directors consists of eight (8) directors. A director is not required to hold any shares in our company to qualify to serve as a director. A director may vote with respect to any contract, proposed contract or arrangement notwithstanding that he may be interested therein, and if he does so his vote shall be counted and he may be counted in the quorum at any meeting of our directors at which any such contract or proposed contract or arrangement is considered, provided (a) such director, if his interest (whether direct or indirect) in such contract or arrangement is material, has declared the nature of his interest at the earliest meeting of the board at which it is practicable for him to do so, either specifically or by way of a general notice and (b) if such contract or arrangement is a transaction with a related party, such transaction has been approved by the audit committee. The directors may exercise all the powers of the company to borrow money, to mortgage or charge its undertaking, property and uncalled capital, and to issue debentures or other securities whenever money is borrowed or as security for any debt, liability or obligation of the company or of any third party. None of our non-executive directors has a service contract with us that provides for benefits upon termination of service.

Committees of the Board of Directors

We have established three committees under the board of directors: an audit committee, a compensation committee and a nominating and corporate governance committee. We have adopted a charter for each of the three committees. Each committee's members and functions are described below.

Audit Committee. Our audit committee consists of Chen Chen and Zhenkun Wang. Chen Chen is the chairman of our audit committee. We have determined that each of Chen Chen and Zhenkun Wang satisfies the "independence" requirements of Rule 5605(c)(2) of the Listing Rules of the NASDAQ and Rule 10A 3 under the Securities Exchange Act of 1934, as amended. We have determined that Chen Chen qualifies as an "audit committee financial expert." The audit committee oversees our accounting and financial reporting processes and the audits of the financial statements of our company. The audit committee is responsible for, among other things:

- appointing the independent auditors and pre-approving all auditing and non-auditing services permitted to be performed by the independent auditors;
- reviewing with the independent auditors any audit problems or difficulties and management's response;
- discussing the annual audited financial statements with management and the independent auditors;
- reviewing the adequacy and effectiveness of our accounting and internal control policies and procedures and any steps taken to monitor and control major financial risk exposures;
- reviewing and approving all proposed related party transactions;
- meeting separately and periodically with management and the independent auditors; and
- monitoring compliance with our code of business conduct and ethics, including reviewing the adequacy and effectiveness of our procedures to ensure proper compliance.

Compensation Committee. Our compensation committee consists of Chengcai Qu, Jiamin Chen and Gang Xie. Chengcai Qu is the chairman of our compensation committee. The compensation committee assists the board in reviewing and approving the compensation structure, including all forms of compensation, relating to our directors and executive officers. The compensation committee is responsible for, among other things:

- reviewing and approving, or recommending to the board for its approval, the compensation for our chief executive officer and other executive officers;

- reviewing and recommending to the board for determination with respect to the compensation of our non-employee directors;
- reviewing periodically and approving any incentive compensation or equity plans, programs or similar arrangements; and
- selecting compensation consultant, legal counsel or other advisers only after taking into consideration all factors relevant to that person's independence from management.

Nominating and Corporate Governance Committee. Our nominating and corporate governance committee consists of Chengcai Qu, Gang Xie and Chen Chen. Chengcai Qu is the chairman of our nominating and corporate governance committee. The nominating and corporate governance committee assists the board of directors in selecting individuals qualified to become our directors and in determining the composition of the board and its committees. The nominating and corporate governance committee is responsible for, among other things:

- selecting and recommending nominees for election by the shareholders or appointment by the board;
- reviewing annually with the board the current composition of the board with regards to characteristics such as independence, knowledge, skills, experience and diversity;
- making recommendations on the frequency and structure of board meetings and monitoring the functioning of the committees of the board; and
- advising the board periodically with regards to significant developments in the law and practice of corporate governance as well as our compliance with applicable laws and regulations, and making recommendations to the board on all matters of corporate governance and on any remedial action to be taken.

Duties of Directors

Under Cayman Islands law, our directors owe fiduciary duties to our company, including a duty of loyalty, a duty to act honestly and a duty to act in what they consider in good faith to be in our best interests. Our directors must also exercise their powers only for a proper purpose. A director must exercise the skill and care of a reasonably diligent person having both – (a) the general knowledge, skill and experience that may reasonably be expected of a person in the same position (an objective test), and (b) if greater, the general knowledge, skill and experience that that director actually possesses (a subjective test). In fulfilling their duty of care to us, our directors must ensure compliance with our third memorandum and articles of association, as amended and restated from time to time, and the class rights vested thereunder in the holders of the shares. Our company has the right to seek damages if a duty owed by our directors is breached. A shareholder may in certain limited exceptional circumstances have the right to seek damages in our name if a duty owed by the directors is breached.

Our board of directors has all the powers necessary for managing, and for directing and supervising, our business affairs. The functions and powers of our board of directors include, among others:

- convening shareholders' annual and extraordinary general meetings;
- declaring dividends and distributions;
- appointing officers and determining the term of office of the officers;
- exercising the borrowing powers of our company and mortgaging the property of our company; and
- approving the transfer of shares in our company, including the registration of such shares in our register of members.

Terms of Directors and Officers

The number of directors shall not be less than three (3). No person may be nominated for, or appointed as, a director, nor removed from any such appointment as a director, unless such nomination, appointment or removal has been approved by our nominating and corporate governance committee prior to such nomination, appointment or removal.

Generally, (i) any person appointed as a director as of the closing date of our IPO shall hold office for a period of three (3) years from the closing date of our initial public offering, or such other term as may be approved in the resolution appointing them; and (ii) any person appointed as a director after the closing date of our IPO shall hold office for a period of three (3) years from the date of such appointment, or such other term as may be approved in the resolution appointing them. Each director shall hold office until the expiration of his term, or his resignation, removal or retirement from our board of directors, or his disqualification as a director.

A retiring director shall be eligible for re-election from the date commencing six (6) months prior to the date of expiry of his term of office, and shall continue to act as a director throughout the meeting at which his re-election is considered. Where the retirement of any director would cause the number of directors to fall below the minimum number required pursuant to our third amended and restated articles of association, then such director shall continue to act as a director until the appointment of such additional director(s) as would not result in the director's retirement causing the number of directors to fall below the minimum number required pursuant to our third amended and restated articles of association, at which time they shall retire.

Subject to our third amended and restated articles of association and the applicable Law, the shareholders may by ordinary resolution elect any person to be a director either to fill a casual vacancy or as an addition to the existing board of directors. In addition, the directors shall have the power from time to time and at any time, by the affirmative vote of a majority of the directors present and voting at a meeting of our board of directors, to appoint any person as a director to fill a casual vacancy on our board of directors or as an addition to the existing board of directors.

No director shall be required to hold any shares of our company by way of qualification and a director who is not a shareholder shall be entitled to receive notice of and to attend and speak at any general meeting of our company and of all classes of shares of our company.

Subject to any provision to the contrary in our third amended and restated memorandum and articles of association, a director may, at any time before the expiration of his or her period of office (notwithstanding anything in our third amended and restated memorandum and articles of association or in any agreement between our company and such director (but without prejudice to any claim for damages under any such agreement)) be removed by way of either (a) a special resolution of the shareholders; or (b) the affirmative vote of two-thirds of the other directors present and voting at a board meeting; or (c) a resolution in writing (which complies with the requirements of the provisos contained in article 119 of our third amended and restated memorandum and articles of association) signed by all the directors other than the director being removed.

The office of a director shall be vacated if the director (a) resigns his or her office by notice delivered to our company at the office or tendered at a meeting of our board of directors, or (b) becomes of unsound mind or dies, or (c) without special leave of absence from our board of directors, is absent from meetings of our board of directors for three (3) consecutive times, unless our board of directors resolves that his or her office not be vacated, or (d) becomes bankrupt or has a receiving order made against him or her or suspends payment or compounds with his or her creditors, or (e) is prohibited by law from being a director, or (f) ceases to be a director by virtue of any provision of the statutes or is removed from office pursuant to our third amended and restated memorandum and articles of association, or (g) for any director that is not an independent director, without special leave of absence from our board of directors, is absent from more than fifty per cent (50%) of our weekly management meetings in any financial year, unless our board of directors resolves that his or her office not be vacated; or (h) for any director that is not an independent director, without special leave of absence from our board of directors, is present at the premises of our company, or any of our subsidiaries, for less than 60 business days in any financial year, unless our board of directors resolves that his or her office not be vacated.

Each director shall use his or her best efforts to attend all meetings of our board of directors. Any director may at any time appoint another director to be his or her alternate director. Any such appointment shall be in respect of a specific meeting of directors only and such appointment shall automatically cease upon termination of such meeting. An alternate director may also be removed as an alternate director at any time by the director who appoints him or her.

D. Employees

As of September 30, 2023, we had 19 employees, respectively. Substantially all of our employees are based in China. The table below shows the number of our employees by function.

Function	Number of Employees
Administration	14
IT	3
Marketing	2
Total	19

As of June 30, 2023, Alpha Mind had 50 employees, respectively. Substantially all of Alpha Mind's employees are based in China. The table below shows the number of our employees by function.

Function	Number of Employees
Administration	36
Marketing	14
Total	50

Our success depends on our ability to attract, motivate, train and retain qualified employees. We believe we offer our employees competitive compensation packages and an environment that encourages self-development and creativity. As a result, we have generally been successful in attracting and retaining qualified employees. We believe that we maintain a good working relationship with our employees, and we have not experienced any material labor disputes in the past. None of our employees are represented by labor unions.

As required by regulations in China, we participate in various employee social security plans that are organized by municipal and provincial governments for our PRC-based employees, including pension insurance, unemployment insurance, maternity insurance, work-related injury insurance, medical insurance and housing provident fund. We are required under PRC law to make contributions to employee benefit plans occasionally for our PRC-based employees at specified percentages of their salaries, bonuses and certain allowances of such employees, up to a maximum amount specified by local governments in China.

We enter into standard employment agreements with our employees. We also enter into standard confidentiality and non-compete agreements with our employees in accordance with common market practice.

E. Share Ownership

Except as specifically noted, the following table sets forth information with respect to the beneficial ownership of our ordinary shares as of the date of this Shell Company Report on Form 20-F by:

- each of our directors and executive officers; and
- each person known to us to beneficially own more than 5% of our total outstanding ordinary shares.

We have adopted a dual class ordinary share structure. The calculations in the table below are based on 2,837,892,046,400 ordinary shares outstanding as of the date of this Shell Company Report on Form 20-F, consisting of 2,587,892,046,400Class A ordinary shares and 250,000,000,000 Class B ordinary shares.

Beneficial ownership is determined in accordance with the rules and regulations of the SEC. In computing the number of shares beneficially owned by a person and the percentage ownership of that person, we have included shares that the person has the right to acquire within 60 days of the date of this Shell Company Report on Form 20-F, including through the exercise of any option, warrant or other right or the conversion of any other security. These shares, however, are not included in the computation of the percentage ownership of any other person.

	Class A ordinary shares		Class B Ordinary Shares		Total ordinary shares on an as-converted basis		Aggregate voting power***
	Number%	%	Number	%	Number	%	%
Directors and Executive Officers:**							
Chengcai Qu (1)	*	*	—	—	*	*	*
Gang Xie	—	—	—	—	—	—	—
Jiamin Chen (1)	—	—	—	—	—	—	—
Zongquan Yang	—	—	—	—	—	—	—
Yanan Zhou	—	—	—	—	—	—	—
Yue Hu	—	—	—	—	—	—	—
Chen Chen	—	—	—	—	—	—	—
Zhenkun Wang	—	—	—	—	—	—	—
Zhichen (Frank) Sun (1)	*	*	—	—	*	*	*
All Directors and Executive Officers as a Group (2)	—	—	2,500,000,000	100.0%	2,500,000,000	8.80%	49.10%
Principal Shareholders:							
Golden Stream Ltd.(1)	*	*	2,500,000,000	100.0%	2,500,000,000	8.80%	49.10%

* Less than 1% of our total outstanding shares.

** The business address of our directors and executive officers is Room 1610, No.917, East Longhua Road, Huangpu District, Shanghai, 200023, People's Republic of China.

*** For each person or group included in this column, percentage of total voting power represents voting power based on both Class A and Class B ordinary shares held by such person or group with respect to all outstanding shares of our Class A and Class B ordinary shares as a single class and on an as-converted basis. Each Class A ordinary shares is entitled to one vote per share. Each Class B ordinary share is entitled to ten (10) votes per share. Our Class B ordinary shares are convertible at any time by the holder into Class A ordinary shares on a one-for-one basis.

(1) The shares beneficicially owned by Golden Stream Ltd. represents 2,500,000,000 Class B ordinary shares directly held by Golden Stream Ltd., the current ESOP Platform of the Company. Golden Stream Ltd. holds the Shares underlying the share-based awards pursuant to the Company's 2022 Equity Incentive Plan (the "2022 Plan") and will act upon the instructions of a senior management committee of the Company consisting of Chengcai Qu, Zhichen (Frank) Sun and Jiamin Chen determined on a unanimous basis in relation to the voting and, prior to the vesting of the Shares to the relevant grantee of the share-based awards the Company may grant under the 2022 Plan, the disposition of these Class B ordinary shares.

(2) Includes 2,500,000,000 Class B ordinary shares held by Golden Stream Ltd. (see footnote (1) above).

To our knowledge, 1,668,403,875,000Class A ordinary shares, representing approximately 58.8% of our total outstanding ordinary shares, were held by one record shareholder with registered addresses in the United States, our depositary. We are not aware of any arrangement that may, at a subsequent date, result in a change of control of our company.

ITEM 7. MAJOR SHAREHOLDERS AND RELATED PARTY TRANSACTIONS

A. Major Shareholders

Please refer to "Item 6. Directors, Senior Management and Employees—E. Share Ownership."

B. Related Party Transactions

Contractual Arrangements with the VIEs and Their Shareholders

PRC laws and regulations restrict foreign ownership and investment in value-added telecommunications services in China. As a result, we conducted certain business through Huaming Insurance and Huaming Yunbao, the VIEs, based on a series of contractual arrangements. See "Item 4. Information on the Company — C. Organizational Structure — Contractual Arrangements with the VIEs and Their Shareholders" for details.

Employment Agreements and Indemnification Agreements

See "Item 6. Directors, Senior Management and Employees—B. Compensation—Employment Agreements and Indemnification Agreements."

Share Incentives

See "Item 6. Directors, Senior Management and Employees—B. Compensation—Stock Options and RSUs."

Convertible Notes and Warrants

We have issued convertible notes and warrants to Key Space (S) Pte Ltd., an entity controlled by certain shareholder of us. In FY 2021 and FY 2022, we issued convertible notes in exchange for cash of US$17.6 million and US$2.8 million, respectively, to Key Space (S) Pte Ltd. As of the date of this Shell Company Report on Form 20-F, we have issued 22 installments of convertible notes and raised proceeds of US$44.4 million in aggregate from Key Space (S) Pte Ltd. In FY 2021 and FY 2022, we accrued interest expenses of RMB49.5 million and RMB32.7 million (US$4.6 million) on the convertible notes, respectively. See "Item 5. Operating and Financial Review and Prospects—B. Liquidity and Capital Resources —Convertible Notes and Warrants." On May 25, 2022, we settled convertible notes and all the accrued but unpaid interest. In the meantime, the warrants to subscribe the ADSs were cancelled.

Related Party Transactions of Alpha Mind

Due from Related Parties

As of December 31, 2021, 2022 and June 30, 2023, members of Alpha Mind's management owed a total US$34,361, US$20,784 and US$949 to Alpha Mind, respectively, in relation to business operation. For the years ended December 31, 2021, members of Alpha Mind's management owed a total US$4,850 to Alpha Mind. For the year ended December 31, 2022 and the six months ended June 30, 2023, members of Alpha Mind's management paid a total US$13,577 and US$19,835 to Alpha Mind, respectively. The amounts are non-interest bearing, unsecured and repayable on demand.

Due to Related Parties

As of December 31, 2021, 2022 and June 30, 2023, Alpha Mind owed a total US$74,739, US$16,723 and US$52,298 to members of its management team which represent expenses paid by these personnel on behalf of Alpha Mind, respectively. For the years ended December 31, 2021 and 2022, Alpha Mind repaid its management team a total US$11,791 and US$58,016, respectively. For the six months ended June 30, 2023, Alpha Mind received a total US$35,575 from its management team. The amounts are non-interest bearing, unsecured and repayable on demand.

C. Interests of Experts and Counsel

Not applicable.

ITEM 8. FINANCIAL INFORMATION

A. Consolidated Statements and Other Financial Information

The financial statements of FLJ Group Limited as of and for the years ended December 31, 2020, 2021, and 2022 and the interim financial statements of FLJ Group Limited as of and for the six months ended March 31, 2023 included with this Shell Company Report on Form 20-F have been prepared in accordance with U.S. GAAP. The financial statements of Alpha Mind as of and for the years ended December 31, 2021, and 2022 and the interim financial statements of Alpha Mind as of and for the six months ended June 30, 2023 included with this Shell Company Report on Form 20-F have been prepared in accordance with U.S. GAAP.

Legal Proceedings

Although we or our subsidiaries may, from time to time, be subject to legal, regulatory and/or administrative proceedings relating to third-party and principal intellectual property infringement claims, contract disputes involving suppliers and customers, consumer protection claims, claims relating to data and privacy protection, employment related disputes, unfair competition and other matters in the ordinary course of our business.

Dividend Policy

Our board of directors has discretion on whether to distribute dividends, subject to certain restrictions under Cayman Islands law, namely that our company may only pay dividends out of profits or share premium, and provided always that in no circumstances may a dividend be paid if this would result in our company being unable to pay its debts as they fall due in the ordinary course of business. Even if our board of directors decides to pay dividends, the form, frequency and amount will depend upon our future operations and earnings, capital requirements and surplus, general financial condition, contractual restrictions and other factors that the board of directors may deem relevant.

We do not have any plan to pay any cash dividends on our ordinary shares in the foreseeable future and intend to retain most, if not all, of our available funds and any future earnings to operate and expand our business.

We are a holding company incorporated in the Cayman Islands. We may rely on dividends from our subsidiaries in China for our cash requirements, including any payment of dividends to our shareholders. PRC regulations may restrict the ability of our PRC subsidiary to pay dividends to us. See "Item 4. Information on the Company—B. Business Overview—Regulations—Regulations Relating to Dividend Distribution" and "Item 10. Additional Information—E. Taxation—People's Republic of China Taxation."

If we pay any dividends on our ordinary shares, we will pay those dividends which are payable in respect of the Class A ordinary shares underlying our ADSs to the depositary, as the registered holder of such Class A ordinary shares, and the depositary then will pay such amounts to our ADS holders in proportion to the Class A ordinary shares underlying the ADSs held by such ADS holders, subject to the terms of the deposit agreement, including the fees and expenses payable thereunder. See "Item 12. Description of Securities Other Than Equity Securities—D. American Depositary Shares." Cash dividends on our ordinary shares, if any, will be paid in U.S. dollars.

B. Significant Changes

Except as disclosed elsewhere in this Shell Company Report on Form 20-F, we have not experienced any significant changes since June 30, 2023.

ITEM 9. THE OFFER AND LISTING

A. Offering and Listing Details

Our ADSs, each representing 600,000 of our Class A ordinary shares, have been listed on the NASDAQ Global Market since November 5, 2019. Our ADSs trade under the symbol "FLJ". In FY 2020, FY 2021 and FY 2022, no significant trading suspensions occurred.

B. Plan of Distribution

Not applicable.

C. Markets

The principal trading market for our ADSs is the NASDAQ Global Market.

D. Selling Shareholders

Not applicable.

E. Dilution

Not applicable.

F. Expenses of the Issue

Not applicable.

ITEM 10. ADDITIONAL INFORMATION

A. Share Capital

Our authorized share capital is US$1,000,000 divided into 10,000,000,000,000 shares of a nominal or par value of US$0.0000001 each, of which 8,500,000,000,000 shall be designated as Class A ordinary shares of a nominal or par value of US$0.0000001 each, 1,000,000,000,000 shall be designated as Class B ordinary shares of a nominal or par value of US$0.0000001 each, and 500,000,000,000 shall be designated as preferred shares of a nominal or par value of US$0.0000001 each.

Upon consummation of the Acquisition, 2,587,892,046,400 Class A ordinary shares, 250,000,000,000 Class B ordinary shares are issued and outstanding. All of our issued and outstanding ordinary shares are fully paid.

History of Securities Issuances

Except (i) on May 25, 2022, the issuance of 15,414,467,400 Class A ordinary shares as a result of conversion all of the outstanding principal amount and accrued but unpaid interest of the Company's convertible note dated July 29, 2020 (the "2020 CB"); (ii) on May 25, 2022, the issuance of 8,617,124,250 Class A ordinary shares to the lender (the "Lender") of an outstanding loan (the "Converted Loan") to set off the repayment obligation by the Company of outstanding principal amount and accrued but unpaid interest of the Converted Loan, and (iii) in November 2022, the issuance of 250,000,000,000 Class B ordinary shares under the 2022 Plan, we have not issued any other securities in the past three years.

B. Memorandum and Articles of Association

We are a Cayman Islands exempted company with limited liability and our corporate affairs are governed by our third amended and restated memorandum and articles of association, as amended from time to time and the Companies Act (As Revised), as amended and revised of the Cayman Islands (the "Companies Act"), and the common law of the Cayman Islands.

The following are summaries of material provisions of our third amended and restated memorandum and articles of association and the Companies Act insofar as they relate to the material terms of our Class A ordinary shares and Class B ordinary shares.

Ordinary Shares

General. Our ordinary shares are divided into Class A ordinary shares and Class B ordinary shares. Holders of our Class A ordinary shares and Class B ordinary shares have the same rights except for voting and conversion rights. Our ordinary shares are issued in registered form and are issued when registered in our register of members. Our shareholders who are non-residents of the Cayman Islands may freely hold and vote their shares.

Conversion. Each Class B ordinary share is convertible into one Class A ordinary share at any time at the option of the holder thereof. Class A ordinary shares are not convertible into Class B ordinary shares under any circumstances. Upon any transfer of Class B ordinary shares by a holder to any person or entity which is not an affiliate of such holder, such Class B ordinary shares shall be automatically and immediately converted into the equivalent number of Class A ordinary shares.

Dividends. The holders of our ordinary shares are entitled to such dividends as may be declared by our board of directors. Our third amended and restated articles of association provide that dividends may be declared and paid out of our profits, realized or unrealized, or from any reserve set aside from profits which our board of directors determine is no longer needed. Dividends may also be declared and paid out of share premium account or any other fund or account which can be authorized for this purpose in accordance with the Companies Act.

Voting Rights. Holders of our ordinary shares have the right to receive notice of, attend, speak and vote at general meetings of our company. Except as required by applicable law and subject to the third amended and restated memorandum and articles of association, holders of Class A ordinary shares and Class B ordinary shares shall at all times vote together as one class on all matters submitted to a vote of the shareholders.

At any general meeting on a poll, every shareholder holding Class A ordinary shares present in person or by proxy or, in the case of a shareholder being a corporation, by its duly authorized representative shall have one (1) vote for every fully paid Class A ordinary share of which he is the holder; and every shareholder holding Class B ordinary shares present in person or by proxy or, in the case of a shareholder being a corporation, by its duly authorized representative shall have ten (10) votes for every fully paid Class B ordinary share of which he is the holder.

A resolution put to the vote of a meeting shall be decided by way of a poll save that the chairman of the meeting may in good faith, allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands in which case (i) every shareholder holding Class A ordinary shares present in person (or being a corporation, is present by a duly authorized representative), or by proxy(ies) shall have one (1) vote, and (ii) every shareholder holding Class B ordinary shares present in-person (or being a corporation, is present by a duly authorized representative), or by proxy(ies) shall have ten (10) votes, provided that, notwithstanding anything contained in our third amended and restated memorandum and articles of association, where more than one proxy is appointed by a shareholder which is a clearing house or a central depository house (or its nominee(s)), each such proxy shall have one vote on a show of hands. For the purposes of our third amended and restated memorandum and articles of association, procedural and administrative matters are those that (i) are not on the agenda of the general meeting or in any supplementary circular that may be issued by us to the shareholders; and (ii) relate to the chairman's duties to maintain the orderly conduct of the meeting and/or allow the business of the meeting to be properly and effectively dealt with, whilst allowing all shareholders a reasonable opportunity to express their views.

An ordinary resolution to be passed at a meeting by the shareholders requires the affirmative vote of a simple majority of the votes attaching to the shares cast at a meeting, while a special resolution requires the affirmative vote of no less than two-thirds of the votes attaching to the shares cast at a meeting. A special resolution will be required for important matters such as a change of name, making changes to our third amended and restated memorandum and articles of association, a reduction of our share capital and the winding up of our Company.

Transfer of Ordinary Shares. Subject to the restrictions contained in our third amended and restated memorandum and articles of association, any of our shareholders may transfer all or any of his or her ordinary shares by an instrument of transfer in the usual or common form or any other form approved by our board of directors.

Our board of directors may, in its absolute discretion, and without giving any reason therefor, refuse to register a transfer of any share that is not a fully paid up share to a person of whom it does not approve, or any share issued under any share incentive scheme for employees upon which a restriction on transfer imposed thereby still subsists, and it may also, without prejudice to the foregoing generality, refuse to register a transfer of any share to more than four joint holders or a transfer of any share that is not a fully paid up share on which we have a lien. Our board of directors may also decline to register any transfer of any ordinary share unless:

- the instrument of transfer is lodged with us, accompanied by the certificate for the ordinary shares to which it relates and such other evidence as our board of directors may reasonably require to show the right of the transferor to make the transfer;
- the instrument of transfer is in respect of only one class of ordinary shares;
- the instrument of transfer is properly stamped, if required;
- a fee of such maximum sum as the Nasdaq may determine to be payable or such lesser sum as our directors may from time to time require is paid to us in respect thereof.

If our directors refuse to register a transfer, they shall, within three months after the date on which the instrument of transfer was lodged, send to each of the transferor and the transferee notice of such refusal.

The registration of transfers may, after compliance with any notice required of the Nasdaq, be suspended and the register of members closed at such times and for such periods as our board of directors may from time to time determine, provided, however, that the registration of transfers shall not be suspended nor the register of members closed for more than 30 days in any year as our board may determine.

Liquidation. On a return of capital on winding up or otherwise (other than on conversion, redemption or purchase of ordinary shares), assets available for distribution among the holders of ordinary shares shall be distributed among the holders of the ordinary shares on a pro rata basis. If our assets available for distribution are insufficient to repay all of the paid-up ordinary share capital, the assets will be distributed so that the losses are borne by our holders of ordinary shares proportionately.

Calls on Ordinary Shares and Forfeiture of Ordinary Shares. Our board of directors may from time to time make calls upon shareholders for any amounts unpaid on their ordinary shares in a notice served to such shareholders at least 14 clear days prior to the specified time of payment. The ordinary shares that have been called upon and remain unpaid are subject to forfeiture.

Redemption of Ordinary Shares. The Companies Act and our third amended and restated articles of association permit us to purchase our own shares. In accordance with our third amended and restated articles of association and provided the necessary shareholders or board approval have been obtained, we may issue shares on terms that are subject to redemption, at our option or at the option of the holders of these shares, on such terms and in such manner, including out of capital, as may be determined by our board of directors.

Variations of Rights of Shares. All or any of the special rights attached to any class of shares may, subject to the provisions of the Companies Act, be varied with the sanction of a special resolution passed at a general meeting of the holders of the shares of that class. Separate general meetings of the holders of a class or series of shares may be called only by (i) the chairman of our board of directors, or (ii) a majority of our board of directors (unless otherwise specifically provided by the terms of issue of the shares of such class or series), and nothing in the third amended and restated memorandum and articles of association shall give any shareholder or shareholders the right to call a class or series meeting. The rights conferred upon the holders of the shares of any class issued shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking pari passu with such existing class of shares.

General Meetings of Shareholders

A quorum required for a meeting of shareholders consists of one or more shareholders present in person or by proxy representing not less than one-third of all voting power of the company's share capital in issue. (i) A majority of our board of directors, or (ii) the chairman of our board of directors, or (iii) any director, where required to give effect to a requisition received under the third amended and restated memorandum and articles of association, may call extraordinary general meetings, which extraordinary general meetings shall be held at such times and locations (as permitted hereby) as such person or persons shall determine.

Any one or more shareholders holding at the date of deposit of the requisition not less than two-thirds of the voting power of our share capital in issue carrying the right of voting at general meetings of our company shall at all times have the right, by written requisition to our board of directors or our secretary, to require an extraordinary general meeting to be called by our board of directors for the transaction of any business permitted by the Companies Act or the third amended and restated memorandum and articles of association (subject to the below) as specified in such requisition; and such meeting shall be held within two (2) months after the deposit of such requisition. If within twenty-one (21) days of such deposit our board of directors fails to proceed to convene such meeting, the requisitionist(s) himself or herself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of our board of directors shall be reimbursed to the requisitionist(s) by us.

A meeting requisitioned under the third amended and restated memorandum and articles of association shall not be permitted to consider or vote upon (A) any resolutions with respect to the election, appointment or removal of directors or with respect to the size of our board of directors, unless such proposal is first approved by our nominating and corporate governance committee; or (B) other than a special resolution in respect of the appointment or removal of any director, any special resolution or any matters required to be passed by way of special resolution pursuant to the third amended and restated memorandum and articles of association or the Companies Act. Written notice shall be given not less than ten clear days before the date of any general meeting.

Inspection of Books and Records

Holders of our ordinary shares will have no general right under Cayman Islands law to inspect or obtain copies of our list of shareholders or our corporate records. However, in our third amended and restated memorandum and articles of association we provide our shareholders with the right to inspect our list of shareholders and to receive annual audited financial statements. See "—H. Documents on Display."

Changes in Capital

We may from time to time by ordinary resolution:

- increase the share capital by such sum, to be divided into shares of such classes and amount, as the resolution shall prescribe;
- consolidate and divide all or any of our share capital into shares of a larger amount than our existing shares;
- sub-divide our existing shares, or any of them into shares of a smaller amount; or
- cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person and diminish the amount of our share capital by the amount of the shares so canceled.

We may by special resolution, subject to any confirmation or consent required by the Companies Act, reduce our share capital or any capital redemption reserve in any manner permitted by law.

Proceedings of the Directors

Our board of directors may meet for the dispatch of business, adjourn and otherwise regulate its meetings as it considers appropriate. Questions arising at any meeting shall be determined by a majority of votes, other than (i) any removal of any person as a director, or (ii) any appointment or removal of any person as the chairman of our board of directors, or (iii) any removal of any person as chairman or other member of any committee of our board of directors which, in each case, shall be determined by a resolution passed by a majority of not less than two-thirds of votes cast by such directors as, being entitled so to do, vote at a meeting of our board of directors. In the case of any equality of votes, the chairman of the meeting shall have an additional or casting vote. A meeting of our board of directors may be convened by (i) the chairman of our board of directors, or (ii) a majority of the directors. Our secretary shall convene a meeting of our board of directors whenever so required to do by the chairman of our board of directors or a majority of the directors by notice in writing to each director. A meeting of our board of directors may be called by not less than two (2) clear days' notice. A meeting of our board of directors may be called by shorter notice if it is so agreed by all the directors entitled to attend and vote at such a meeting. Any notice of a meeting of our board of directors shall (i) specify the time and place of the meeting, and (ii) set out in reasonable detail the nature of the business to be discussed at the meeting. Notice may be given in writing or by telephone or in such other manner as our board of directors may from time to time determine.

A resolution in writing signed by all the directors (other than in the circumstances set out in article 85 in our third amended and restated memorandum and articles of association) except such as are temporarily unable to act due to ill-health or disability shall (provided that (i) the circulation of such resolutions has the prior approval of, and is initiated by, the chairman of our board of directors, (ii) such number of signatories includes the chairman of our board of directors and is sufficient to constitute a quorum, and (iii) further provided that a copy of such resolution has been given or the contents thereof communicated to all the directors for the time being entitled to receive notices of board meetings in the same manner as notices of meetings are required to be given by our third amended and restated memorandum and articles of association) be as valid and effectual as if a resolution had been passed at a meeting of our board of directors duly convened and held.

Exempted Company

We are an exempted company with limited liability incorporated under the Companies Act. The Companies Act in the Cayman Islands distinguishes between ordinary resident companies and exempted companies. Any company that is registered in the Cayman Islands but conducts business mainly outside of the Cayman Islands may apply to be registered as an exempted company. The requirements for an exempted company are essentially the same as for an ordinary company except for the exemptions and privileges listed below:

- an exempted company does not have to file an annual return of its shareholders with the Registrar of Companies;
- an exempted company's register of members is not open to inspection;
- an exempted company does not have to hold an annual general meeting;
- an exempted company may issue no par value shares;
- an exempted company may obtain an undertaking against the imposition of any future taxation (such undertakings are usually given for 20 years in the first instance);
- an exempted company may register by way of continuation in another jurisdiction and be deregistered in the Cayman Islands;
- an exempted company may register as a limited duration company;
- an exempted company may register as a segregated portfolio company; and
- may apply to be registered as a special economic zone company.

"Limited liability" means that the liability of each shareholder is limited to the amount unpaid by the shareholder on the shares of the company. We are subject to reporting and other informational requirements of the Exchange Act, as applicable to foreign private issuers. We currently intend to comply with the Nasdaq rules in lieu of following home country practice. The Nasdaq rules require that every company listed on the Nasdaq hold an annual general meeting of shareholders. In addition, our third amended and restated articles of association allow directors to call extraordinary meeting of shareholders pursuant to the procedures set forth in our articles.

Differences in Corporate Law

The Companies Act is modeled after that of England and Wales but does not follow recent statutory enactments in England. In addition, the Companies Act differs from laws applicable to United States corporations and their shareholders. Set forth below is a summary of the significant differences between the provisions of the Companies Act applicable to us and the laws applicable to companies incorporated in the State of Delaware.

Mergers and Similar Arrangements

A merger of two or more constituent companies under Cayman Islands law requires a plan of merger or consolidation to be approved by the directors of each constituent company and authorization by a special resolution of the members of each constituent company.

A merger between a Cayman parent company and its Cayman subsidiary or subsidiaries does not require authorization by a resolution of shareholders. For this purpose a subsidiary is a company of which at least ninety percent (90%) of the issued shares entitled to vote are owned by the parent company.

The consent of each holder of a fixed or floating security interest over a constituent company is required unless this requirement is waived by a court in the Cayman Islands.

Save in certain circumstances, a dissentient shareholder of a Cayman constituent company is entitled to payment of the fair value of his shares upon dissenting to a merger or consolidation. The exercise of appraisal rights will preclude the exercise of any other rights save for the right to seek relief on the grounds that the merger or consolidation is void or unlawful.

In addition, there are statutory provisions that facilitate the reconstruction and amalgamation of companies, provided that the arrangement is approved by (i) in the case of a members' scheme of arrangement, seventy-five per cent in value of the members or class of members, as the case may be, with whom the arrangement is to be made or (ii) in the case of a creditors scheme of arrangement, a majority in number of each class of creditors with whom the arrangement is to be made, and who must in addition represent seventy-five per cent in value of each such class of creditors, as the case may be, that are present and voting either in person or by proxy at a meeting, or meetings, convened for that purpose. The convening of the meetings and subsequently the arrangement must be sanctioned by the Grand Court of the Cayman Islands. While a dissenting shareholder has the right to express to the court the view that the transaction ought not to be approved, the court can be expected to approve the arrangement if it determines that:

- the statutory provisions as to the required majority vote have been met;
- the shareholders have been fairly represented at the meeting in question and the statutory majority are acting bona fide without coercion of the minority to promote interests adverse to those of the class;
- the arrangement is such that may be reasonably approved by an intelligent and honest man of that class acting in respect of his interest; and
- the arrangement is not one that would more properly be sanctioned under some other provision of the Companies Act.

When a takeover offer is made and accepted by holders of 90% of the shares the subject of the offer within four months, the offeror may, within a two-month period commencing on the expiration of such four month period, require the holders of the remaining shares to transfer such shares on the terms of the offer. An objection can be made to the Grand Court of the Cayman Islands but this is unlikely to succeed in the case of an offer which has been so approved unless there is evidence of fraud, bad faith or collusion.

If an arrangement and reconstruction is thus approved, the dissenting shareholder would have no rights comparable to appraisal rights, which would otherwise ordinarily be available to dissenting shareholders of Delaware corporations, providing rights to receive payment in cash for the judicially determined value of the shares.

The Companies Act also contains statutory provisions which provide that a company may present a petition to the Grand Court of the Cayman Islands for the appointment of a restructuring officer on the grounds that the company (a) is or is likely to become unable to pay its debts within the meaning of section 93 of the Companies Act; and (b) intends to present a compromise or arrangement to its creditors (or classes thereof) either, pursuant to the Companies Act, the law of a foreign country or by way of a consensual restructuring. The petition may be presented by a company acting by its directors, without a resolution of its members or an express power in its articles of association. On hearing such a petition, the Cayman Islands court may, among other things, make an order appointing a restructuring officer or make any other order as the court thinks fit.

Shareholders' Suits

In principle, we will normally be the proper plaintiff and as a general rule a derivative action may not be brought by a minority shareholder. However, based on English authorities, which would in all likelihood be of persuasive authority in the Cayman Islands, there are exceptions to the foregoing principle, including when:

- a company acts or proposes to act illegally or ultra vires;
- the act complained of, although not ultra vires, could only be effected duly if authorized by more than the number of votes which have actually been obtained; and
- those who control the company are perpetrating a "fraud on the minority."

A shareholder may have a direct right of action against us where the individual rights of that shareholder have been infringed or are about to be infringed.

Indemnification of Directors and Executive Officers and Limitation of Liability

Cayman Islands law does not limit the extent to which a company's memorandum and articles of association may provide for indemnification of officers and directors, except to the extent any such provision may be held by the Cayman Islands courts to be contrary to public policy, such as to provide indemnification against civil fraud or the consequences of committing a crime. Our third amended and restated memorandum and articles of association permit indemnification of officers and directors for losses, damages, costs and expenses incurred in their capacities as such unless such losses or damages arise from dishonesty or fraud which may attach to such directors or officers. This standard of conduct is generally the same as permitted under the Delaware General Corporation Law for a Delaware corporation. In addition, we have entered into indemnification agreements with our directors and senior executive officers that provide such persons with additional indemnification beyond that provided in our third amended and restated memorandum and articles of association.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to our directors, officers or persons controlling us under the foregoing provisions, we have been informed that, in the opinion of the SEC, such indemnification is against public policy as expressed in the Securities Act and is therefore unenforceable.

Anti-Takeover Provisions in the Memorandum and Articles of Association

Some provisions of our third amended and restated memorandum and articles of association may discourage, delay or prevent a change in control of our company or management that shareholders may consider favorable, including provisions that authorize our board of directors to issue preferred shares in one or more series and to designate the price, rights, preferences, privileges and restrictions of such preferred shares without any further vote or action by our shareholders.

However, under Cayman Islands law, our directors may only exercise the rights and powers granted to them under our third amended and restated memorandum and articles of association, as amended and restated from time to time, for what they believe in good faith to be in the best interests of our company.

Directors' Fiduciary Duties

Under Delaware corporate law, a director of a Delaware corporation has a fiduciary duty to the corporation and its shareholders. This duty has two components: the duty of care and the duty of loyalty. The duty of care requires that a director act in good faith, with the care that an ordinarily prudent person would exercise under similar circumstances. Under this duty, a director must inform himself of, and disclose to shareholders, all material information reasonably available regarding a significant transaction. The duty of loyalty requires that a director act in a manner he or she reasonably believes to be in the best interests of the corporation. He or she must not use his or her corporate position for personal gain or advantage. This duty prohibits self-dealing by a director and mandates that the best interest of the corporation and its shareholders take precedence over any interest possessed by a director, officer or controlling shareholder and not shared by the shareholders generally. In general, actions of a director are presumed to have been made on an informed basis, in good faith and in the honest belief that the action taken was in the best interests of the corporation. However, this presumption may be rebutted by evidence of a breach of one of the fiduciary duties. Should such evidence be presented concerning a transaction by a director, a director must prove the procedural fairness of the transaction, and that the transaction was of fair value to the corporation.

As a matter of Cayman Islands law, a director of a Cayman Islands company is in the position of a fiduciary with respect to the company and therefore it is considered that he owes the following duties to the company — a duty to act *bona fide* in the best interests of the company, a duty not to make a profit based on his or her position as director (unless the company permits him to do so) and a duty not to put himself in a position where the interests of the company conflict with his or her personal interest or his or her duty to a third party. A director of a Cayman Islands company owes to the company a duty to act with skill and care. It was previously considered that a director need not exhibit in the performance of his or her duties a greater degree of skill than may reasonably be expected from a person of his or her knowledge and experience. However, English and Commonwealth courts have moved towards an objective standard with regard to the required skill and care and these authorities are likely to be followed in the Cayman Islands.

Shareholder Action by Written Consent

Under the Delaware General Corporation Law, a corporation may eliminate the right of shareholders to act by written consent by amendment to its certificate of incorporation. Our third amended and restated articles of association provide that shareholders may not approve corporate matters by way of a unanimous written resolution signed by or on behalf of each shareholder who would have been entitled to vote on such matter at a general meeting without a meeting being held.

Shareholder Proposals

Under the Delaware General Corporation Law, a shareholder has the right to put any proposal before the annual meeting of shareholders, provided it complies with the notice provisions in the governing documents. A special meeting may be called by the board of directors or any other person authorized to do so in the governing documents, but shareholders may be precluded from calling special meetings.

Our third amended and restated articles of association allow our shareholders to requisition a shareholders' meeting (see above). As an exempted Cayman Islands company, we are not obliged by law to call shareholders' annual general meetings though we may do so.

Cumulative Voting

Under the Delaware General Corporation Law, cumulative voting for elections of directors is not permitted unless the corporation's certificate of incorporation specifically provides for it. Cumulative voting potentially facilitates the representation of minority shareholders on a board of directors since it permits the minority shareholder to cast all the votes to which the shareholder is entitled on a single director, which increases the shareholder's voting power with respect to electing such director. As permitted under Cayman Islands law, our third amended and restated articles of association do not provide for cumulative voting. As a result, our shareholders are not afforded any less protections or rights on this issue than shareholders of a Delaware corporation.

Removal of Directors

Under the Delaware General Corporation Law, a director of a corporation with a classified board may be removed only for cause with the approval of a majority of the outstanding shares entitled to vote, unless the certificate of incorporation provides otherwise. Subject to any provision to the contrary in our third amended and restated memorandum and articles of association, a director may, at any time before the expiration of his or her period of office (notwithstanding anything in our third amended and restated memorandum and articles of association or in any agreement between our company and such director (but without prejudice to any claim for damages under any such agreement)) be removed by way of either (a) a special resolution of the shareholders; or (b) the affirmative vote of a majority of the remaining directors present and voting at a board meeting; or (c) a resolution in writing (which complies with the requirements of the provisos contained in article 119 of our third amended and restated memorandum and articles of association) signed by all the directors other than the director being removed.

Transactions with Interested Shareholders

The Delaware General Corporation Law contains a business combination statute applicable to Delaware corporations whereby, unless the corporation has specifically elected not to be governed by such statute by amendment to its certificate of incorporation, it is prohibited from engaging in certain business combinations with an "interested shareholder" for three years following the date that such person becomes an interested shareholder. An interested shareholder generally is a person or a group who or which owns or owned 15% or more of the target's outstanding voting stock within the past three years. This has the effect of limiting the ability of a potential acquirer to make a two-tiered bid for the target in which all shareholders would not be treated equally. The statute does not apply if, among other things, prior to the date on which such shareholder becomes an interested shareholder, the board of directors approves either the business combination or the transaction which resulted in the person becoming an interested shareholder. This encourages any potential acquirer of a Delaware corporation to negotiate the terms of any acquisition transaction with the target's board of directors.

Cayman Islands law has no comparable statute. As a result, we cannot avail ourselves of the types of protections afforded by the Delaware business combination statute. However, although Cayman Islands law does not regulate transactions between a company and its significant shareholders, it does provide that such transactions must be entered into *bona fide* in the best interests of the company and for a proper corporate purpose and not with the effect of constituting a fraud on the minority shareholders.

Dissolution; Winding Up

Under the Delaware General Corporation Law, unless the board of directors approves the proposal to dissolve, dissolution must be approved by shareholders holding 100% of the total voting power of the corporation. Only if the dissolution is initiated by the board of directors may it be approved by a simple majority of the corporation's outstanding shares. Delaware law allows a Delaware corporation to include in its certificate of incorporation a supermajority voting requirement in connection with dissolutions initiated by the board. Under Cayman Islands law, a company may be wound up by either an order of the courts of the Cayman Islands or by a special resolution of its members or, if the company is unable to pay its debts, by an ordinary resolution of its members. The court has authority to order winding up in a number of specified circumstances including where it is, in the opinion of the court, just and equitable to do so.

Under the Companies Act and our third amended and restated articles of association, our company may be dissolved, liquidated or wound up by a special resolution of shareholders.

Variation of Rights of Shares

Under the Delaware General Corporation Law, a corporation may vary the rights of a class of shares with the approval of a majority of the outstanding shares of such class, unless the certificate of incorporation provides otherwise. Under Cayman Islands law and our third amended and restated articles of association, if our share capital is divided into more than one class of shares, we may vary the rights attached to any class only with the sanction of a special resolution passed at a general meeting of the holders of the shares of that class.

Amendment of Governing Documents

Under the Delaware General Corporation Law, a corporation's governing documents may be amended with the approval of a majority of the outstanding shares entitled to vote, unless the certificate of incorporation provides otherwise. As permitted by Cayman Islands law, our third amended and restated memorandum and articles of association may only be amended by a special resolution of shareholders.

Rights of Non-Resident or Foreign Shareholders

There are no limitations imposed by our third amended and restated memorandum and articles of association on the rights of non-resident or foreign shareholders to hold or exercise voting rights on our shares. In addition, there are no provisions in our third amended and restated memorandum and articles of association governing the ownership threshold above which shareholder ownership must be disclosed.

Directors' Power to Issue Shares

Subject to applicable law, our board of directors is empowered to issue or allot shares or grant options and warrants with or without preferred, deferred, qualified or other special rights or restrictions.

Limitations or Qualifications

We have a dual-class voting structure such that our ordinary shares consist of Class A ordinary shares and Class B ordinary shares. Holders of Class A ordinary shares are entitled to one vote per share in respect of matters requiring the votes of shareholders, while holders of Class B ordinary shares are entitled to ten (10) votes per share, subject to certain exceptions. Due to the super voting power of Class B ordinary share holder, the voting power of the Class A ordinary shares may be materially limited.

C. Material Contracts

We have not entered into any material contracts other than in the ordinary course of business and other than those described in "Item 4. Information on the Company," "Item 7. Major Shareholders and Related Party Transactions—B. Related Party Transactions," or elsewhere in this Shell Company Report on Form 20-F.

D. Exchange Controls

See "Item 4. Information on the Company—B. Business Overview—Regulations—Regulations Relating to Foreign Exchange."

E. Taxation

The following summary of the material Cayman Islands, PRC and U.S. federal income tax consequences of an investment in ADSs or Class A ordinary shares is based upon laws and relevant interpretations thereof in effect as of the date of this Shell Company Report on Form 20-F, all of which are subject to change. This summary does not deal with all possible tax consequences relating to an investment in ADSs or Class A ordinary shares, such as the tax consequences under U.S. state and local tax laws or under the tax laws of jurisdictions other than the Cayman Islands, the People's Republic of China and the United States.

Cayman Islands Taxation

The Cayman Islands currently levies no taxes on individuals or corporations based upon profits, income, gains or appreciation and there is no taxation in the nature of inheritance tax or estate duty.

Pursuant to the Tax Concessions Act of the Cayman Islands, we have obtained an undertaking: (a) that no law which is enacted in the Cayman Islands imposing any tax to be levied on profits or income or gains or appreciations shall apply to us or our operations; and (b) that the aforesaid tax or any tax in the nature of estate duty or inheritance tax shall not be payable on the shares, debentures or other obligations of us. The undertaking is for a period of twenty years from March 8, 2018.

Payments of dividends and capital in respect of the shares of our company will not be subject to taxation in the Cayman Islands and no withholding will be required on the payment of a dividend or capital to any holder of the shares, nor will gains derived from the disposal of the ordinary shares be subject to Cayman Islands income or corporation tax.

Certain stamp duties may be applicable, from time to time, on certain instruments executed in or brought into the Cayman Islands. No stamp duty is payable in the Cayman Islands on transfers of shares of Cayman Islands companies except those which hold interests in land in the Cayman Islands.

People's Republic of China Taxation

Under the PRC Enterprise Income Tax 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 at the rate of 25% on its global income. 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 State Administration of Taxation 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, the criteria set forth in the circular may reflect the State Administration of Taxation'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 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 do not believe that FLJ Group Limited meets all of the conditions above. FLJ Group Limited is a company incorporated outside the PRC. As a holding company, its key assets are its ownership interests in its subsidiaries, and its key assets are located, and its records (including the resolutions of its board of directors and the resolutions of its shareholders) are maintained, outside the PRC. For the same reasons, we believe our other entities outside of China are not PRC resident enterprises either. 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." There can be no assurance that the PRC government will ultimately take a view that is consistent with ours.

However, if the PRC tax authorities determine that FLJ Group Limited is a PRC resident enterprise for enterprise income tax purposes, we may be required to withhold a 10% withholding tax from dividends we pay to our shareholders that are Non-Resident Enterprises, including the holders of our ADSs. Such 10% tax rate could be reduced by applicable tax treaties or similar arrangements between China and the jurisdiction of our shareholders. For example, for shareholders eligible for the benefits of the tax treaty between China and Hong Kong, the tax rate is reduced to 5% for dividends if relevant conditions are met. In addition, Non-Resident Enterprise shareholders (including our ADS holders) may be subject to a 10% PRC tax on gains realized on the sale or other disposition of ADSs or ordinary shares, if such income is treated as sourced from within the PRC. It is unclear whether our non-PRC individual shareholders (including our ADS holders) would be subject to any PRC tax on dividends or gains obtained by such non-PRC individual shareholders in the event we are determined to be a PRC resident enterprise. If any PRC tax were to apply to such dividends or gains, it would generally apply at a rate of 20% unless a reduced rate is available under an applicable tax treaty. However, it is also unclear whether non-PRC shareholders of FLJ Group Limited would be able to claim the benefits of any tax treaties between their country of tax residence and the PRC in the event that FLJ Group Limited is treated as a PRC resident enterprise.

Provided that our Cayman Islands holding company, FLJ Group Limited, is not deemed to be a PRC resident enterprise, holders of our ADSs and Class A ordinary shares who are not PRC residents will not be subject to PRC income tax on dividends distributed by us or gains realized from the sale or other disposition of our shares or ADSs. However, under Circular 7, where a Non-Resident Enterprise conducts an "indirect transfer" by transferring taxable assets, including, in particular, equity interests in a PRC resident enterprise, indirectly by disposing of the equity interests of an overseas holding company, the non-resident enterprise, being the transferor, or the transferee or the PRC entity which directly owned such taxable assets may report to the relevant tax authority such indirect transfer. Using a "substance over form" principle, the PRC tax authority may disregard the existence of the overseas holding company if it lacks a reasonable commercial purpose and was established for the purpose of reducing, avoiding or deferring PRC tax. As a result, gains derived from such indirect transfer may be subject to PRC enterprise income tax, and the transferee would be obligated to withhold the applicable taxes, currently at a rate of 10% for the transfer of equity interests in a PRC resident enterprise. We and our non-PRC resident investors may be at risk of being required to file a return and being taxed under Circular 7, and we may be required to expend valuable resources to comply with Bulletin 37, or to establish that we should not be taxed under Circular 7 and Bulletin 37. See "Item 3. Key Information—D. Risk Factors—Risks Related to Doing Business in China—Our shareholders face uncertainties with respect to indirect transfers of equity interests in PRC resident enterprises by their non-PRC holding companies."

United States Federal Income Tax Considerations

The following is a summary of material U.S. federal income tax considerations that are likely to be relevant to the purchase, ownership and disposition of our Class A ordinary shares or ADSs by a U.S. Holder (as defined below).

This summary is based on provisions of the Internal Revenue Code of 1986, as amended, or the "Code," and regulations, rulings and judicial interpretations thereof, in force as of the date hereof. Those authorities may be changed at any time, perhaps retroactively, so as to result in U.S. federal income tax consequences different from those summarized below.

This summary is not a comprehensive discussion of all of the tax considerations that may be relevant to a particular investor's decision to purchase, hold, or dispose of Class A ordinary shares or ADSs. In particular, this summary is directed only to U.S. Holders that hold Class A ordinary shares or ADSs as capital assets and does not address all of the tax consequences that may be applicable to U.S. Holders who may be subject to special tax rules, such as banks, brokers or dealers in securities or currencies, traders in securities electing to mark-to-market, financial institutions, insurance companies, tax exempt entities, regulated investment companies, partnerships (including any entities or arrangements that are treated as partnerships for U.S. federal income tax purposes) and the partners therein, holders that own or are treated as owning 10% or more of our shares (measured by vote or value), persons holding Class A ordinary shares or ADSs as part of a hedging or conversion transaction or a straddle, or persons whose functional currency is not the U.S. dollar. Moreover, this summary does not address state, local or non-U.S. taxes, the U.S. federal estate and gift taxes, or the Medicare contribution tax applicable to net investment income of certain non-corporate U.S. Holders, or alternative minimum tax consequences of acquiring, holding or disposing of Class A ordinary shares or ADSs.

For purposes of this summary, a "U.S. Holder" is a beneficial owner of Class A ordinary shares or ADSs that is a citizen or resident of the United States or a U.S. domestic corporation or that otherwise is subject to U.S. federal income taxation on a net income basis in respect of such Class A ordinary shares or ADSs.

You should consult your own tax advisors about the consequences of the acquisition, ownership and disposition of the Class A ordinary shares or ADSs, including the relevance to your particular situation of the considerations discussed below and any consequences arising under non-U.S., state, local or other tax laws.

ADSs

In general, a U.S. Holder of ADSs will be treated, for U.S. federal income tax purposes, as the beneficial owner of the underlying Class A ordinary shares that are represented by those ADSs.

Taxation of Dividends

Subject to the discussion below under "—Passive Foreign Investment Company Rules," the gross amount of any distribution of cash or property with respect to our Class A ordinary shares or ADSs (including amounts, if any, withheld to reflect PRC taxes) that is paid out of our current or accumulated earnings and profits (as determined for U.S. federal income tax purposes) will generally be includible in your taxable income as ordinary dividend income on the day on which you receive the dividend, in the case of Class A ordinary shares, or the date the depositary receives the dividends, in the case of ADSs, and will not be eligible for the dividends received deduction allowed to U.S. corporations under the Code.

We do not expect to maintain calculations of our earnings and profits in accordance with U.S. federal income tax principles. U.S. Holders therefore should expect that distributions generally will be treated as dividends for U.S. federal income tax purposes.

Subject to certain exceptions for short-term and hedged positions, the dividends received by a non-corporate U.S. Holder with respect to the Class A ordinary shares or ADSs will be subject to taxation at a preferential rate if the dividends are "qualified dividends." Dividends paid on the Class A ordinary shares or ADSs will be treated as qualified dividends if:

- the Class A ordinary shares or ADSs on which the dividend is paid are readily tradable on an established securities market in the United States or we are eligible for the benefits of a comprehensive tax treaty with the United States that the U.S. Treasury determines is satisfactory for purposes of these rules and that includes an exchange of information program; and

- we were not, in the year prior to the year in which the dividend was paid, and are not, in the year in which the dividend is paid, a PFIC.

Our ADSs are listed on the NASDAQ Global Market, and the ADSs qualify as readily tradable on an established securities market in the United States so long as they are so listed. As discussed in more detail below, based on our financial statements, the manner in which we conduct our business and the relevant market data, we believe there is a significant risk that we were a PFIC for U.S. federal income tax purposes with respect to our 2022 taxable year. In addition, based on our financial statements, the manner in which we conduct our business, relevant market data and our current expectations regarding the value and nature of our assets and the sources and nature of our income, there is a significant risk that we will be a PFIC for our 2023 taxable year and in the foreseeable future.

Because the Class A ordinary shares are not themselves listed on a U.S. exchange, dividends received with respect to the Class A ordinary shares that are not represented by ADSs may not be treated as qualified dividends. U.S. Holders of Class A ordinary shares or ADSs should consult their own tax advisors regarding the potential availability of the reduced dividend tax rate in light of their own particular circumstances.

In the event that we are deemed to be a PRC resident enterprise under the PRC Enterprise Income Tax Law (see "—People's Republic of China Taxation"), a U.S. Holder may be subject to PRC withholding taxes on dividends paid on our ADSs or Class A ordinary shares. In that case, we may, however, be eligible for the benefits of the Agreement Between the Government of the United States of America and the Government of the People's Republic of China for the Avoidance of Double Taxation and the Prevention of Tax Evasion with Respect to Taxes on Income, or the "Treaty." If we are eligible for such benefits, dividends we pay on our Class A ordinary shares, regardless of whether such shares are represented by the ADSs, would be eligible for the reduced rates of taxation described above. Dividend distributions with respect to our Class A ordinary shares or ADSs generally will be treated as "passive category" income from sources outside the United States for purposes of determining a U.S. Holder's U.S. foreign tax credit limitation. Subject to generally applicable limitations and conditions, a U.S. Holder may be able to claim a foreign tax credit against its U.S. federal income tax liability in respect of any PRC income taxes withheld at the appropriate rate applicable to the U.S. Holder from a dividend paid to such U.S. Holder. These generally applicable limitations and conditions include new requirements recently adopted by the U.S. Internal Revenue Service ("IRS") and any PRC tax will need to satisfy these requirements in order to be eligible to be a creditable tax for a U.S. Holder. In the case of a U.S. Holder that is eligible for, and properly elects, the benefits of the Treaty, the PRC tax on dividends will be treated as meeting the new requirements and therefore as a creditable tax. In the case of all other U.S. Holders, the application of these requirements to the PRC tax on dividends is uncertain and we have not determined whether these requirements have been met. If the PRC dividend tax is not a creditable tax for a U.S. Holder or the U.S. Holder does not elect to claim a foreign tax credit for any foreign income taxes paid or accrued in the same taxable year, the U.S. Holder may be able to deduct the PRC tax in computing such U.S. Holder's federal taxable income for U.S. federal income tax purposes. The rules with respect to foreign tax credits are complex and involve the application of rules that depend on a U.S. Holder's particular circumstances. Accordingly, U.S. Holders are urged to consult their tax advisors regarding the availability of the foreign tax credit or the deductibility of foreign taxes under their particular circumstances.

U.S. Holders that receive distributions of additional ADSs or Class A ordinary shares or rights to subscribe for ADSs or Class A ordinary shares as part of a pro rata distribution to all our shareholders generally will not be subject to U.S. federal income tax in respect of the distributions.

Taxation of Dispositions of ADSs or Class A Ordinary Shares

Subject to the discussion below under "—Passive Foreign Investment Company Rules," upon a sale, exchange or other taxable disposition of the ADSs or Class A ordinary shares, U.S. Holders will realize gain or loss for U.S. federal income tax purposes in the amount equal to the difference between the amount realized on the disposition and the U.S. Holder's adjusted tax basis in the ADSs or Class A ordinary shares. Such gain or loss will be capital gain or loss and generally will be long-term capital gain or loss if the ADS or Class A ordinary shares have been held for more than one year. Long-term capital gain realized by a non-corporate U.S. Holder generally is subject to taxation at a preferential rate. The deductibility of capital losses is subject to limitations.

Gain, if any, realized by a U.S. Holder on the sale or other disposition of the ADSs or Class A ordinary shares generally will be treated as U.S. source income for U.S. foreign tax credit purposes. Under the new foreign tax credit requirements recently adopted by the IRS, any PRC tax imposed on the sale or other disposition of the ADSs or Class A ordinary shares generally will not be treated as a creditable tax for U.S. foreign tax credit purposes except in the case of a U.S. Holder that is eligible for, and properly elects to claim, the benefits of the Treaty. If the PRC tax is not a creditable tax or claimed as a credit by the U.S. holder pursuant to the Treaty, the tax would reduce the amount realized on the sale or other disposition of the ADSs or Class A ordinary shares even if the U.S. Holder has elected to claim a foreign tax credit for other taxes in the same year. In the event that gain from the disposition of the ADSs or Class A ordinary shares is subject to tax in the PRC, and a U.S. Holder is eligible for the benefits of the Treaty, such holder may elect to treat such gain as PRC source gain under the Treaty. If no such election is made by a U.S. Holder that is eligible for the benefits of the Treaty, such a U.S. Holder that does not receive significant foreign source income from other sources may not be able to derive effective U.S. foreign tax credit benefits in respect of such PRC tax. U.S. Holders should consult their own tax advisors regarding the application of the foreign tax credit rules to their investment in, and disposition of, the ADSs or Class A ordinary shares.

Deposits and withdrawals of Class A ordinary shares by U.S. Holders in exchange for ADSs will not result in the realization of gain or loss for U.S. federal income tax purposes.

Passive Foreign Investment Company Rules

Special U.S. tax rules apply to companies that are considered to be PFICs. We will be classified as a PFIC in a particular taxable year if either

- 75% or more of our gross income for the taxable year is passive income; or
- 50% or more of the value of our assets (generally determined on the basis of a quarterly average) is attributable to assets that produce or are held for the production of passive income.

For this purpose, passive income generally includes dividends, interest, royalties and rents (other than royalties and rents derived in the active conduct of a trade or business and not derived from a related person) and the excess of gains over losses from the disposition of assets that produce passive income. However, rents derived in the active conduct of a trade or business and received from an unrelated party are considered active income for these purposes. Goodwill is treated as an active asset under the PFIC rules to the extent attributable to activities that produce active income. Cash generally is a passive asset for these purposes. If we own at least 25% (by value) of the stock of another corporation, for purposes of determining whether we are a PFIC, we will be treated as owning our proportionate share of the other corporation's assets and receiving our proportionate share of the other corporation's income.

Based on our financial statements, the composition of our income and assets, the manner in which we conduct our business, the relevant market data and our current expectations regarding the value and nature of our assets and the sources and nature of our income, we believe there is a significant risk that we were a PFIC in our taxable year ending September 30, 2022. Further, there is a significant risk that we will be a PFIC for our current taxable year and in the foreseeable future. In particular, whether our rental income and any gain from the sale or other disposition of rental property is considered active for purposes of these tests depends upon whether our employees conduct sufficient marketing or other activities with respect to the rented properties in each taxable year to meet the requirements for an active rental business under applicable Treasury regulations. The PFIC tests must be applied each year.

In the event that we are classified as a PFIC in any year during which a U.S. Holder holds our Class A ordinary shares or ADSs and such U.S. Holder does not make a mark-to-market election, as described below, the U.S. Holder will be subject to a special tax at ordinary income tax rates on "excess distributions," including certain distributions by us (generally, any distributions that you receive in a taxable year that are greater than 125% of the average annual distributions received during the shorter of the three preceding taxable years or the U.S. Holder's holding period for the Class A ordinary shares or ADSs) and gain that the U.S. Holder recognizes on the sale of our ordinary shares or ADSs. Under these rules (a) the excess distribution or gain will be allocated ratably over the U.S. Holder's holding period, (b) the amount allocated to the current taxable year and any taxable year prior to the first taxable year in which we are a PFIC will be taxed as ordinary income, and (c) the amount allocated to each of the other taxable years will be subject to tax at the highest rate of tax in effect for the applicable class of taxpayer for that year, and an interest charge for the deemed deferral benefit will be imposed with respect to the resulting tax attributable to each such other taxable year. Further, if we are a PFIC for any year during which a U.S. Holder holds our Class A ordinary shares or ADSs, we generally will continue to be treated as a PFIC for all subsequent years during which such U.S. Holder holds our Class A ordinary shares or ADSs unless we cease to be a PFIC and the U.S. Holder makes a special "purging" election on IRS Form 8621. Additionally, dividends paid by us will not be eligible for the special reduced rate of taxes described above under "—Taxation of Dividends." Classification as a PFIC may also have other adverse tax consequences, including, in the case of individuals, the denial of a step up in the basis of his or her Class A ordinary shares or ADSs at death.

If we are a PFIC for any taxable year during which a U.S. Holder holds our ADSs or Class A ordinary shares and any of our non-U.S. subsidiaries is also a PFIC, such U.S. Holder will be treated as owning a proportionate amount (by value) of the shares of the lower-tier PFIC for purposes of the application of the PFIC rules. U.S. Holders should consult their own tax advisors about the possible application of the PFIC rules to any of our subsidiaries.

A U.S. Holder may be subject to alternative treatment by electing to mark its ADSs to market, provided the ADSs are treated as "marketable stock." The ADSs generally will be treated as marketable stock if the ADSs are "regularly traded" on a "qualified exchange or other market" (which includes the NASDAQ Global Market). It should also be noted that the Class A ordinary shares are not listed on the NASDAQ Global Market. Consequently, a U.S. Holder that holds Class A ordinary shares that are not represented by ADSs may not be eligible to make a mark-to-market election. If the U.S. Holder makes a mark-to-market election, (i) the U.S. Holder will be required in any year in which we are a PFIC to include as ordinary income the excess of the fair market value of its ADSs at the end of the U.S. Holder's taxable year over the U.S. Holder's basis in those ADSs and (ii) the U.S. Holder will be entitled to deduct as an ordinary loss in each such year the excess of the U.S. Holder's basis in its ADSs over their fair market value at the end of the U.S. Holder's taxable year, but only to the extent of the net amount previously included in income as a result of the mark-to-market election. A U.S. Holder's adjusted tax basis in its ADSs will be increased by the amount of any income inclusion and decreased by the amount of any deductions under the mark-to-market rules. In addition, any gain the U.S. Holder recognizes upon the sale of the U.S. Holder's ADSs in a year in which we are a PFIC will be taxed as ordinary income in the year of sale, and any loss the U.S. Holder recognizes upon the sale will be treated as ordinary loss, but only to the extent of the net amount of previously included income as a result of the mark to mark election. However, because a mark-to-market election cannot be made for equity interests in any lower-tier PFICs of the Company, a U.S. Holder would continue to be subject to the excess distribution rules with respect to subsidiaries of the Company that are PFICs, any distributions received by the Company from a subsidiary that is a PFIC, and any gain recognized by the Company upon a sale of equity interest of a subsidiary that is a PFIC, even if a mark-to-market election has been made by the U.S. Holder with respect to the ADSs. The interaction of the mark-to-market election rules and the rules governing lower-tier PFICs is complex and uncertain, and U.S. Holders should therefore consult their own tax advisors regarding the mark-to-market election as well as the application of the PFIC rules to their ownership of the ADSs.

ADSs will be considered to be regularly traded (i) during the current calendar year if they are traded, other than in de minimis quantities, on at least 1/6 of the days remaining in the quarter in which offering of the ADSs occurs, and on at least 15 days during each remaining quarter of the calendar year; and (ii) during any other calendar year if they are traded, other than in de minimis quantities, on at least 15 days during each calendar quarter. Once made, the election cannot be revoked without the consent of the IRS unless the shares cease to be marketable.

In some cases, a shareholder of a PFIC may also be subject to alternative treatment by making a "qualified electing fund" ("QEF") election to be taxed currently on its share of the PFIC's undistributed income. To make a QEF election, the PFIC must provide shareholders with certain information compiled according to U.S. federal income tax principles. We do not intend to make available the information necessary to make a QEF election, and such election therefore will not be available to you.

A U.S. Holder that owns an equity interest in a PFIC must annually file IRS Form 8621. A failure to file one or more of these forms as required may toll the running of the statute of limitations in respect of each of the U.S. Holder's taxable years for which such form is required to be filed. As a result, the taxable years with respect to which the U.S. Holder fails to file the form may remain open to assessment by the IRS indefinitely, until the form is filed.

U.S. Holders should consult their own tax advisors regarding the U.S. federal income tax considerations discussed above and the desirability of making a mark-to-market election.

Foreign Financial Asset Reporting

Certain U.S. Holders who are individuals that own "specified foreign financial assets" with an aggregate value in excess of US$50,000 on the last day of the taxable year or US$75,000 at any time during the taxable year are generally required to file an information statement along with their tax returns, currently on IRS Form 8938, with respect to such assets. "Specified foreign financial assets" include any financial accounts held at a non-U.S. financial institution, as well as securities issued by a non-U.S. issuer (which would include the Class A ordinary shares and the ADSs) that are not held in accounts maintained by financial institutions. Higher reporting thresholds apply to certain individuals living abroad and to certain married individuals. Regulations extend this reporting requirement to certain entities that are treated as formed or availed of to hold direct or indirect interests in specified foreign financial assets based on certain objective criteria. U.S. Holders that fail to report the required information could be subject to substantial penalties. In addition, the statute of limitations for assessment of tax would be suspended, in whole or part. Prospective investors should consult their own tax advisors concerning the application of these rules to their investment in the Class A ordinary shares or the ADSs, including the application of the rules to their particular circumstances.

Backup Withholding and Information Reporting

Dividends paid on, and proceeds from the sale or other disposition of, the ADSs or Class A ordinary shares that are paid to a U.S. Holder generally may be subject to the information reporting requirements of the Code and may be subject to backup withholding unless the U.S. Holder provides an accurate taxpayer identification number and makes any other required certification or otherwise establishes an exemption. Backup withholding is not an additional tax. The amount of any backup withholding from a payment to a U.S. Holder will be allowed as a refund or credit against the U.S. Holder's U.S. federal income tax liability, provided the required information is furnished to the IRS in a timely manner.

A holder that is a non-U.S. corporation or a non-resident alien individual may be required to comply with certification and identification procedures in order to establish its exemption from information reporting and backup withholding.

F. Dividends and Paying Agents

We do not contemplate paying any dividends in the immediate future, as it anticipates investing all available funds to finance the growth of our business. The board of directors will determine if, and when, to declare and pay dividends in the future from funds properly applicable to the payment of dividends based on our financial position at the relevant time. All ordinary shares will be entitled to an equal share in any dividends declared and paid on a per share basis. We have not currently identified a paying agent.

G. Statement by Experts

The combined financial statements of Alpha Mind as of and for the two years ended December 31, 2022 appearing in this Shell Company Report on Form 20-F have been audited by WWC, P.C., independent registered public accounting firm, as set forth in their report thereon appearing elsewhere herein, and are included in reliance upon such report given on the authority of such firm as experts in accounting and auditing. The offices of WWC, P.C. are located at 2010 Pioneer Court, San Mateo, CA 94403, United States.

The consolidated financial statements of FLJ Group Limited appearing in this Shell Company Report on Form 20-F have been audited by Marcum Asia CPAs LLP, independent registered public accounting firm, as set forth in their report thereon appearing elsewhere herein, and are included in reliance upon such report given on the authority of such firm as experts in accounting and auditing. The offices of Marcum Asia CPAs LLP are located at Suite 830, 7 Penn Plaza, New York, NY 10001, United States.

H. Documents on Display

We have filed a registration statement, including relevant exhibits, with the SEC on Form F-1 (Registration No. 333-234112) under the Securities Act to register the issuance and sale of our ordinary shares represented by ADSs in relation to our initial public offering. We have also filed a related registration statement on Form F-6 (Registration No. 333-234252) with the SEC to register the ADSs. We have also filed a registration statement on Form F-3 (File Number 333-258187) with the SEC.

We are subject to periodic reporting and other informational requirements of the Exchange Act as applicable to foreign private issuers. Accordingly, we are required to file reports, including annual reports on Form 20-F, and other information with the SEC. All information filed with the SEC can be obtained over the internet at the SEC's website at *www.sec.gov* or inspected and copied at the public reference facilities maintained by the SEC at 100 F Street, N.E., Washington, D.C. 20549. You can request copies of documents, upon payment of a duplicating fee, by writing to the SEC.

As a foreign private issuer, we are exempt under the Exchange Act from, among other things, the rules prescribing the furnishing and content of proxy statements, and our executive officers, directors and principal shareholders are exempt from the reporting and short swing profit recovery provisions contained in Section 16 of the Exchange Act. In addition, we are not required under the Exchange Act to file periodic reports and financial statements with the SEC as frequently or as promptly as U.S. companies whose securities are registered under the Exchange Act. However, we intend to furnish the depositary with our annual reports, which will include a review of operations and annual audited consolidated combined financial statements prepared in conformity with U.S. GAAP, and all notices of shareholders' meetings and other reports and communications that are made generally available to our shareholders. The depositary will make such notices, reports and communications available to holders of ADSs and, if we so request, will mail to all record holders of ADSs the information contained in any notice of a shareholders' meeting received by the depositary from us.

I. Subsidiary Information

Not applicable.

ITEM 11. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Interest Rate Risk

Our exposure to interest rate risk primarily relates to the interest rates for capital leases, rental installment loans and other financing arrangement, and bank borrowings. The interest rate risk may result from many factors, including government monetary and tax policies, domestic and international economic and political considerations, and other factors that are beyond our control. We may incur additional borrowings or other facilities in the future. Significant increases in interest rates may have an adverse impact on our earnings if we are unable to source rental apartments with rental rates high enough to offset the increase in interest rates for the rental installment loans, capital leases and other financing arrangement, and bank borrowings.

The sensitivity analysis below has been determined based on the exposure to interest rates for interest bearing bank balances and other borrowings with variable interest rates as of September 30, 2022. The analysis is prepared assuming that those balances outstanding as of September 30, 2019 and 2020 were outstanding for the whole financial year. A 10% increase or decrease which represents the management's assessment of the reasonably possible change in interest rates is used. Assuming no change in the outstanding balance of our existing interest bearing bank balances and other borrowings with variable interest rates as of September 30, 2022, a 10% increase or decrease in each applicable interest rate would add or deduct RMB6.7 million (US$0.9 million) to our interest expense in FY 2022.

This analysis does not consider the effects of the reduced level of overall economic activity that could exist in such an environment. In addition, in the event of a change of such magnitude, we would consider taking actions to mitigate our exposure to the change. However, because of the uncertainty of the specific actions that would be taken and their possible effects, the sensitivity analysis assumes no changes in our capital structure. We have not used any derivative financial instruments to manage our interest risk exposure.

Foreign Exchange Risk

The value of Renminbi against the U.S. dollar and other currencies may fluctuate and is affected by, among other things, changes in political and economic conditions and the foreign exchange policy adopted by the PRC government. On July 21, 2005, the PRC government changed its policy of pegging the value of the Renminbi to the U.S. dollar. Following the removal of the U.S. dollar peg, the Renminbi appreciated more than 20% against the U.S. dollar over the following three years. Between July 2008 and June 2010, this appreciation halted and the exchange rate between the Renminbi and the U.S. dollar remained within a narrow band. Since June 2010, the PRC government has allowed the Renminbi to appreciate slowly against the U.S. dollar again, and it has appreciated more than 10% since June 2010. On August 11, 2015, the PBOC announced plans to improve the central parity rate of the RMB against the U.S. dollar by authorizing market makers to provide parity to the China Foreign Exchange Trading Center operated by the PBOC with reference to the interbank foreign exchange market closing rate of the previous day, the supply and demand for foreign currencies as well as changes in exchange rates of major international currencies. Effective from October 1, 2016, the International Monetary Fund added Renminbi to its Special Drawing Rights currency basket. Such change and additional future changes may increase the volatility in the trading value of the Renminbi against foreign currencies. The (depreciation) /appreciation of the U.S. dollar against the Renminbi was approximately (5.0)%, (5.1)% and 10.4% in FY 2020, FY 2021 and FY 2022, respectively. The PRC government may adopt further reforms of its exchange rate system, including making the Renminbi freely convertible in the future. Accordingly, it is difficult to predict how market forces or PRC or U.S. government policy may impact the exchange rate between Renminbi and the U.S. dollar in the future.

As substantially all of our revenues and expenses are denominated in Renminbi, we do not believe that we currently have any significant direct foreign exchange risk, and have not used any derivative financial instruments to hedge exposure to such risk. Although our exposure to foreign exchange risks should be limited in general, the value of your investment in our ADSs will be affected by the exchange rate between U.S. dollar and Renminbi because the value of our business is effectively denominated in Renminbi, while our ADSs will be traded in U.S. dollars. In addition, the reporting currency of our company is Renminbi, the functional currency of our company is U.S. dollars, and the functional currency of our subsidiaries is their local currencies, which is Renminbi for our operating subsidiaries. Any significant revaluation of U.S. dollars may materially and adversely affect our earnings and shareholders' deficits in Renminbi given that a portion of our cash and cash equivalents are denominated in U.S. dollars. A 10% depreciation of U.S. dollars against Renminbi may increase loss and shareholders' deficits by RMB145.1 thousand (US$20.3 thousand) for FY 2022.

Liquidity Risk

We manage liquidity risk by closely and continuously monitoring our financial positions. We aim to maintain sufficient cash flows with internally generated from our operation, borrowings from financial institutions, issuance of convertible notes and principal shareholder's financial support. We also review forecasted cash flows on an on-going basis.

ITEM 12. DESCRIPTION OF SECURITIES OTHER THAN EQUITY SECURITIES

Not applicable.

PART II

ITEM 13. DEFAULTS, DIVIDEND ARREARAGES AND DELINQUENCIES

None.

ITEM 14. MATERIAL MODIFICATIONS TO THE RIGHTS OF SECURITY HOLDERS AND USE OF PROCEEDS

Not applicable.

ITEM 15. CONTROLS AND PROCEDURES

Not applicable.

ITEM 16A. AUDIT COMMITTEE FINANCIAL EXPERT

Not applicable.

ITEM 16B. CODE OF ETHICS

ITEM 16.C. PRINCIPAL ACCOUNTANT FEES AND SERVICES

Not applicable.

ITEM 16D. EXEMPTIONS FROM THE LISTING STANDARDS FOR AUDIT COMMITTEES

Not applicable.

ITEM 16E. PURCHASES OF EQUITY SECURITIES BY THE ISSUER AND AFFILIATED PURCHASERS

Not applicable.

ITEM 16F. CHANGE IN REGISTRANT'S CERTIFYING ACCOUNTANT

On June 30, 2023, we dismissed Marcum Asia CPAs LLP ("Marcum Asia"), as our independent registered public accounting firm, effective immediately, and engaged OneStop Assurance PAC Singapore ("OneStop") as our independent registered public accounting firm in connection with the audit of our consolidated financial statements as of September 30, 2023 and for FY 2023, effective as of June 30, 2023. Our decision to dismiss Marcum Asia and engage OneStop was approved by the audit committee of our board of directors on June 30, 2023.

The reports of Marcum Asia on the consolidated financial statements of FLJ as of and for the years ended September 30, 2021 and 2022 did not contain any adverse opinion or disclaimer of opinion, nor were they qualified or modified as to uncertainty, audit scope or accounting principles except that there was an explanatory paragraph as to the Company's ability to continue as a going concern. Marcum Asia did not audit any financial statements of our company as of any date or for any period subsequent to September 30, 2022.

During each of FY 2021 and FY 2022 and the subsequent interim period through our dismissal of Marcum Asia on June 30, 2023, there were (i) no disagreements, as that term is defined in Item 16F(a)(1)(iv) of Form 20-F and the related instructions to Item 16F of Form 20-F, between us and Marcum Asia on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedure, any of which, if not resolved to Marcum Asia's satisfaction, would have caused Marcum Asia to make reference to the subject matter of the disagreement in connection with their reports on the financial statements for such years, and (ii) no "reportable events" requiring disclosure pursuant to Item 16F(a)(1)(v) of the instructions to Form 20-F in connection with our annual report on Form 20-F except that there was material weakness identified related to lack of sufficient accounting and financial reporting personnel with appropriate knowledge of U.S. GAAP and SEC reporting requirements to (a) formalize and carry out key controls over financial reporting, (b) properly address complex accounting issues, and (c) prepare and review consolidated financial statements and related disclosures in accordance with U.S. GAAP and SEC reporting requirements, and lack of a comprehensive accounting policy manual and closing procedure manual for its finance department to convert its primary financial information prepared under accounting principles generally accepted in the PRC into U.S. GAAP.

We provided Marcum Asia with a copy of the disclosures under this Item 16F and requested from Marcum Asia a letter addressed to the SEC indicating whether it agrees with such disclosures, and if not, stating the respects in which it does not agree. We have received the requested letter from Marcum Asia, a copy of which is included as Exhibit 16.1 attached herein.

During each of FY 2021 and FY 2022 and the subsequent interim period through June 30, 2023, neither we nor anyone on behalf of us has consulted with OneStop regarding (i) the application of accounting principles to a specific transaction, either completed or proposed, or the type of audit opinion that might be rendered on our consolidated financial statements, and neither a written report nor oral advice was provided to us that OneStop concluded was an important factor considered by us in reaching a decision as to any accounting, auditing, or financial reporting issue, (ii) any matter that was the subject of a disagreement pursuant to Item 16F(a)(1)(iv) of the instructions to Form 20-F, or (iii) any reportable event pursuant to Item 16F(a)(1)(v) of the instructions to Form 20-F.

ITEM 16G. CORPORATE GOVERNANCE

Not applicable.

ITEM 16H. MINE SAFETY DISCLOSURE

Not applicable.

ITEM 16I. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS

Not applicable.

ITEM 16J. INSIDER TRADING POLICIES

Not applicable.

ITEM 16K. CYBERSECURITY.

Not applicable.

PART III

ITEM 17. FINANCIAL STATEMENTS

We have elected to provide financial statements pursuant to Item 18.

ITEM 18. FINANCIAL STATEMENTS

The (i) audited consolidated financial statements of FLJ Group Limited, as of and for the years ended September 30, 2020, 2021, and 2022, and unaudited interim financial statement of FLJ Group Limited, as of and for the six months ended March 31, 2023, (ii) the audited combined financial statements of Alpha Mind as of and for the years ended December 31, 2021, and 2022 and unaudited interim financial statement of Alpha Mind, as of and for the six months ended June 30, 2023, each as required under Item 18, are attached hereto starting on page F-47 and page F-87, respectively, of this Shell Company Report on Form 20-F, and (iii) the pro forma condensed combined statement as of and for the year ended September 30, 2022 and as of and for the six months ended March 31, 2023, as required under Item 18 is attached hereto starting on page P-2 of this Shell Company Report on Form 20-F. The audited consolidated financial statements of FLJ Group Limited as of and for the years ended September 30, 2020, 2021, and 2022 have been prepared in accordance with U.S. GAAP. The audited combined financial statements of Alpha Mind as of and for the years ended December 31, 2021, and 2022 have been prepared in accordance with U.S. GAAP.

ITEM 19. EXHIBITS

Exhibit Number	Description of Document
1.1*	Form of Third Amended and Restated Memorandum and Articles of Association of the Registrant (with Secretary's Certificate of the Registrant (reflecting the Registrant's name change effective on September 13, 2022))
2.1*	Registrant's Specimen American Depositary Receipt
2.2*	Registrant's Specimen Certificate for Class A ordinary shares
2.3	Form of Deposit Agreement, among the Registrant, the depositary and owners and holders of American Depositary Receipts (incorporated herein by reference to Exhibit (a) to the registration statement on Form F-6 (File No. 333-234252), as amended, initially filed with the Securities and Exchange Commission on October 18, 2019).
4.1*	Equity Acquisition Agreement, dated November 22, 2023, among the Registrant, Alpha Mind Technology Limited ("Alpha Mind") and shareholders of Alpha Mind
4.2*	English translation of Exclusive Business Cooperation Agreement, dated January 1, 2022, between Jiachuang Yingan (Beijing) Information & Technology Co., Ltd. and Huaming Yunbao (Tianjin) Technology Co., Ltd.
4.3*	English translation of Exclusive Option Agreement, dated January 1, 2022, among Jiachuang Yingan (Beijing) Information & Technology Co., Ltd., Huaming Yunbao (Tianjin) Technology Co., Ltd. and its shareholders
4.4*	English translation of Equity Interest Pledge Agreement, dated January 1, 2022, among Jiachuang Yingan (Beijing) Information & Technology Co., Ltd., Huaming Yunbao (Tianjin) Technology Co., Ltd. and its shareholder

Exhibit Number	Description of Document
4.5*	English translation of Agreement for Power of Attorney, dated January 1, 2022, among Jiachuang Yingan (Beijing) Information & Technology Co., Ltd., Huaming Yunbao (Tianjin) Technology Co., Ltd. and its shareholder
4.6*	English translation of the executed form of Spousal Consent Letter, dated January 1, 2022, granted by the spouses of individual shareholders of Huaming Yunbao (Tianjin) Technology Co., Ltd.
4.7*	English translation of Exclusive Business Cooperation Agreement, dated January 1, 2022, between Jiachuang Yingan (Beijing) Information & Technology Co., Ltd. and Huaming Insurance Agency Co., Ltd.
4.8*	English translation of Exclusive Option Agreement, dated January 1, 2022, among Jiachuang Yingan (Beijing) Information & Technology Co., Ltd. and Huaming Insurance Agency Co., Ltd. and its shareholders
4.9*	English translation of Equity Interest Pledge Agreement, dated January 1, 2022, among Jiachuang Yingan (Beijing) Information & Technology Co., Ltd. and Huaming Insurance Agency Co., Ltd. and its shareholder
4.10*	English translation of Agreement for Power of Attorney, dated January 1, 2022, among Jiachuang Yingan (Beijing) Information & Technology Co., Ltd. and Huaming Insurance Agency Co., Ltd. and its shareholder
4.11*	English translation of the executed form of Spousal Consent Letter, dated January 1, 2022, granted by the spouses of individual shareholders of Huaming Insurance Agency Co., Ltd.
4.12*	English translation of the equity transfer agreement, dated October 31, 2023, between Qingke (China) Limited and Wangxiancai Limited
4.13	2019 Share Incentive Plan of the Registrant (incorporated herein by reference to Exhibit 10.9 to the registration statement on Form F-1 (File No. 333-234112), as amended, initially filed with the Securities and Exchange Commission on October 7, 2019)
4.14*	2022 Share Incentive Plan of the Registrant
4.15*	Secured Promissory Note issued by FLJ Group Limited to MMTEC, INC
4.16*	Secured Promissory Note issued by FLJ Group Limited to Burgeon Capital Inc
4.17*	Equity Acquisition Agreement, dated September 29, 2023, among the Registrant, Lianlian Holdings Inc. ("Lianlian") and certain shareholders of Lianlian
8.1*	List of Principal Subsidiaries of the Registrant
11.1	Code of Business Conduct and Ethics of the Registrant (incorporated herein by reference to Exhibit 99.1 to the registration statement on Form F-1 (File No. 333-234112), as amended, initially filed with the Securities and Exchange Commission on October 7, 2019).

Exhibit Number	Description of Document
15.1*	Consent of Marcum Asia CPAs LLP, independent registered public accounting firm
15.2*	Consent of WWC, P.C., independent registered public accounting firm
15.3*	Consent of JunHe LLP
16.1*	Letter from Marcum Asia CPAs LLP to the Securities and Exchange Commission
101.INS*	Inline XBRL Instance Document – the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document
101.SCH*	Inline XBRL Taxonomy Extension Schema Document
101.CAL*	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF*	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB*	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE*	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104*	Cover Page Interactive Data File (embedded within the Inline XBRL document)

* Filed herewith
** Furnished herewith

SIGNATURES

The registrant hereby certifies that it meets all of the requirements for filing on Form 20-F and that it has duly caused and authorized the undersigned to sign this shell company report on its behalf.

FLJ Group Limited

By: /s/ Chengcai Qu
Name: Chengcai Qu
Title: Chairman of the Board of Directors, Chief Executive Officer, Chief Operating Officer and Vice President

Date: December 28, 2023

FLJ GROUP LIMITED

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FLJ GROUP LIMITED
(formerly known as "Q&K INTERNATIONAL GROUP LIMITED")
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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders and Board of Directors of
FLJ Group Limited (formerly Q&K International Group Limited)

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of FLJ Group Limited, its subsidiaries and consolidated variable interest entities (the "Group") as of September 30, 2022 and 2021, the related consolidated statements of comprehensive (loss) income, changes in shareholders' deficit and cash flows for each of the three years in the period ended September 30, 2022, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Group as of September 30, 2022 and 2021, and the results of its operations and its cash flows for each of the three years in the period ended September 30, 2022, in conformity with accounting principles generally accepted in the United States of America.

Explanatory Paragraph—Going Concern

The accompanying consolidated financial statements have been prepared assuming that the Group will continue as a going concern. As more fully described in Note 2, the Group has a significant working capital deficiency, has incurred significant losses and needs to raise additional funds to meet its obligations and sustain its operations. These conditions raise substantial doubt about the Group's ability to continue as a going concern. Management's plans in regard to these matters are also described in Note 2. The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Emphasis of Matter

As discussed in Note 18 to the financial statements, subsequent to the date of our original audit opinion, there were unaudited business disposal and acquisition transactions. Our opinion is not modified with respect to these matters.

Basis for Opinion

These financial statements are the responsibility of the Group's management. Our responsibility is to express an opinion on the Group's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Group in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Group is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ Marcum Asia CPAs LLP
Marcum Asia CPAs LLP

We have served as the Group's auditor since 2020

New York, NY
January 20, 2023

FLJ GROUP LIMITED
(formerly known as "Q&K INTERNATIONAL GROUP LIMITED")
CONSOLIDATED BALANCE SHEETS
(Renminbi and USD in thousands, except for share and per share data, unless otherwise stated)

	As of September 30,		
	2021	2022	
	RMB	RMB	USD
ASSETS			
Current assets:			
Cash and cash equivalents	16,317	2,772	390
Restricted cash	2,935	106	15
Accounts receivable, net	370	752	106
Amounts due from related parties	201	—	—
Prepaid rent and deposit	571	—	—
Advances to suppliers	12,933	8,501	1,195
Other current assets	143,343	59,029	8,298
Total current assets	**176,670**	**71,160**	**10,004**
Non-current assets:			
Property and equipment, net	38,940	500	70
Intangible assets, net	152,464	13,475	1,894
Other assets	9,556	10,405	1,464
Total non-current assets	**200,960**	**24,380**	**3,428**
Total assets	**377,630**	**95,540**	**13,432**
LIABILITIES AND DEFICIT			
LIABILITIES (including amounts of the consolidated VIEs without recourse to the Group, see Note 2)			
Current liabilities:			
Accounts payable	320,269	122,667	17,244
Amounts due to related parties	—	4,831	679
Deferred revenue	171,157	129,930	18,265
Short-term debt	558,705	110,097	15,477
Rental instalment loans	18,094	15,756	2,215
Deposits from tenants	65,785	38,439	5,404
Contingent liabilities for payable for asset acquisition	164,254	165,033	23,200
Accrued expenses and other current liabilities	1,049,361	81,649	11,480
Total current liabilities	**2,347,625**	**668,402**	**93,964**
Non-current liabilities:			
Long-term debt	201,041	—	—
Convertible note, net	313,870	—	—
Total non-current liabilities	**514,911**	**—**	**—**
Total liabilities	**2,862,536**	**668,402**	**93,964**
Commitments and contingencies (Note 16)			
Deficit:			
Class A Ordinary shares (US$0.00001 par value per share; 37,500,000,000 and 37,500,000,000 shares authorized; 1,544,097,151 shares issued and 1,466,997,151 shares outstanding as of September 30, 2021, and 25,878,920,464 shares issued and outstanding as of September 30, 2022, respectively)	99	1,727	243
Class B Ordinary shares (US$0.00001 par value per share; 2,500,000,000 and 2,500,000,000 shares authorized; 180,389,549 shares and nil shares issued and outstanding as of September 30, 2021 and 2022, respectively)	11	—	—
Treasury shares, at cost	(5)	—	—
Additional paid-in capital	1,845,295	2,954,625	415,355
Accumulated deficit	(4,378,690)	(3,558,667)	(500,270)
Accumulated other comprehensive income	38,784	29,453	4,140
Total FLJ Group Limited shareholders' deficit	**(2,494,506)**	**(572,862)**	**(80,532)**
Noncontrolling interest	9,600	—	—
Total deficit	**(2,484,906)**	**(572,862)**	**(80,532)**
Total liabilities and deficit	**377,630**	**95,540**	**13,432**

The accompanying notes are an integral part of these consolidated financial statements.

FLJ GROUP LIMITED
(formerly known as "Q&K INTERNATIONAL GROUP LIMITED")
CONSOLIDATED STATEMENTS OF COMPREHENSIVE (LOSS) INCOME
(Renminbi and USD in thousands, except for share and per share data, unless otherwise stated)

	For the years ended September 30,			
	2020	2021	2022	
	RMB	RMB	RMB	USD
Net revenues:				
Rental service	1,105,172	939,169	565,759	79,533
Value-added services and others	102,791	97,037	86,574	12,170
Total net revenues	**1,207,963**	**1,036,206**	**652,333**	**91,703**
Operating costs and expenses:				
Operating cost (including costs charged by related parties of RMB 47,464, RMB nil and RMB nil for the years ended September 30, 2020, 2021 and 2022, respectively)	(1,203,415)	(949,654)	(711,003)	(99,952)
Selling and marketing expenses	(63,512)	(13,115)	(13)	(2)
General and administrative expenses	(102,769)	(217,108)	(62,161)	(8,738)
Research and development expenses	(24,934)	(7,768)	(2,795)	(393)
Pre-operation expenses	(14,245)	—	—	—
Impairment loss on long-lived assets	(846,766)	(199,575)	(100,156)	(14,080)
Loss from disposal of property and equipment and intangible assets	(468,980)	(30,173)	(11,972)	(1,683)
Other income (expense), net	15,881	(18,476)	(8,104)	(1,140)
Total operating costs and expenses	**(2,708,740)**	**(1,435,869)**	**(896,204)**	**(125,988)**
Loss from operations	**(1,500,777)**	**(399,663)**	**(243,871)**	**(34,285)**
Interest expense, net	(130,206)	(127,300)	(66,892)	(9,403)
Inducement expenses	—	—	(423,686)	(59,561)
Gains from deconsolidation of VIE's subsidiaries	—	—	1,554,450	218,521
Debt extinguishment loss	—	(41,964)	—	—
Foreign exchange loss, net	(62)	(244)	—	—
Fair value change of contingent earn-out liabilities	97,417	—	—	—
(Loss) income before income taxes	**(1,533,628)**	**(569,171)**	**820,001**	**115,272**
Income tax expense	(13)	(31)	(21)	(3)
Net (loss) income	**(1,533,641)**	**(569,202)**	**819,980**	**115,269**
Less: net loss attributable to noncontrolling interests	(49)	(28)	(43)	(6)
Net loss attributable to FLJ Group Limited's ordinary shareholders	**(1,533,592)**	**(569,174)**	**820,023**	**115,275**
Net (loss) earnings per share attributable to ordinary shareholders of FLJ Group Limited—Basic and diluted	(1.14)	(0.39)	0.08	0.01
Weighted average number of ordinary shares used in computing net loss per share—Basic and diluted	1,351,127,462	1,460,692,909	10,258,424,457	10,258,424,457
Net (loss) income	**(1,533,641)**	**(569,202)**	**819,980**	**115,269**
Other comprehensive income (expenses), net of tax of nil:				
Foreign currency translation adjustments	24,265	20,427	(9,331)	(1,312)
Comprehensive (loss) income	**(1,509,376)**	**(548,775)**	**810,649**	**113,957**
Less: comprehensive loss attributable to noncontrolling interests	(49)	(28)	(43)	(6)
Comprehensive (loss) income attributable to FLJ Group Limited's ordinary shareholders	**(1,509,327)**	**(548,747)**	**810,692**	**113,963**

The accompanying notes are an integral part of these consolidated financial statements.

FLJ GROUP LIMITED
(formerly known as "Q&K INTERNATIONAL GROUP LIMITED")
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' DEFICIT
(Renminbi and USD in thousands, except for share data, unless otherwise stated)

	FLJ Group Limited Shareholders' Deficit													
	Class A Ordinary shares		Class B Ordinary shares		Series A non-redeemable preferred shares		Treasury stock		Additional paid in capital	Accumulated other comprehensive (loss) income	Accumulated deficit	Total	Noncontrolling interests	Total shareholders' deficit
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount						
Balance at September 30, 2019	**59,731,861**	**4**	**370,718,629**	**23**	**255,549,510**	**35,777**	**—**	**—**	**—**	**(5,908)**	**(2,275,924)**	**(2,246,028)**	**9,677**	**(2,236,351)**
Issuance of ordinary shares in connection with initial public offering ("IPO"), net off issuance of cost of RMB 29,289	93,150,000	6	—	—	—	—	—	—	289,021	—	—	289,027	—	289,027
Conversion of Series Anon-redeemable preferred shares into ordinary shares	255,549,510	17	—	—	(255,549,510)	(35,777)	—	—	35,760	—	—	—	—	—
Conversion of mezzanine equity into ordinary shares	656,860,850	42	—	—	—	—	—	—	1,425,436	—	—	1,425,478	—	1,425,478
Repurchase of American Depositary Shares ("ADS") from certain investors into treasury shares	—	—	—	—	—	—	(77,250,000)	(298,110)	—	—	—	(298,110)	—	(298,110)
ADS to be issued in exchange for acquisition of certain assets from two third parties	—	—	—	—	—	—	—	—	312,273	—	—	312,273	—	312,273
Share-based compensation	—	—	—	—	—	—	—	—	16,045	—	—	16,045	—	16,045
Warrants issued in connection with convertible notes	—	—	—	—	—	—	—	—	6,564	—	—	6,564	—	6,564
Redesignation of Class B Ordinary Shares into Class A Ordinary Shares	190,329,080	12	(190,329,080)	(12)	—	—	—	—	—	—	—	—	—	—
Net loss	—	—	—	—	—	—	—	—	—	—	(1,533,592)	(1,533,592)	(49)	(1,533,641)
Foreign currency translation adjustments	—	—	—	—	—	—	—	—	—	24,265	—	24,265	—	24,265
Balance at September 30, 2020	**1,255,621,301**	**81**	**180,389,549**	**11**	**—**	**—**	**(77,250,000)**	**(298,110)**	**2,085,099**	**18,357**	**(3,809,516)**	**(2,004,078)**	**9,628**	**(1,994,450)**
Issuance of ordinary shares to settle payable for asset acquisition	186,375,850	11	—	—	—	—	—	—	(8)	—	—	3	—	3
Reissuance of treasury shares to as debt extinguishment cost	—	—	—	—	—	—	77,250,000	298,110	(256,146)	—	—	41,964	—	41,964
Exercise of share-based compensation	25,000,000	2	—	—	—	—	—	—	(2)	—	—	—	—	—
Issuance and repurchase of ordinary shares	77,100,000	5	—	—	—	—	(77,100,000)	(5)	—	—	—	—	—	—
Share-based compensation	—	—	—	—	—	—	—	—	15,806	—	—	15,806	—	15,806
Warrants issued in connection with convertible notes	—	—	—	—	—	—	—	—	546	—	—	546	—	546
Net loss	—	—	—	—	—	—	—	—	—	—	(569,174)	(569,174)	(28)	(569,202)
Foreign currency translation adjustments	—	—	—	—	—	—	—	—	—	20,427	—	20,427	—	20,427
Balance at September 30, 2021	**1,544,097,151**	**99**	**180,389,549**	**11**	**—**	**—**	(77,100,000)	**(5)**	**1,845,295**	**38,784**	**(4,378,690)**	**(2,494,506)**	**9,600**	**(2,484,906)**
Issuance of ordinary shares to settle acquisition of certain assets from two third parties	7,662,060	1	—	—	—	—	—	—	(1)	—	—	—	—	—
Issuance of ordinary shares upon the conversion of convertible bond	15,414,467,400	1,031	—	—	—	—	—	—	700,372	—	—	701,403	—	701,403
Issuance of ordinary shares to settle short-term borrowings	8,617,124,250	577	—	—	—	—	—	—	391,527	—	—	392,104	—	392,104
Share-based compensation	115,180,054	8	—	—	—	—	—	—	9,763	—	—	9,771	—	9,771
Warrants issued in connection with	—	—	—	—	—	—	—	—	1,420	—	—	1,420	—	1,420

convertible notes														
Acquisition of noncontrolling interest	—	—	—	—	—	—	—	—	(243)	—	—	(243)	(9,557)	(9,800)
Transfer of treasury stock to a third party	—	—	—	—	—	—	77,100,000	5	6,492	—	—	6,497	—	6,497
Redesignation of Class B Ordinary Shares into Class A Ordinary Shares	180,389,549	11	(180,389,549)	(11)	—	—	—	—	—	—	—	—	—	—
Net income (loss)	—	—	—	—	—	—	—	—	—	—	820,023	820,023	(43)	819,980
Foreign currency translation adjustments	—	—	—	—	—	—	—	—	—	(9,331)	—	(9,331)	—	(9,331)
Balance at September 30, 2022	**25,878,920,464**	**1,727**	—	—	—	—	—	—	**2,954,625**	**29,453**	**(3,558,667)**	**(572,862)**	—	**(572,862)**

The accompanying notes are an integral part of these consolidated financial statements.

FLJ GROUP LIMITED
(formerly known as "Q&K INTERNATIONAL GROUP LIMITED")
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Renminbi and USD in thousands, unless otherwise stated)

	For the years ended September 30,			
	2020	2021	2022	
	RMB	RMB	RMB	USD
Operating activities:				
Net (loss) income	(1,533,641)	(569,202)	819,980	115,269
Adjustments to reconcile net (loss) income to net cash provided by (used in) operating activities:				
Share-based compensation	16,045	15,806	9,771	1,374
Depreciation and amortization	263,038	79,259	27,399	3,852
Loss from disposal of property, plant and equipment and intangible assets	468,980	30,173	11,972	1,683
Accretion of interest expense	214	1,988	1,222	172
Fair value change of contingent earn-out liabilities	(97,417)	—	—	—
Deferred rent	(201,127)	(214,557)	—	—
Writing off doubtful accounts	—	150,155	—	—
Impairment loss	846,766	199,575	100,156	14,080
Inducement expenses	—	—	423,686	59,561
Gains from deconsolidation of VIE's subsidiaries	—	—	(1,554,450)	(218,521)
Debt extinguishment loss	—	41,964	—	—
Changes in operating assets and liabilities:				
Accounts receivable	(644)	1,573	(391)	(55)
Amounts due from related parties	5,419	(33)	201	28
Prepaid rent and deposit	146,913	37,623	234	33
Advances to suppliers	47,985	9,595	(4,743)	(667)
Other current assets	44,756	23,460	59,240	8,328
Other assets	(51,187)	47,577	(849)	(119)
Accounts payable	115,201	25,800	90,736	12,755
Amounts due to related parties	3,473	(6,594)	97	14
Deferred revenue	(127,947)	(18,631)	(40,669)	(5,717)
Deposits from tenants	(161,525)	(16,406)	(25,930)	(3,645)
Accrued expenses and other current liabilities	269,539	51,214	42,749	6,010
Net cash provided by (used in) operating activities	**54,841**	**(109,661)**	**(39,589)**	**(5,565)**
Investing activities:				
Purchases of property and equipment	(99,172)	(2)	—	—
Payment for asset acquisition (Note 8)	(39,498)	(6,484)	—	—
Acquisition of non-controlling interest	—	—	(9,800)	(1,378)
Disposal of cash in deconsolidated subsidiaries, VIE and VIE's subsidiaries	—	—	(1,668)	(234)
Net cash used in investing activities	**(138,670)**	**(6,486)**	**(11,468)**	**(1,612)**
Financing activities:				
Proceeds from IPO, net off issuance cost of RMB 29,289	289,027	—	—	—
Proceeds from issuance of convertible notes	163,565	113,236	20,007	2,813
Payment for repurchase of ADS from certain investors into treasury shares	(248,859)	—	—	—
Proceeds from short-term bank borrowings	351,046	39,652	6,544	920
Repayment of short-term bank borrowings	(65,000)	(4,500)	—	—
Proceeds from long-term bank borrowings	150,000	75,329	—	—
Repayment of long-term bank borrowings	(122,548)	(37,090)	—	—
Proceeds from rental instalment loans	258,097	—	—	—
Repayment of rental instalment loans	(924,171)	(85,026)	(1,976)	(278)
Proceeds from capital lease and other financing arrangement payable	65,415	—	—	—
Repayment of capital lease and other financing arrangement payable	(51,496)	—	—	—
Proceeds from borrowings from related parties	—	—	4,734	665
Net cash (used in) provided by financing activities	**(134,924)**	**101,601**	**29,309**	**4,120**
Effect of foreign exchange rate changes	(295)	2,032	5,374	756
Net decrease in cash, cash equivalents and restricted cash	(219,048)	(12,514)	(16,374)	(2,301)
Cash, cash equivalents and restricted cash at the beginning of the year	250,814	31,766	19,252	2,706
Cash, cash equivalents and restricted cash at the end of the year	31,766	19,252	2,878	405

	For the years ended September 30,			
	2020	2021	2022	
	RMB	RMB	RMB	USD
Supplemental disclosure of cash flow information:				
Interest paid, net of amounts capitalized	(16,628)	(1,017)	—	—
Income taxes paid	(90)	(3)	(4)	(0)
Supplemental schedule of non-cash investing and financing activities:				
Purchases of property and equipment included in payables	(97,835)	—	—	—
Acquisition of rental assets financed by ADS	(22,540)	—	—	—
Asset acquisition financed by payables and ADS	(455,541)	—	—	—
Asset acquisition settled by ordinary shares	—	(164,256)	—	—
Payment of debt extinguishment cost by ordinary shares	—	(41,961)	—	—
Convertible note converted into ordinary shares	—	—	(333,679)	(46,908)
Short-term borrowings settled by ordinary shares	—	—	(217,477)	(30,572)
Short-term borrowings settled by transfer of treasury stocks	—	—	(6,497)	(913)
Conversion of Series Anon-redeemable preferred shares and mezzanine into ordinary shares	(1,425,478)	—	—	—
Issuance of convertible notes to repurchase ADS from an investor	49,251	—	—	—
Reconciliation to amounts on the consolidated balance sheets:				

	As of September 30,			
	2020	2021	2022	
	RMB	RMB	RMB	USD
Cash and cash equivalents	22,879	16,317	2,772	390
Restricted cash	8,887	2,935	106	15
Total cash, cash equivalents and restricted cash	**31,766**	**19,252**	**2,878**	**405**

The accompanying notes are an integral part of these consolidated financial statements.

1. ORGANIZATION AND PRINCIPAL ACTIVITIES

FLJ Group Limited (formerly known as "Q&K International Group Limited") (the "Company" or "FLJ"), its subsidiaries and consolidated variable interest entities (the "Group") is a rental apartment operation platform in the People's Republic of China (the "PRC"), that provides rental and value-added services to young, emerging urban residents since 2012. The Group sources and converts apartments to standardized furnished rooms and leases to young people seeking affordable residence in cities in the PRC. The Company has changed its corporate name from "Q&K International Group Limited" to "FLJ Group Limited", effective on September 13, 2022. In addition, the Company began trading under the new ticker symbol "FLJ" on the NASDAQ effective on September 26, 2022.

Effective on March 7, 2022, the Group changed the ratio of the American depositary shares ("ADSs") representing its Class A ordinary shares from one (1) ADS representing thirty (30) Class A ordinary share to one (1) ADS representing one hundred and fifty (150) Class A ordinary shares. For the ADS holders, the change in the ADS ratio will have the same effect as a one-for-five reverse ADS split. There will be no change to the Group's Class A ordinary shares. The exchange of every five (5) then-held (old) ADSs for one (1) new ADS will occur automatically with the then-held ADSs being cancelled and new ADSs being issued by the depositary bank, in each case as of the effective date for the ADS ratio change. No fractional new ADSs will be issued in connection with the change in the ADS ratio.

On October 26, 2021 and December 17, 2021, the Group transferred of all of its equity interest in Q&K Investment Consulting Co., Ltd. ("Q&K Investment Consulting") and Qingke (China) Limited ("Q&K HK"), respectively, to Wangxiancai Limited, which is a related party of the Group, and is beneficially owned by the legal representative and executive director of one of the Group's subsidiaries (the "Equity Transfer"). The Equity Transfer was made at nominal consideration. As of the date of this annual report, the Group no longer conducts substantial operation through any variable interest entity.

As of September 30, 2022, four of the subsidiaries of Shanghai Qingke E-Commerce Co., Ltd. ("Q&K E- Commerce") filed the voluntary petition for bankruptcy under the Article 2 of the PRC Enterprise Bankruptcy Law with Shanghai Third Intermediary Court ("Court"), and the Court announced the effectiveness of the petition and the administrator of bankruptcy was assigned on board. Accordingly the Group had no control over the allocation of remaining assets in liquidation of these subsidiaries and their subsidiaries (collectively "Deconsolidated VIE's Subsidiaries"), accordingly the Company deconsolidated these deconsolidated subsidiaries.

Upon the deconsolidation of Deconsolidated VIE's Subsidiaries, the Group would continue its effort to provide rental and value-added services in China. The management believed the deconsolidation does not represent a strategic shift because it is not changing the way it is running its business. The Group has not shifted the nature of its operations or the major geographic market area. Prior to the deconsolidation, operating revenue generated through the subsidiaries of the VIE amounted to RMB 1,635 for the period from October 1, 2021 through deconsolidation dates, accounting for 0.2% of consolidated revenues for the year ended September 30, 2022. Net loss amounted to RMB40,902 for the period from October 1, 2021 through deconsolidation dates, the abstract amount accounted for 5% of the consolidated net income of the Company for the year ended September 30, 2022. On the deconsolidation date, the net deficit of Deconsolidated VIE's Subsidiaries was RMB 2,231,140 and the Group wrote off investments of RMB 500,000 in Deconsolidated VIE's Subsidiaries, and waived amounts of RMB 176,690 due from Deconsolidated VIE's Subsidiaries. The Group recognized gains of RMB 1,554,450 from deconsolidation of Deconsolidated VIE's Subsidiaries.

The management believed the deconsolidation of Deconsolidated VIE's Subsidiaries does not represent a strategic shift that has (or will have) a major effect on the Company's operations and financial results. The deconsolidation is not accounted as discontinued operations in accordance with ASC 205-20.

The Group did not account for the transfer of equity interest in Q&K HK, Q&K Investment Consulting and Q&K E-commerce as a discontinued operation, as FLJ is the primary beneficiary of Q&K HK, Q&K Investment Consulting and Q&K E-commerce as FLJ has the power to direct the activities of these companies that most significantly impact their economic performance and FLJ has the obligation to absorb losses of these companies that could potentially be significant to these companies since their inception. The Group accounted for Q&K HK, Q&K Investment Consulting and Q&K E-commerce as variable interest entities. Accordingly, the accompanying consolidated financial statements include the financial statements of Q&K HK, Q&K Investment Consulting and Q&K E-commerce. For the year ended September 30, 2022, operating revenue generated through Q&K HK, Q&K Investment Consulting and Q&K E-commerce were RMB 1,635, accounting for 0.3% of consolidated revenues, and net loss amounted to RMB43,940, the abstract amount accounting for 5% of the consolidated net income of the Company.

As of September 30, 2022, the Group's significant subsidiaries and VIE:

Entity	Date of incorporation	Place of incorporation	Percentage of legal/beneficial ownership by the Company	Principal activities
Subsidiaries:				
QK365.com INC. (BVI)	September 29, 2014	BVI	100%	Holding
Fenglinju (China) Hong Kong Limited ("Fenglinju")	October 21, 2021	Hong Kong	100%	Holding
Haoju(shanghai) Artificial Intelligence Technology Co., Ltd (formerly known as "Qingke (Shanghai) Artificial Intelligence Technology Co., Ltd.") ("Q&K AI")	May 13, 2019	PRC	100%	Holding and Operating
Chengdu Liwu Apartment Management Co., Ltd	June 19, 2020	PRC	100%	Operating
VIE:				
QingKe (China) Limited ("Q&K HK")	July 7, 2014	Hong Kong	100%	Holding
Q&K Investment Consulting Co., Ltd. ("Q&K Investment Consulting")	April 2, 2015	PRC	100%	Holding and Operating
Shanghai Qingke E-Commerce Co., Ltd. ("Q&K E- Commerce")	August 2, 2013	PRC	100%	Holding and Operating

2. SUMMARY OF PRINCIPAL ACCOUNTING POLICIES

Basis of presentation

As of and for the years ended September 30, 2020 and 2021, the consolidated financial statements include the financial statements of the Group, its subsidiaries and consolidated variable interest entity and its subsidiaries. As of and for the year ended September 30, 2022, the consolidated financial statements include the financial statements of the Group, its subsidiaries and the consolidated variable interest entity. All intercompany transactions and balances are eliminated on consolidation.

The accompanying consolidated financial statements have been prepared assuming that the Group will continue as a going concern, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. The realization of assets and the satisfaction of liabilities in the normal course of business are dependent on, among other things, the Group's ability to generate cash flows from operations, and the Group's ability to arrange adequate financing arrangements, to support its working capital requirements.

Going concern

The Group has been incurring losses from operations since its inception. Accumulated deficits amounted to RMB 4,378,690 and RMB 3,558,667 as of September 30, 2021 and 2022, respectively. Net cash used in operating activities were RMB 109,661 and RMB 39,589 for the years ended September 30, 2021 and 2022, respectively, while the Group generated cash of RMB 54,841 from operating activities for the year ended September 30, 2020. As of September 30, 2021 and 2022, current liabilities exceeded current assets by RMB 2,170,955 and RMB 597,242, respectively.

In addition, the Group's operations have been affected by the outbreak and spread of the coronavirus disease 2019 (COVID-19). During the period, the Group adopted a defensive strategy after a prudent assessment of the broader macroeconomic downturn by consolidating internal resources, further improving operating efficiencies and focusing on asset quality improvement rather than aggressive expansion. During the years ended September 30, 2020, 2021 and 2022, the average month-end occupancy rate and the rental spread margin before discount for rental prepayments decreased as compared to fiscal year 2019 mainly due to the impact of COVID-19.

These factors raise substantial doubt about the Group's ability to continue as a going concern. The financial statements do not include any adjustments that might be necessary if the Group is unable to continue as a going concern.

The Group intends to meet the cash requirements for the next 12 months from the issuance date of this report through a combination of bank loans, issuance of ordinary shares, principal shareholder's financial support. The Group will focus on the following activities:

- On October 26, 2022, the Company's Form F-3 to offer up to a total amount of $300 million was declared effective. The Company plans to raise funds under the Form F-3 to support the Company's operations; and

- In January 2023, a shareholder of the Group, has agreed to consider providing necessary financial support in the form of debt and/or equity, to the Group to enable the Group to meet its other liabilities and commitments as they become due for at least twelve months from the issuance date of this consolidated financial statements.

The Management plan cannot alleviate the substantial doubt of the Group's ability to continue as a going concern. There can be no assurance that the Group will be successful in achieving its strategic plans, that the Group's future capital raises will be sufficient to support its ongoing operations, or that any additional financing will be available in a timely manner or with acceptable terms, if at all. If the Group is unable to raise sufficient financing or events or circumstances occur such that the Group does not meet its strategic plans, the Group will be required to reduce certain discretionary spending, alter or scale back research and development programs, or be unable to fund capital expenditures, which would have a material adverse effect on the Group's financial position, results of operations, cash flows, and ability to achieve its intended business objectives.

The accompanying consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty. Accordingly, the consolidated financial statements have been prepared on a basis that assumes the Group will continue as a going concern and which contemplates the realization of assets and satisfaction of liabilities and commitments in the ordinary course of business.

Principles of consolidation

The consolidated financial statements include the financial statements of the Group, its subsidiaries and consolidated variable interest entity and its subsidiaries. All intercompany transactions and balances are eliminated on consolidation.

Upon the transfer of equity in Q&K HK and Q&K Investment Consulting on December 17, 2021 and October 26, 2021, respectively, the Group became primary beneficiary of the two former subsidiaries. Since the dates of equity transfer, the Group consolidated Q&K HK and Q&K Investment Consulting as variable interest entities.

To comply with the PRC law and regulations which restrict foreign ownership of companies that provide value-added telecommunication services in the PRC, Q&K Investment Consulting entered into VIE Agreements with Q&K E-Commerce and its respective shareholders through which the Group became the primary beneficiary of Q&K E-Commerce and its subsidiaries.

The following is a summary of the key VIE Agreements:

Shareholder Voting Proxy Agreement

Q&K Investment Consulting, Q&K E-Commerce and the shareholders of Q&K E-Commerce entered into a shareholder voting proxy agreement on April 21, 2015. Pursuant to the voting proxy agreement, each shareholder of Q&K E-Commerce irrevocably authorizes any person(s) designated by Q&K Investment Consulting to act as his or her attorney-in-fact to exercise all of such shareholder's voting and other rights associated with the shareholder's equity interest in Q&K E-Commerce, such as the right to appoint or remove directors, supervisors and officers, as well as the right to sell, transfer, pledge and dispose of all or a portion of the shares held by such shareholder. The shareholder voting proxy agreement will remain in force unless Q&K Investment Consulting gives out any instruction in writing or otherwise.

Spousal Consent Letters

The spouse of one shareholder of Q&K E-Commerce who holds 10.47% equity interest in Q&K E-Commerce signed a spousal consent letter on April 14, 2015. Under the spousal consent letter, the signing spouse unconditionally and irrevocably agreed, respectively, that she was aware of the disposal of Q&K E-Commerce shares held by the shareholder in the abovementioned exclusive option agreement, equity pledge agreement, shareholder voting proxy agreement and power of attorney. The signing spouse confirmed not having any interest in the Q&K E-Commerce shares and committed not to impose any adverse assertions upon those shares. The signing spouse further confirmed that her consent and approval are not needed for any amendment or termination of the abovementioned agreements and committed that she shall take all necessary measures needed for the performance of those agreements.

Exclusive Technology Service Agreement

Q&K Investment Consulting and Q&K E-Commerce entered into an exclusive technology service agreement on April 21, 2015. Pursuant to this agreement, Q&K Investment Consulting or its designated party has the exclusive right to provide Q&K E-Commerce with consulting, software and technology services. Without Q&K Investment Consulting's prior written consent, Q&K E-Commerce shall not accept any technical support and services covered by this agreement from any third party. Q&K E-Commerce agrees to pay service fees equivalent to no less than 100% of its annual net profit. Q&K E-Commerce also agrees to pay service fees for any specific technology service and consultation service rendered by Q&K Investment Consulting at Q&K E-Commerce's request from time to time. Q&K Investment Consulting owns the intellectual property rights arising out of the provisions of services under this agreement. Unless terminated mutually, this agreement will remain effective for twenty years. This agreement will be automatically renewed for another ten years, unless there is any written objection rendered third days prior to its expiry.

Exclusive Option Agreement

Q&K Investment Consulting, Q&K E-Commerce and the shareholders of Q&K E-Commerce entered into an exclusive option agreement in 2015. Pursuant to the exclusive option agreement, Q&K E-Commerce and its shareholders have irrevocably granted Q&K Investment Consulting or any third party designated by Q&K Investment Consulting an exclusive option to purchase all or part of their respective equity interests in Q&K E-Commerce. The purchase price shall be the lower of (i) the amount that the shareholders contributed to Q&K E-Commerce as registered capital for the equity interests to be purchased, or (ii) the lowest price permitted by applicable PRC law. The shareholders of Q&K E-Commerce irrevocably agree that if such price is lower than what is allowed by PRC law, the purchase price should be equal to the lowest price allowed by PRC law. Q&K E-Commerce or its shareholders will repay Q&K Investment Consulting or any third party designated by Q&K Investment Consulting the purchase price within ten business days after Q&K E-Commerce or its shareholders receives such purchase price. In addition, Q&K E-Commerce granted Q&K Investment Consulting an exclusive option to purchase, or have its designated entity or person, to purchase, at its discretion, to the extent permitted under PRC law, all or part of Q&K E-Commerce's assets at the net book value of the transferred assets, or the lowest price permitted by applicable PRC law if the latter is higher than the relevant net book value.

Q&K Investment Consulting may transfer any of its rights or obligations under this agreement to a third party after notifying Q&K E-Commerce and its shareholders. Without Q&K Investment Consulting's prior written consent, the shareholders of Q&K E-Commerce shall not, among other things, amend its articles of association, increase or decrease the registered capital, sell, dispose of or set any encumbrance on its assets, business or revenue outside the ordinary course of business, enter into any material contract, merge with any other persons or make any investments, distribute dividends, or enter into any transactions which have material adverse effects on its business. The shareholders of Q&K E-Commerce also undertake that they will not transfer, pledge, or otherwise dispose of their equity interests in Q&K E-Commerce to any third party or create or allow any encumbrance on their equity interests. This agreement will remain effective until Q&K Investment Consulting or any third party designated by Q&K Investment Consulting has acquired all equity interest of Q&K E-Commerce from its shareholders.

Equity Pledge Agreement

Q&K Investment Consulting, Q&K E-Commerce and the shareholders of Q&K E-Commerce entered into an equity pledge agreement on April 21, 2015. Pursuant to the equity pledge agreement, each shareholder of Q&K E-Commerce has pledged all of its equity interest in Q&K E-Commerce to Q&K Investment Consulting to guarantee the performance by such shareholder and Q&K E-Commerce of their respective obligations under the exclusive technology service agreement, shareholder voting proxy agreements, and exclusive option agreement as well as their respective liabilities arising from any breach. If Q&K E-Commerce or any of its shareholders breaches any obligations under these agreements, Q&K Investment Consulting, as pledgee, will be entitled to dispose of the pledged equity and have priority to be compensated by the proceeds from the disposal of the pledged equity. Each of the shareholders of Q&K E-Commerce agrees that before its obligations under the contractual arrangements are discharged, he or she will not dispose of the pledged equity interests, create or allow any encumbrance on the pledged equity interests, or take any action which may result in any change of the pledged equity that may have material adverse effects on the pledgee's rights under this agreement without the prior written consent of Q&K Investment Consulting. The equity pledge agreement will remain effective until Q&K E-Commerce and its shareholders discharge all their obligations under the contractual arrangements. The Group has completed the registration of the equity pledge with the relevant office of the Administration for Industry and Commerce in accordance with PRC Property Rights Law on April 30, 2015.

The Group believes that the contractual arrangements with Q&K E-Commerce are in compliance with PRC law and are legally enforceable. However, uncertainties in the PRC legal system could limit the Group's ability to enforce the contractual arrangements. If the legal structure and contractual arrangements were found to be in violation of PRC laws and regulations, the PRC government could:

- revoke the business and operating licenses of the Group's PRC subsidiaries and Q&K E-Commerce;

- discontinue or restrict the operations of any related-party transactions between the Group's PRC subsidiaries and Q&K E-Commerce;
- limit the Group's business expansion in China by way of entering into contractual arrangements;
- impose fines or other requirements with which the Group's PRC subsidiaries and Q&K E-Commerce may not be able to comply;
- require the Group or the Group's PRC subsidiaries or Q&K E-Commerce to restructure the relevant ownership structure or operations; or
- restrict or prohibit the Group's use of the proceeds of the additional public offering to finance the Group's business and operations in China.

The imposition of any of these penalties may result in a material adverse effect on the Group's ability to conduct its business. In addition, if the imposition of any of these penalties causes the Group to lose the rights to direct the activities of Q&K E-Commerce or the right to receive their economic benefits, the Group would no longer be able to consolidate the financial results of Q&K E-Commerce.

The following financial statement amounts and balances of the Q&K HK, Q&K Investment Consulting and Q&K E-Commerce (collectively "VIE entities") and their subsidiaries were included in the accompanying consolidated financial statements after elimination of intercompany transactions and balances. The revenues, net loss and cash flows for the year of 2022 represented the amounts of Q&K HK and Q&K Investment Consulting for the period from dates of equity transfer through September 30, 2022, the amounts of Q&K E-Commerce for the year ended September 30, 2022 and the amounts of the subsidiaries of Q&K E-Commerce for the period from October 1, 2021 through the dates of deconsolidation.

	As of September 30,		
	2021	2022	
	RMB	RMB	USD
ASSETS			
Cash and cash equivalents	10,982	62	9
Restricted cash	2,893	—	—
Accounts receivable	370	—	—
Prepaid rent and deposit	571	—	—
Advances to suppliers	5,323	6,131	862
Other current assets	97,978	2,572	362
Property and equipment, net	38,940	—	—
Intangible assets, net	539	—	—
Other assets	108	98	14
Total assets	**157,704**	**8,863**	**1,247**
LIABILITIES			
Accounts payable	281,458	34	5
Deferred revenue	1,125	16	2
Short-term debt	256,773	13,000	1,828
Rental instalment loans	33	—	—
Deposits from tenants	1,422	—	—
Accrued expenses and other current liabilities	875,572	67,908	9,547
Long-term debt	201,041	—	—
Total liabilities	**1,617,424**	**80,958**	**11,382**

	For the years ended September 30,			
	2020	2021	2022	
	RMB	RMB	RMB	USD
Net revenues	965,093	173,921	1,635	230
Net loss	(1,491,565)	(375,470)	(43,940)	(6,177)

	For the years ended September 30,			
	2020	2021	2022	
	RMB	RMB	RMB	USD
Net cash provided by (used in) operating activities	72,293	(108,705)	(16,087)	(2,261)
Net cash used in investing activities	(99,172)	—	(217)	(31)
Net cash (used in) provided by financing activities	(95,948)	98,466	2,267	319

The consolidated VIE entities and their subsidiaries contributed 80%, 17% and 0.3% and of the Group's consolidated revenues for the years ended September 30, 2020, 2021 and 2022. As of September 30, 2021 and 2022, the consolidated VIE entities and their subsidiaries accounted for an aggregate of 42% and 9%, respectively, of the Group's consolidated total assets, and 57% and 12%, respectively, of the Group's consolidated total liabilities.

There are no terms in any arrangements, considering both explicit arrangements and implicit variable interests that require the Group or its subsidiaries to provide financial support to the VIE entities. However, the Company has provided and will continue to provide financial support to the VIE considering the business requirements of the VIE entities, as well as the Company's own business objectives in the future.

There are no assets held in the VIE entities and its subsidiaries that can be used only to settle obligations of the VIE entities and their subsidiaries, except for registered capital and the PRC statutory reserves. As the VIE entities and their subsidiaries are incorporated as a limited liability company under the PRC Company Law, creditors of the VIE entities do not have recourse to the general credit of the Group for any of the liabilities of the VIE entities. Relevant PRC laws and regulations restrict the VIE entities from transferring a portion of their net assets, equivalent to the balance of its statutory reserve and its share capital, to the Group in the form of loans and advances or cash dividends. Please refer to Note 14 for disclosure of restricted net assets.

Use of estimates

The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could differ materially from those estimates. The Group bases its estimates on historical experience and various other factors believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets and liabilities that are not readily apparent from other sources. Significant accounting estimates reflected in the Group's consolidated financial statements include the useful lives and impairment of property and equipment and intangible assets, valuation allowance of deferred tax assets, share-based compensation, fair value of the convertible note without the warrants and the warrants themselves.

Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and demand deposits, which are unrestricted as to withdrawal and use that which have original maturities of three months or less when purchased.

Restricted cash

As of September 30, 2021, restricted cash mainly represents the Group's frozen bank accounts deposits to the bank as a form of security with respect to the Group's debt and tenants' repayment of rental instalment loans. As of September 30, 2022, restricted cash mainly represents the Group's frozen bank accounts for liquidation of the VIE's subsidiaries. The restricted cash are not available to fund the general liquidity needs of the Group.

Property and equipment, net

Property and equipment, net are stated at cost less accumulated depreciation and impairment losses. The renovations and interest cost incurred during construction are capitalized. Depreciation of property and equipment is provided using the straight-line method over their expected useful lives. The expected useful lives are as follows:

Property and equipment	**Useful lives**
Furniture, fixtures and equipment	3 years
Motor vehicles	4 years

Expenditures for repairs and maintenance are expensed as incurred. Gain or loss on disposal of property and equipment, if any, is recognized in the consolidated statements of comprehensive (loss) income as the difference between the net sales proceeds and the carrying amount of the underlying asset.

Intangible assets, net

On July 22, 2020, the Group entered into a series of asset purchase agreements with Great Alliance Coliving Limited. And its affiliates ("Beautiful House") to acquire assets, including approximately 72,000 apartment rental contracts with leasehold improvements attached to them, and trademarks of Beautiful House. In addition, the Group also assumed liabilities associated with acquired assets. The Group accounted for the acquisition as an asset acquisition because the Group did not acquire substantive process from Beautiful House.

The total consideration, after deducting the liabilities assumed in the asset acquisition, was allocated to identified apartment rental contracts and trademarks on the basis of their relative fair value. See Note 8.

Purchased intangible assets are mainly comprised of software.

Separately identifiable intangible assets that have determinable lives continue to be amortized over their estimated useful lives using the straight-line method as follows:

Intangible assets	**Useful lives**
Apartment rental contracts	Shorter of the lease term or 8 years
Trademarks	8 years
Software	10 years

Impairment of long-lived assets

The Group evaluates its long-lived assets and finite lived intangibles for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. When these events occur, the Group measures impairment by comparing the carrying amount of the assets to future undiscounted net cash flows expected to result from the use of the assets and their eventual disposition. If the sum of the expected undiscounted cash flows is less than the carrying amount of the assets, the Group recognizes an impairment loss equal to the difference between the carrying amount and fair value of these assets.

For the years ended September 30, 2020, the Group recognized impairment losses of RMB 846,766 against certain apartments due to the continued underperformance relative to the projected operating results.

For the year ended September 30, 2021, the Group recognized impairment losses of RMB 199,575 against leasehold improvements and furniture, fixtures and equipment used in apartments under capital lease and other financing arrangements. The Group expected it would not receive any cash flow from these property and equipment, as the Group terminated cooperation with the rental service company and no longer received fee income during the year (See *Note 2–- Capital lease and other financing arrangement*).

For the year ended September 30, 2022, the Group recognized impairment of RMB 70,606 and RMB 29,550 against trademark and apartment rental contracts (See *Note 2 – Fair value*), respectively.

Capital lease and other financing arrangement

Leases of leasehold improvements or furniture, fixtures and equipment that transfer to the Group substantially all of the risks and rewards of ownership by the end of the lease term are classified as capital leases. The leasehold improvements and liability are measured initially at an amount equal to the lower of their fair value or the present value of the minimum lease payments. Subsequent to initial recognition, the assets are accounted for in accordance with the accounting policy applicable to that asset.

Minimum lease payments made under capital leases are apportioned between the finance expense and the reduction of the outstanding lease liability. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the lease liability.

The Group started to cooperate with a rental service company to source and renovate apartments since August 2018. For certain identified newly sourced apartments, the rental service company reimburses the Group for costs incurred for the renovation. The Group then makes payments to the rental service company in instalments equal to the reimbursed renovation costs plus interest and tax over a period of five years. At the end of the five-year period, the ownership of the renovation will be transferred to the Group. The Group accounts for this arrangement with the rental service company as a capital lease. Under the same arrangement above, the Group also sells leasehold improvements and furniture, fixtures and equipment of certain existing apartments to the rental service company at carrying value and simultaneously leases them back. Such transaction fails sales and lease-back accounting and is accounted for as a financing arrangement. The proceeds received from the rental service company are reported as other financing arrangement payable.

During the year ended September 30, 2021, the Group terminated cooperation with the rental service company, and the Group reclassified the capital lease payable and other financing payable to the account of "Accrued expenses and other current liabilities". Because the underlying leasehold improvements or furniture, fixtures and equipment used in apartments did not provide future cash flows for the Group, the Group provided full impairment against these leasehold improvements or furniture, fixtures and equipment. As of September 30, 2021 and 2022, the Group had no outstanding balances of capital lease payable or other financing arrangement payable.

Lease accounting with tenants

The Group sources apartments from landlords and converts them into standardized furnished rooms to lease to tenants seeking affordance residences in China. Revenues are primarily derived from the lease payments from its tenants and are recorded net of tax.

The Group typically enters into 12 to 26-month leases with tenants and a majority of which have a lock-in period of 12 months or longer. The lock-in period represents the term during which termination will result in the forfeiture of deposit, which is typically 1 or 2 months' rent. The Group determines that the lock-in period is the lease term under ASC 840. Upon termination of leases, the Group returns unused portions of any prepaid rentals to the tenant within a prescribed period of time. Deposit can only be returned for termination after lock-in period. Monthly rent is fixed throughout the lease term and there is no rent-free period or rent escalations during the period. The Group determines all lease arrangements with tenants are operating leases since the benefits and risks incidental to ownership remains with the Group. Revenue is recognized on a straight-line basis starting from the commencement date stated in the lease agreements.

In April 2020, the Group started to modify arrangements with a rental service company (See ***Capital lease and other financing arrangement)*** for apartments in certain cities. For some apartments under this arrangement, the Group no longer leases in apartments from the rental service company or enters into new lease-out agreements with tenants. Instead, the Group transferred existing leases with tenants to the rental service company. The rental service company maintains the lease-in agreements with the landlords of the apartments, collects rental from the tenants directly and enters into lease-out agreements with new tenants directly. The Group and a third-party contractor are engaged by the rental service company to manage these apartments. Pursuant to this arrangement, the Group is responsible for supervising the third-party contractor including in its identification of potential tenants and daily operation, and receives fee income equals to the rental income from tenants minus the rental fee to landlords. For each of these apartments, if the rental collected from the tenants is less than the rental paid to the landlords, the Group is required to pay the rental service company this difference.

In December 2020 through August 2021, the Group terminated the arrangements with the rental service company. As of September 30, 2021, the Group did not provide supervision services over the third-party contractor and did not receive fee income from the rental service company. Accordingly the Group ceased recognition of lease income upon termination of the arrangements.

Rental incentives

Tenants who prepay rent are entitled to rental discounts. Tenants who prepay rent of at least the first six months of the lease term can enjoy a 5% rental discount, and tenants who prepay at least the first twelve months of lease term rental can enjoy a 10% rental discount (subject to a RMB200 limit per month). Such incentives are only applicable during the lock-in period. The Group considers the rental discounts as a lease incentive and records it as a reduction in revenue on a straight line basis over the lease term. The Group recorded RMB 12,921, RMB 5,695 and RMB nil of rental incentives for the years ended September 30, 2020, 2021 and 2022, respectively.

Rental instalment loan arrangement

In order to encourage tenants to make advance payments, the Group cooperates with various financial institution partners to facilitate rental instalment loans for its tenants, who apply for rental instalment loans directly with these financial institutions. The financial institutions approve or decline the rental instalment loans based on the tenants credit profile, and approval of the rental instalment loans are not guaranteed to the tenants at lease inception. If the loans are approved by the financial institution partners, the proceeds, which represent the total rental payments for the period covered under the lease agreement, are remitted to the Group by way of the tenant's entrustment loan. The proceeds would then be applied to the tenants' rental payments on monthly basis. The Group records the entire prepayment as rental instalment loans. Tenants repay the loan principal in monthly instalments directly to the financial institutions which equals to the monthly rental payment. The Group pays instalment loan interests on behalf of the tenants and recognizes such payments as interest expense in the consolidated statements of comprehensive loss.

The Group also provides guarantee to these financial institutions with respect to the tenants' repayment of the loans. In the event that the tenants default on the repayment or early terminate the lease agreements, the Group must return the remaining prepayments to the financial institutions within a prescribed period of time. Under the rental instalment loan scheme, the Group has full control of the entire instalment loan proceeds and the security deposits collected from the tenants at lease inception are usually sufficient to cover for the delinquent payments from default. As such, the Group determines that guarantee liability to be nil as of September 30, 2021 and 2022. The Group did not enter into new rental instalment loan arrangements from April 2021.

Impact on cash flows

For rental instalment loans received directly from financial institutions, the Group determines the substance of the arrangement as akin to a debt from its tenants, and as such, this portion was classified as a cash inflow from financing activities within the Group's consolidated statements of cash flows. During the lease term, constructive receipts and disbursements are recognized on a monthly basis by recognizing the repayment of rental instalment loans as a financing cash outflow and the receipt of monthly rental income as an operating cash inflow.

Rental prepayments received directly from tenants were recorded as deferred revenue in the consolidated balance sheets and classified as a cash inflow from operating activities.

Lease accounting with landlords

The Group leases apartments from landlords usually for a period of five to six years which may be extended for an additional three or two years at the discretion of the landlords. Since all the benefits and risks incidental to ownership remains with the landlord, the Group determines that these arrangements are operating leases. The Group typically negotiates a rent-free period of one – two months per year and locks in a fixed rent for the first three years and approximately 5% annual, non-compounding increase for the rest of the lease period. As such, typically all leases with landlords contain rent holidays and fixed escalations of rental payments during the lease term. The Group determines the lease term under ASC 840 to include the years that can be early terminated by the landlords. The Group records total lease expense on a straight-line basis over the lease term and the difference between the straight-line lease expense and cash payments under the lease is recorded as deferred rent on the consolidated balance sheets.

In December 2020 through August 2021, the Group terminated the arrangements with the rental service company. Accordingly the Group early terminated lease agreements with landlords. Upon termination, the deferred rent was accelerated in recognition as a reduction against rental expenses of RMB 100,962.

As of September 30, 2021 and 2022, the Company had no balance deferred rent, both current and noncurrent.

Rental expense to the landlords recorded in consolidated statements of comprehensive losses were RMB 813,773, RMB 642,354 and RMB 539,487 for the years ended September 30, 2020, 2021 and 2022, respectively.

Value-added services and others

The Group adopted ASC 606, Revenue from Contracts with Customers ("ASC 606") on October 1, 2019, using the modified retrospective approach. ASC 606 establishes principles for reporting information about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts to provide goods or services to customers. The core principle requires an entity to recognize revenue to depict the transfer of goods or services to customers in an amount that reflects the consideration that it expects to be entitled to receive in exchange for those goods or services recognized as performance obligations are satisfied.

The Group has assessed the impact of the guidance by reviewing its existing customer contracts and current accounting policies and practices to identify differences that will result from applying the new requirements, including the evaluation of its performance obligations, transaction price, customer payments, transfer of control and principal versus agent considerations. Based on the assessment, the Group concluded that there was no change to the timing and pattern of revenue recognition for its current revenue streams in scope of ASC 605 and therefore there was no material changes.

In accordance with ASC 606, revenues are recognized when control of the promised services is transferred to customers, in an amount that reflects the consideration the Group expects to be entitled to in exchange for those products. The Group also evaluates whether it is appropriate to record the gross amount of product sales. When the Group is a principal, that the Group obtains control of the specified goods before they are transferred to the customers, the revenues should be recognized in the gross amount of consideration to which it expects to be entitled to in exchange for the specified goods transferred. Revenues are recorded net of value-added taxes.

For the years ended September 30, 2020, 2021 and 2022, the Group generated revenues from provision of value-added services. Value-added services and others primarily consist of fees received from the tenants from the Group's provision of internet connection and utility services as part of the lease agreement.

The service fees from tenants are fixed in the agreements and is collected on a monthly basis. The Croup recognized on a monthly basis during the period of the lease term. The service fees are recognized on a gross basis as the Group is the primary obligor in provision of such services and has discretion in establishing transaction prices.

Pre-operation expenses

The Group expenses certain costs incurred in connection with apartment pre-operation activities, mainly including rental expenses and sourcing staff costs incurred before an apartment is ready for lease.

Selling and marketing expenses

Sales and marketing expenses consist primarily of online and offline marketing expenses, promotion expenses, staff costs of sales personnel and other related incidental expenses that are incurred indirectly to attract or retain tenants for the Group. Advertising expenses incurred were RMB 10,773, RMB nil and RMB nil for the years end September 30, 2020, 2021 and 2022, respectively.

Research and development expenses

Research and development expenses include payroll expenses, employee benefits, and other headcount-related expenses associated with platform development and big data analysis to support the Group's business operations.

Employee benefit expenses

As stipulated by the regulations of the PRC, full-time employees of the Group are entitled to various government statutory employee benefit plans, including medical insurance, maternity insurance, workplace injury insurance, unemployment insurance and pension benefits through a PRC government-mandated multi-employer defined contribution plan. The Group is required to make contributions to the plan and accrues for these benefits based on certain percentages of the qualified employees' salaries. The total expenses the Group incurred for the plan were RMB 18,283, RMB 3,383 and RMB 1,349 for the years ended September 30, 2020, 2021 and 2022, respectively.

PRC value-added taxes and related taxes

The Group is subject to value-added taxes at the rate of 6% for rendering services, 9% for rental business and 13% for sales of goods, education surtax and urban maintenance and construction tax, on the services provided in the PRC. Education surtax and urban maintenance and construction tax are primarily levied based on revenue at applicable rates and are recorded as a reduction of revenues.

Income taxes

Current income taxes are provided on the basis of profit before income tax for financial reporting purposes, adjusted for income and expense items which are not assessable or deductible for income tax purposes, in accordance with the regulations of the relevant tax jurisdictions. The Group follows the asset and liability method of accounting for income taxes.

Deferred income taxes are provided using assets and liabilities method, which requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the financial statements. Under this method, deferred tax assets and liabilities are determined on the basis of the differences between financial statements and tax basis of assets and liabilities using enacted tax rates in effect for the year in which the differences are expected to reverse.

Deferred tax assets are recognized to the extent that these assets are more likely than not to be realized. In making such determination, the management considers all positive and negative evidence, including future reversals of projected future taxable income and results of recent operation.

In order to assess uncertain tax positions, the Group applies a more likely than not threshold and a two-step approach for the tax position measurement and financial statement recognition. Under the two-step approach, the first step is to evaluate the tax position for recognition by determining if the weight of available evidence indicates that it is more likely than not that the position will be sustained, including resolution of related appeals or litigation processes, if any. The second step is to measure the tax benefit as the largest amount that is more than 50% likely of being realized upon settlement. The Group recognizes interest and penalties, if any, under accrued expenses and other current liabilities on its consolidated balance sheet and under other expenses in its consolidated statement of comprehensive loss. As of September 30, 2021 and 2022, the Group did not have any significant unrecognized uncertain tax positions.

Treasury shares

The Group accounts for treasury shares using the cost method. Under this method, the cost incurred to purchase the shares is recorded in the treasury shares account on the consolidated balance sheets. At retirement of the treasury shares, the ordinary shares account is charged only for the aggregate par value of the shares. The excess of the acquisition cost of treasury shares over the aggregate par value is allocated between additional paid-in capital (up to the amount credited to the additional paid-in capital upon original issuance of the shares) and retained earnings. For the year ended September 30, 2020, the Group repurchased 77,250,000 ordinary shares from certain major investors in the IPO, through cash payment of RMB 248,859 and issuance of convertible notes of RMB 49,251 (equivalent to $7,232). For the year ended September 30, 2021, the Group issued 77,250,000 treasury shares as debt extinguishment costs, to one creditor who made loans to the Group.

For the year ended September 30, 2021, the Group issued 77,100,000 treasury shares and repurchase the same amount of treasury shares which were used as a pledge with Shanghai Huarui Bank ("SHRB"). For the year ended September 30, 2022, the Company reissued the 77,100,000 treasury shares to a third party which purchased and assumed the unpaid borrowings due to SHRB.

As of September 30, 2021 and 2022, the Group had treasury shares account of 77,100,000 and nil ordinary shares with total balance of RMB 5 and RMB nil.

Reclassification

Certain reclassifications have been made to the prior year's consolidated balance sheets to conform to the current year's presentation. These reclassifications had no impact on net income/(loss), shareholders' equity, or cash flows as previously reported.

Foreign currency translation

The reporting currency of the Group is the Renminbi ("RMB"). The functional currency of the Group's entities incorporated in Cayman Islands, the United States and Hong Kong is the United States dollar ("US dollar") and the functional currency of the Group's PRC subsidiaries is RMB. Monetary assets and liabilities denominated in currencies other than the functional currency are translated into functional currency at the rates of exchange ruling at the balance sheet date. Transactions in currencies other than the functional currency during the year are converted into the functional currency at the applicable rates of exchange prevailing on the day transactions occurred. Transaction gains and losses are recognized in the consolidated statements of comprehensive loss.

The financial statements of the Group's non PRC entities are translated from their respective functional currency into RMB. Assets and liabilities are translated into RMB at the exchange rates at the balance sheet date, equity accounts are translated at historical exchange rates and revenues, expenses, gains and losses are translated using the average rate for the year. Translation adjustments are reported as cumulative translation adjustments and are shown as a separate component of other comprehensive loss in the consolidated statements of comprehensive loss.

The financial records of the Group's subsidiaries are maintained in local currencies, which are the functional currencies.

Convenience translation

The Group's business is primarily conducted in the PRC and all of the revenues are denominated in RMB. The financial statements of the Group are stated in RMB. Translations of balances in the consolidated balance sheet, and the related consolidated statements of comprehensive loss, shareholders' equity and cash flows from RMB into US dollars as of and for the year ended September 30, 2022 are solely for the convenience of the readers and were calculated at the rate of USD1.00=RMB 7.1135, representing the noon buying rate set forth in the H.10 statistical release of the U.S. Federal Reserve Board on September 30, 2022. No representation is made that the RMB amounts could have been, or could be, converted, realized or settled into USD at that rate on September 30, 2022, or at any other rate.

Concentration of credit risk

Financial instruments that potentially expose the Group to concentration of credit risk consist primarily of cash and cash equivalents, restricted cash and, account receivables and amounts due from related parties.

All of the Group's cash and cash equivalents and restricted cash are held with financial institutions that Group management believes to be high credit quality. The Group conducts credit evaluations on its tenants and generally require deposits from tenants as collateral. The Group periodically evaluates the creditworthiness of the existing tenants in determining an allowance for doubtful accounts primarily based upon the age of the receivables and factors surrounding the credit risk of specific customers.

Other risks

The Group's business, financial condition and results of operations may also be negatively impacted by risks related to natural disasters, extreme weather conditions, health epidemics and other catastrophic incidents, which could significantly disrupt the Group's operations.

Coronavirus ("COVID-19") Impact

The Group's operations have been affected by the outbreak and spread of the coronavirus disease 2019(COVID-19), which in March 2020, was declared a pandemic by the World Health Organization. The COVID-19outbreak is causing lockdowns, travel restrictions, and closures of businesses. While the outbreak of COVID-19 has come under control in the PRC since the second quarter of 2020, there was a significant rise in COVID-19 cases, including the COVID-19 Delta and Omicron variant cases, in various cities in China in early 2022. The local governments of the affected cities, including Shanghai, have reinstated certain COVID-related measures, including travel restrictions and stay-at-home orders. The Group's businesses have been negatively impacted by the COVID-19 coronavirus outbreak to a certain extent.

Due to the outbreak of COVID-19 since February 2020 through September 2022, the Chinese government required the nationwide closure of many business activities in the PRC to prevent the spread of COVID-19and protect public health. During this period, the Group adopted a defensive strategy after a prudent assessment of the broader macroeconomic downturn by consolidating internal resources, further improving operating efficiencies and focusing on asset quality improvement rather than aggressive expansion. During the years ended September 30, 2020 , 2021 and 2020, the average month-end occupancy rate and the rental spread margin before discount for rental prepayments decreased as compared to fiscal year 2019 mainly due to the impact of COVID-19.

In December 2022, the local government abandoned its policies on quarantine at home and large-scale lockdowns, and the COVID-19 has been spreading rapidly in China. However, based on the assessment of current economic environment, customer demand and revenue trend, and the negative impact from COVID-19 outbreak and spread, it appears that the Group's revenue and operating cash flows may continue to underperform in the next 12 months. Further, a resurgence could further negatively affect both major business segments and impair their ability to regain pre-covid operating levels. As such, the future impact of COVID-19 is still highly uncertain and cannot be predicted as of the financial statement reporting date.

Fair value

The Group defines fair value as the price that would be received from selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When determining the fair value measurements for assets and liabilities required or permitted to be recorded at fair value, the Group considers the principal or most advantageous market in which it would transact and it considers assumptions that market participants would use when pricing the asset or liability.

The established fair value hierarchy requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. A financial instrument's categorization within the fair value hierarchy is based upon the lowest level of input that is significant to the fair value measurement. The three levels of inputs may be used to measure fair value include:

Level 1 applies to assets or liabilities for which there are quoted prices in active markets for identical assets or liabilities.

Level 2 applies to assets or liabilities for which there are inputs other than quoted prices included within Level 1 that are observable for the asset or liability such as quoted prices for similar assets or liabilities in active markets; quoted prices for identical assets or liabilities in markets with insufficient volume or infrequent transactions (less active markets); or model-derived valuations in which significant inputs are observable or can be derived principally from, or corroborated by, observable market data.

Level 3 applies to assets or liabilities for which there are unobservable inputs to the valuation methodology that are significant to the measurement of the fair value of the assets or liabilities.

The financial instruments primarily including cash and cash equivalents, restricted cash, account receivables, amounts due from related parties, account payables, amounts due to related parties, short-term debt, rental instalment loans, deposits from tenants, other liabilities, are carried at cost which approximates their fair value due to the short-term nature of these instruments. The convertible note and long-term debt approximates their fair values, because the bearing interest rate approximates market interest rate, and market interest rates have not fluctuated significantly since the commencement of loan contracts signed.

The following table summarizes the fair value of the Group's financial liabilities that are accounted for at fair value on a recurring basis, by level within the fair value hierarchy, as of September 30, 2021 and 2022:

			Fair Value Measurements at Reporting Date Using			
	Description	**Fair Value as of September 30 RMB**	**Quoted Prices in Active Markets for Identical Assets (Level 1) RMB**	**Significant Other Observable Inputs (Level 2) RMB**	**Significant Unobservable Inputs (Level 3) RMB**	**Total Gain for the Year Ended September 30, RMB**
As of September 30, 2021	Contingent liabilities for payable for asset acquisition	164,254	164,254	—	—	—
As of September 30, 2022	Contingent liabilities for payable for asset acquisition	165,033	165,033	—	—	—

The fair value of contingent liabilities for payable for asset acquisition was referred to the market share price of the Group and the liabilities are classified in Level 1 of the valuation hierarchy. See Note 8 for contingent liabilities for payable for asset acquisition.

The following table presents the Group's assets measured at fair value on a non-recurring basis as of September 30, 2021 and 2022:

			Fair Value Measurements at Reporting Date Using			
Years Ended September 30,	**Description**	**Fair Value as of September 30 RMB**	**Quoted Prices in Active Markets for Identical Assets (Level 1) RMB**	**Significant Other Observable Inputs (Level 2) RMB**	**Significant Unobservable Inputs (Level 3) RMB**	**Total Loss for the Year Ended September 30, RMB**
2021	Property and equipment	—	—	—	—	199,575
2021	Apartment rental agreements	75,883	—	—	75,883	—
2022	Apartment rental agreements	13,475	—	—	13,475	29,550
2021	Trademarks	76,038	—	—	76,038	—
2022	Trademarks	—	—	—	—	70,606

The property and equipment subject to impairment test represented leasehold improvements, and furniture, fixtures and equipment used in apartments. Fair value of the property and equipment was determined by the Group based on the income approach using the discounted cash flow associated with the underlying assets, which incorporated certain assumptions including projected rooms' revenue, growth rates and projected operating costs based on current economic condition, expectation of management and projected trends of current operating results. As a result, the Group has determined that the majority of the inputs used to value its property and equipment are unobservable inputs that fall within Level 3 of the fair value hierarchy. The revenue growth rate and the discount rate were the significant unobservable inputs used in the fair value measurement, 3% and 11% for the year ended September 30, 2020. As of September 30, 2021, these property and equipment no longer generated cash flow for the Group, the Group recognizes full allowance against the property and equipment.

As a result of reduced expectations of future cash flows from certain leased apartments, the Group determined that the property and equipment was not fully recoverable and consequently recorded impairment charges of RMB 313,354, RMB 199,575 and RMB nil for the years ended September 30, 2020, 2021 and 2022, respectively.

The Group acquired from Great Alliance Coliving Limited. and its affiliates ("Beautiful House") certain assets, including approximately 72,000 apartment rental contracts and leasehold improvements attached to the apartments, and trademarks of Beautiful House. The Group determined the estimated fair values using Level 3 inputs after review and consideration of relevant information, which are unobservable inputs that fall within Level 3 of the fair value hierarchy. As a result of reduced expectations of future cash flows from certain leased apartments, the Group determined that neither apartment rental contracts nor trademarks were fully recoverable and consequently recorded impairment charges of RMB 425,341 and RMB 108,071, respectively, for the year ended September 30, 2020.

As of September 30, 2021, the Group reviewed the fair value of the apartment rental agreements and trademarks based on the income approach using the discounted cash flow associated with the underlying assets, which incorporated certain assumptions including projected rooms' revenue, growth rates and projected operating costs based on current economic condition, expectation of management and projected trends of current operating results. As a result, the Group has determined that the majority of the inputs used to value its apartment rental agreements and trademarks are unobservable inputs that fall within Level 3 of the fair value hierarchy. The revenue growth rate and the discount rate were the significant unobservable inputs used in the fair value measurement.

The revenue growth rate for apartment rental agreements was 3%, as a result of increase of unit rental fee by 3%, and the discount rate was 11% for the year ended September 30, 2021, which met the profit projection target. The revenue growth rate and discount rate for trademarks were negative 8% and 11 %. Because the fair value was higher than the carrying amount of the apartment rental agreements and trademarks, the Group did not recognize impairment against these intangible assets for the year ended September 30, 2021. The revenue growth rate and discount rate for trademarks were negative 8% and 11 %. Because the fair value was higher than the carrying amount of the apartment rental agreements and trademarks, the Group did not recognize impairment against these intangible assets for the year ended September 30, 2021.

The revenue growth rate for apartment rental agreements was 0%, as a result of increase of unit rental fee by 0%, and the discount rate was 11% for the year ended September 30, 2022, which underperformed the profit projection target. In addition, with the Group changed its name into FLJ in September 2022, the Company would no longer operate rental business under the trademark of "Beautiful House". The Group provided impairment of RMB 29,550 and RMB 70,606, respectively, on apartment rental contracts and trademarks for the year ended September 30, 2022.

Share-based compensation

The Group recognizes share-based compensation in the consolidated statements of comprehensive loss based on the fair value of equity awards on the date of the grant, with compensation expenses recognized over the period in which the grantee is required to provide service to the Group in exchange for the equity award. Vesting of certain equity awards are based on the completion of initial public offering ("IPO") and has a continued employment provision for a period of time following the grant date. The share-based compensation expenses have been categorized as either general and administrative expenses, research and development expenses or selling and marketing expenses, depending on the job functions of the grantees. For the years ended September 30, 2020, 2021 and 2022, the Group recognized share-based compensation expenses of RMB 16,045, RMB 15,806 and RMB 9,771, respectively, in the consolidated statements of comprehensive loss.

(Losses) earnings per share

Basic (losses) earnings per share are computed by dividing net loss attributable to holders of ordinary shares by the weighted average number of ordinary shares outstanding during the period.

Diluted (loss) earnings per ordinary share reflects the potential dilution that could occur if securities or other contracts to issue ordinary shares were exercised or converted into ordinary shares. Potential ordinary shares, including preferred shares, convertible notes, share options and warrants are excluded from the computation in income periods should their effects be anti-dilutive. The Group had share options, convertible notes and warrants, which could potentially dilute basic earnings per share in the future. To calculate the number of shares for diluted (loss) earnings per share, the effect of the convertible redeemable and non-redeemable preferred shares, share options and warrants is computed using the two-class method or the as-if converted method, whichever is more dilutive.

Segment reporting

The Group uses management approach to determine operation segment. The management approach considers the internal organization and reporting used by the Group's chief operating decision maker ("CODM") for making decisions, allocation of resource and assessing performance.

The Group's CODM has been identified as the Chief Executive Officer who reviews the consolidated results of operations when making decisions about allocating resources and assessing performance of the Group. The Group operates and manages its business as a single operating segment.

The Group's long-lived assets are all located in the PRC and all of the Group's revenues are derived from within the PRC. Therefore, no geographical segments are presented.

Asset acquisition

Referring to FASB ASC Topic 805-10-55-5, the Group applied two steps (including step 1, screen test and step 2, evaluation of process and input) in evaluating whether the acquisition is an asset acquisition or a business combination.

The Group measures and recognizes asset acquisitions that are not deemed to be business combinations based on the cost to acquire the assets, which includes transaction costs. Goodwill is not recognized in asset acquisitions, any excess consideration transferred over the fair value of the net assets acquired is allocated on a relative fair value basis to the identifiable net assets.

Recent accounting pronouncements

In February 2016, the FASB issued ASU2016-02, Leases (Topic 842). The guidance supersedes existing guidance on accounting for leases with the main difference being that operating leases are to be recorded in the statement of financial position as right-of-use assets and lease liabilities, initially measured at the present value of the lease payments. For operating leases with a term of 12 months or less, a lessee is permitted to make an accounting policy election not to recognize lease assets and liabilities. For public business entities, the guidance is effective for fiscal years beginning after December 15, 2018, including final periods within those fiscal years. In transition, entities are required to recognize and measure leases at the beginning of the earliest period presented using a modified retrospective approach. In July 2018, the FASB issued ASU No. 2018-10 Codification Improvements to Topic 842, Leases and ASU No. 2018-11, Leases (Topic 842), Targeted Improvements. ASU No. 2018-10affects narrow aspects of the guidance issued in the amendments in Update2016-02and ASU No. 2018-11allows for an additional optional transition method where comparative periods presented in the financial statements in the period of adoption will not be restated and instead, companies will recognize a cumulative-effect adjustment to the opening balance of retained earnings in the period of adoption. In November 2019, the FASB issued ASU2019-10, Financial Instruments—Credit Losses (Topic 326), Derivatives and Hedging (Topic 815), and Leases (Topic 842): Effective Dates. ASU2019-10amends the effective dates for ASU2016-02. The Group is an EGC and expects to adopt ASU2016-02 utilizing the optional transition approach allowed under ASU2018-11 and apply the package of practical expedients beginning October 1, 2022. The Group expects material changes to its consolidated balance sheet to recognize right-of-use lease assets and related lease liabilities for operating leases. On October 1, 2022, the Group recognized approximately RMB 627 million of right-of-use assets and operating lease liabilities upon the adoption of ASC 842.

In June 2016, the FASB issued ASU2016-13, Credit Losses, Measurement of Credit Losses on Financial Instruments. This ASU provides more useful information about expected credit losses to financial statement users and changes how entities will measure credit losses on financial instruments and timing of when such losses should be recognized. This ASU is effective for annual and interim periods beginning after December 15, 2019. Early adoption is permitted for all entities for annual periods beginning after December 15, 2018, and interim periods therein. The updates should be applied through a cumulative-effect adjustment to retained earnings as of the beginning of the first reporting period in which the guidance is effective (that is, a modified-retrospective approach). ASU2019-10amends the effective dates for ASU2016-13. The Group is an EGC and has elected to adopt the new standard as of the effective date applicable to non-issuers and will implement the new standard on October 1, 2023. The Group is in the process of evaluating the impact on its consolidated financial statements upon adoption.

In August 2020, the FASB issued ASU 2020-06, Debt-Debt with Conversion and Other Options (Subtopic 470-20) and Derivatives and Hedging-Contracts in Entity's Own Equity (Subtopic 815-40): Accounting for Convertible Instruments and Contracts in an Entity's Own Equity ("ASU 2020-06"), which simplifies accounting for convertible instruments by removing major separation models required under current GAAP. The ASU also removes certain settlement conditions that are required for equity-linked contracts to qualify for scope exception, and it simplifies the diluted earnings per share calculation in certain areas. The Group continues to evaluate the impact of ASU 2020-06 on its financial position, results of operations or cash flows.

Management does not believe that any other recently issued, but not yet effective, accounting standards, if currently adopted, would have a material effect on the Group's financial statements.

3. OTHER CURRENT ASSETS

Other current assets consist of the following:

	As of September 30,	
	2021	2022
Receivable from sales of buildings under construction (1)	100,300	—
Due from a service provider (2)	23,326	36,100
Deposit for share settlement (3)	19,279	21,341
Others	438	1,588
	143,343	**59,029**

(1) During the year ended September 30, 2021, the Group sold buildings under construction (See *Note 4, Property and equipment, net*) through judicial sale for the proceeds of RMB 100,300. As of September 30, 2021, the buyer has made cash consideration to the Court, which will allocate the proceeds to the Group's creditors. During the year ended September 30, 2022, the Court completed the allocation of proceeds of RMB 95 million, and the remaining balance of RMB 5 million was deconsolidated as part of the assets of the VIE's subsidiaries.

(2) Upon asset acquisition with Beautiful House (Note 8), the Group engaged a third party service provider to provide apartment operation services to the Group. The third party service provider is controlled by one of the shareholders of the Seller of Beautiful House (Note 8). To support the operation services to the tenants, the Group made interest free loans to and operating expenses on behalf of the service provider and the loans are repayable on demand.

(3) Upon settle payables due to Beautiful House arising from asset acquisition (Note 8), the Group paid a deposit of RMB 21,341 (US$3,000) to Beautiful House, which is expected to get repaid upon share settlement.

4. PROPERTY AND EQUIPMENT, NET

Property and equipment, net consist of the following:

	As of September 30,	
	2021	2022
Cost:		
Buildings	40,167	—
Vehicle	3,043	2,269
Office furniture, fixtures and equipment	20,456	922
	63,666	3,191
Less: Accumulated depreciation	(24,726)	(2,691)
	38,940	**500**

During the year ended September 30, 2021, the Group sold the buildings under construction in progress through judicial sales for proceeds of RMB 100,300. The Court assisted the Group to sell the building under construction and collected the proceeds on behalf of the Group. The Court completed the allocation of the proceeds to creditors in the year ended September 30, 2022. Accordingly, the Group recorded the proceeds of RMB 100, 300 and RMB nil as "Receivable from sales of buildings under construction" in other current assets as of September 30, 2021 and 2022, respectively (See Note 3, Other current assets).

Upon the Group terminated cooperation with a rental service company during April 2021 through August 2021, the Group expected it would not receive any cash flow from leasehold improvements and furniture, fixtures and equipment used in apartments under capital lease and other financing arrangements (See Note 2 – Summary of Principal Accounting Policies - Capital lease and other financing arrangement). Accordingly, the Group accrued full impairment against leasehold improvements and furniture, fixtures and equipment used in apartments.

Depreciation expenses were RMB187,092, RMB 20,039 and RMB 1,002 and for the years ended September 30, 2020, 2021 and 2022, respectively. Impairment loss against property and equipment were RMB 313,354, RMB 199,575 and RMB nil for the years ended September 30, 2020, 2021 and 2022, respectively.

Upon deconsolidation of Deconsolidated VIE's Subsidiaries, the Group deconsolidated certain property and equipment. As of September 30, 2022, the Company had net book value of RMB 500 in property and equipment.

For the years ended September 30, 2020 and 2021, the Group disposed of certain property and equipment, including leasehold improvements, furniture, fixtures and equipment used in apartments, and office furniture, fixtures and equipment, at no consideration. On the disposal date, the disposed property and equipment were comprised of the following. On September 30, 2021, the Group sold buildings under construction with original cost of RMB 81,431 through judicial sale for the proceeds of RMB 100,300. For the years ended September 30, 2020, 2021 and 2022, the Group recognized net loss from disposal from property and equipment of RMB 454,224, RMB 19,448 and RMB nil, respectively.

	For the years ended September 30,		
	2020	**2021**	**2022**
Cost:			
Buildings	620,354	45,548	—
Vehicle	253,205	22,830	—
Office furniture, fixtures and equipment	500	50	—
	874,059	68,428	—
Less: Accumulated depreciation	(419,835)	(42,012)	—
	454,224	**26,416**	—

5. INTANGIBLE ASSETS, NET

Intangible assets, net consist of the following:

	As of September 30,	
	2,021	**2,022**
Cost:		
Apartment rental contracts	112,849	55,967
Trademarks	86,900	16,294
Software	2,275	—
	202,024	72,261
Less: Accumulated amortization	(49,560)	(58,786)
	152,464	**13,475**

Amortization expenses were RMB 75,660, RMB 58,934 and RMB 26,397 for the years ended September 30, 2020, 2021 and 2022, respectively. Impairment loss against intangible assets were RMB 533,412, RMB nil and RMB 100,156 for the years ended September 30, 2020, 2021 and 2022, respectively.

For the years ended September 30, 2020, 2021 and 2022, the Group disposed of certain apartment rental contracts with net book value of RMB 14,756, RMB 10,725 and RMB 11,972, respectively, at no consideration. For the years ended September 30, 2020, 2021 and 2022, the Group recognized loss from disposal of intangible assets of RMB 14,756, RMB 10,725 and RMB 11,972, respectively.

The following table sets forth the Group's amortization expenses for the five years since September 30, 2022:

	Amortization expenses
Year ending September 30, 2023	6,002
Year ending September 30, 2024	3,734
Year ending September 30, 2025	1,588
Year ending September 30, 2026	829
Year ending September 30, 2027 and thereafter	1,322
	13,475

6. DEBT

The short-term and long-term debt were as follows:

	As of September 30,	
	2021	**2022**
Short-term debt:		
Short-term bank borrowings (1)	116,376	103,552
Long-term bank borrowings, current portion (1)	219,121	—
Other short-term payable (2)	223,208	6,545
	558,705	110,097
Long-term debt:		
Long-term bank borrowings, non-current portion (1)	175,534	—
Other long term payable (2)	25,507	—
	201,041	—
	759,746	**110,097**

(1) Bank borrowings

Bank borrowings with MY Bank

On December 17, 2020, the Group entered into a 18-month borrowing agreement with Zhejiang MY Bank (the "MY Bank") under which the Group borrowed RMB 26,652. The borrowing is used to repay the rental instalment loans for the lessees. The interest rate is 8.5% per annum. Pursuant to the borrowing agreement, the Group is obliged to make monthly repayment of RMB 400 and interest expenses for the first six months and RMB 2,224 and interest expenses of the remaining twelve months. As of September 30, 2021, the Group had outstanding borrowings of RMB 24,652 due to MY Bank.

Upon deconsolidation of Deconsolidated VIE's Subsidiaries, the bank borrowing with MY Bank with outstanding balance of RMB 24,652 was deconsolidated.

Bank borrowings with SHRB

In July and November 2020, SHRB extended due date of matured borrowing for the principal of RMB 27,000 from September 2019 to January through March of 2022, and due date of borrowing for the principal of RMB 132,000 to March 2023. In December 2020, the Group borrowed two new bank borrowing from SHRB with principal of RMB 25,929 and RMB 9,000, respectively. Both loans bear interest rate of 7.5% per annum and are due in December 2022. These two loans were guaranteed by Suzhou Qingke, collateralize by Suzhou Qingke and Qingke Public Rental, pledged by the accounts receivables guarantee of Suzhou Qingke, Qingke Public Rental and Hangzhou Qingke Residential Management Co., Ltd., and pledged by 77,100,000 treasury shares. The Group used the bank borrowings to repay the outstanding bank borrowings. As of September 30, 2021, the Group had an outstanding balance of RMB 193,929, of which RMB 27,000 was subject to an interest rate of 8.75% per annum and remaining balance was subject to an interest rate of 7.5% per annum. The weighted average interest rate for borrowings drawn under such credit facility was 7.5% and 7.9% per annum for the years ended September 30, 2020 and 2021, respectively.

On September 26, 2020, the Group entered into an 18-month bank credit facility with SHRB under which the Group can draw-down up to RMB108,000 by March 26, 2021 to repay the rental instalment loans on behalf of tenants who early terminated the rented apartments ("departed tenants") and for the daily operating expenditures. The interest rate for this credit facility was 8.5% per annum. In April 2021, SHRB renewed the terms under which the Group can draw-down up to RMB91,400 by September 27, 2021 and extended the loan term to September 26, 2022.As of September 30, 2021, the Group has drawn down RMB 90,400, all of which is to be repaid within one year. These loans were guaranteed by Suzhou Qingke, collateralized by Suzhou Qingke and Qingke Public Rental, and pledged by 77,100,000 treasury shares.

On April 30, 2020, the Group entered into an 18-month bank loan contract with SHRB under which the Group borrowed RMB 50,000 to repay the rental instalment loans on behalf of departed tenants. The rate of the loan was 7.5% per annum. In April 2021, SHRB extended due date of borrowing for the principal of RMB 50,000 to February 2022. Q&K Investment Consulting and Q&K E-commerce provided guarantee on the loans. As of September 30, 2021, the outstanding balance of the borrowing was RMB 50,000.

On May 28, 2020, the Group entered into an 18-month bank loan contract with SHRB under which the Group borrowed RMB 50,000 to repay the rental instalment loans on behalf of departed tenants. The rate of the loan was 7.5% per annum. In April 2021, SHRB extended due date of borrowing for the principal of RMB 50,000 to February 2022. Q&K Investment Consulting and Q&K E-commerce provided guarantee on the loans. As of September 30, 2021, the outstanding balance of the borrowing was RMB 50,000.

In June 2022, SHRB sold the above loans to the Group to a third party. In the same time SHRB also transferred the 77,100,000 treasury shares pledged to SHRB to the third party. Upon negotiation, the Company issued these shares to the third party to settle part of the obligations. On deconsolidation of the subsidiaries of the VIE, the balance of due to third parties were fully deconsolidated.

Bank borrowings with China Merchants Bank

On June 13, 2017, the Group entered into a 10-year bank loan contract with China Merchants Bank under which the Group borrowed RMB17,210 to purchase buildings for administration office purposes. The loan was collateralized by the buildings purchased under this loan contract. As of September 30, 2021, the net carrying value of the collateralized buildings was RMB 33,626. The weighted average interest rate of the loan was 5.39% per annum for the years ended September 30, 2020 and 2021. As of September 30, 2021, the Group has drawn down RMB 10,326, of which RMB 1,721 is to be repaid within one year, RMB 8,605 to be repaid over one year.

Upon deconsolidation of Deconsolidated VIE's Subsidiaries, the bank borrowing of RMB 10,326 with China Merchants Bank were deconsolidated.

Rental instalments with SHRB

In the first quarter of 2019, the Group obtained a three-year revolving bank credit facility with SHRB under which the Group can draw-down up to RMB2,000,000, of which RMB1,000,000 is for rental instalment loans, by February 2022 with annual interest rate of 7.5%. As of September 30, 2021 and 2022, excluding the rental instalment loan facility, the Group did not draw down bank borrowings.

(2) Other short and long term payable

Other long term payable mainly represents loans from certain third party entities with no fixed term at an annual interest rate of 5%. Other short term payable mainly represents loans from certain third party entities due within one year at an annual interest rate ranging between 3.8% and 6%.

For the year ended September 30, 2021, one of the loans from a third party matured and the Group did not repay the principal when due. The Group and the borrower entered into an interest payment agreement, pursuant to which the Group paid 77,250,000 treasury shares to the borrower as interest expenses and extended the loans. Because the interest payment agreement took effective after original borrowing agreement matured, and the original borrowing agreement does not qualify as a trouble debt restructuring under ASC 470-60, such a modification of loan agreement is treated as an extinguishment of original loan agreement. The reacquisition of the loan is referred to the value of the 77,250,000 treasury shares, which was RMB 41,964 and was recorded as a debt extinguishment cost in the consolidated statement of operations.

On May 25, 2022, the Group issued 8,617,124,250 class A ordinary shares to a third party, at a total consideration of RMB 392,104 to settle the outstanding principal of RMB 217,477 and interest of RMB 24,665. The Company recorded inducement expenses of RMB 149,962.

7. OPERATING COSTS

Operating costs include all direct costs incurred in the operation of the leased properties.

	For the years ended September 30,		
	2020	**2021**	**2022**
Rental cost	813,773	642,354	539,487
Depreciation expenses	256,056	75,332	26,543
Personnel cost	77,392	224,125	144,926
Cost for value-added services and others	56,194	7,843	47
	1,203,415	**949,654**	**711,003**

8. ASSET ACQUISITION

On July 22, 2020, the Group entered into a series of asset purchase agreements with Great Alliance Coliving Limited. and its affiliates (“Beautiful House” or the “Sellers”) to acquire assets, including approximately 72,000 apartment rental contracts with leasehold improvements attached toit, and trademarks of Beautiful House. In addition, the Group also assumed liabilities of RMB 349,665 associated with acquired assets. The consideration was comprised of cash of $29,000 (approximately RMB 205,306) and 128,589,392 shares of the Group’s Class A ordinary shares with total value of $42,673 (approximately RMB 289,733), reflecting discount for lack of marketability. The number of shares to be issued is determined based on the total share consideration amount agreed and average closing price of the Group’s ADS of 90 days prior to the execution of the asset purchase agreements. The shares are payable in three instalments of 30%, 40% and 30% with lockup periods expiring on June 30, 2021, 2022 and 2023, respectively. As of September 30, 2020, the Group made a cash payment of $5,800 (equivalent of RMB39,498). There were no material direct transaction costs related to the transaction. The remaining cash consideration payable of $23,200(equivalent of RMB 165,808) and share consideration of RMB289,733 were recorded in the account of “Payable for asset acquisition” and “additional paid-in capital”, respectively.

The Group accounted for the acquisition as an asset acquisition because the Group did not acquire substantive process from Beautiful House.

On the date of asset acquisition, the Group determined the estimated fair values using Level 3 inputs after review and consideration of relevant information, including contract value of apartment rental agreements and estimates made by management. The apartment rental agreements with both landlords and tenants were valued using the multiperiod excess earnings method and the trademarks were valued using the relief from royalty method. The fair value of apartment rental agreements and trademarks was RMB 289,591 and RMB 86,900, respectively.

The total consideration of RMB 495,039, after deducting the liabilities of RMB 349,665 assumed in the asset acquisition, was allocated to identify assets on the basis of their relative fair value. The allocation is as follows:

	RMB
Apartment rental agreements	649,733
Trademarks	194,971
Liabilities assumed by the Group	(349,665)
	495,039

In May 2021, the Group entered into an agreement to settle the outstanding payables with the Sellers, pursuant to the agreement, the Group delivered 186,375,850 ordinary shares to settle both cash consideration payable and share consideration payable. The Sellers are entitled to trade the ordinary shares in open market. In addition, among the 186,375,850 shares delivered, 57,786,458 ordinary shares will oblige the Group to make up the shortfall if the cash collected by the Sellers are lower than $0.4014 per share. Additionally, 20,860,749 of the 57,786,458 ordinary shares are redeemable at a per share price of $0.4015 if the Sellers do not trade in open market.

The 57,786,458 ordinary shares are subject to a make-whole cash-settled provision, and 20,860,749 ordinary shares of which are also subject to redemption. The Group assessed the redemption terms and assessed it is probable that the Group will redeem these ordinary shares. The 57,786,458 ordinary shares fall in the classification of a liability. As of September 30, 2021 and 2022, the Group recorded the liabilities of RMB 164,254 and RMB 165,033 in the account of "Contingent liabilities for payable for asset acquisition". The change in the balance as of September 30, 2021 and 2022 arose from change in foreign exchange rates.

9. CONVERTIBLE NOTE, NET

The Group has executed a convertible note and warrant purchase agreement dated July 22, 2020 (the "Purchase Agreements") with one investor which is controlled by one principal shareholder of the Group (Note 15) and one third party investor under which the investors may subscribe at par for up to $100,000 in aggregate principal amount of the Group's four-year convertible notes (the "Notes") and five-year warrants to subscribe to a certain number of the ADSs.

On May 25, 2022, the Group entered into certain amendments to the conversion price of the convertible notes, which was adjusted to being the price calculated as seventy five percent 75% of the 15-Trading Day average closing price of the Company's American Depositary Shares (the "ADS"), each representing 150 class A ordinary shares of the Company, as of May 13, 2022 (the "Conversion Price"). The holders of Notes converted all of the outstanding principal amount of convertible notes and all the accrued but unpaid interest as of such date at the Conversion Price. The Company issued 15,414,467,400 Ordinary Shares, at fair value of RMB 701,403 to settle the convertible notes and all the accrued but unpaid interest of RMB 427,679. The Group accounted for the transaction as an inducement offer and recognized inducement expenses of RMB 273,724 upon conversion.

By May 13, 2022, the date on which the Company settled the convertible noted, the Group closed 22 issuances of Notes of $51,637 (approximately RMB 344,619). The maturity dates of these Notes shall be the fourth anniversary of issuance dates.

Each Note is comprised of two series of notes. Series 1 Note bears interest of 7.5% per annum payable in cash annually and another 7.5% per annum payable in cash on the maturity date. Series 2 Note bears interest of 3.5% per annum payable in cash annually and another 13.5% per annum payable in cash on the maturity date. In the event of a Fundamental Change, as defined in the Purchase Agreement, the interest rate increases to 25% per annum and the holders of the Notes can require the Group to redeem the outstanding principal and interest for cash.

Each of the holders of the Notes at any time on or after the 41st day after the issuance date of the Notes and prior to the maturity date, at its option, may convert in whole but not in part the entire outstanding principal amount and the accrued and unpaid interest into ADSs. The conversion price is as follows:

(1) 120% of 30-Trading Day average closing price of the Company's American Depositary Shares (the "ADS"), or

(2) if the Group completes an ADS offering of at least $50,000 within eighteen (18) months after the issuance date of this Note, eighty percent (80)% of the issue price per ADS in such offering, such adjusted conversion price shall be effective on the day immediately succeeding the closing date of the ADS offering.

The conversion price is subject to adjustment in the event of a Make Whole Fundamental Change, as defined in the Purchase Agreement.

The Group may at its option, upon the delivery of a mandatory conversion notice to the holders of the Notes (the "Mandatory Conversion Notice", and such date of delivery, the "Mandatory Conversion Date"), require the holders of the Notes to convert all the outstanding principal amount and all the accrued but unpaid share interest as of the Mandatory Conversion Date into the ADSs, in the event that: (i) the reported sales price of the ADS of the Group is no less than $22.00 per ADS, subject to adjustment in the event of fundamental change, as defined, for more than sixty (60) consecutive trading days and (ii) the average daily trading volume during such sixty (60) consecutive trading days is more than $15,000 per trading day.

In addition, the Group issued to the holder of the Notes, warrants to purchase ADSs equal to 4% of the principal balance on the date of issuance and 4%, 6%, 7% and 8% of the principal amount of the Notes outstanding as of such anniversary dates. Each of the warrants expire five years after its respective issue date and has an exercise price equivalent to 110% of the volume weighted average price ("VWAP") of the ADSs over the 60 trading days preceding the date of issuance of each warrant, subject to certain adjustments upon the occurrence of certain dilutive events.

A summary of warrants activity for the years ended September 30, 2020, 2021 and 2022 was as follows. The number of ADS were retroactively adjusted to reflect the stock split of ADS effective on March 7, 2022.

A summary of warrants activity for the years ended September 30, 2021 and 2021 was as follows:

	Number of ADSs	Weighted average life	Expiration dates
Balance of warrants outstanding as of September 30, 2020	21,913	4.84 years	
Grants of Warrants on October 14, 2020	963	5 years	October 14, 2025
Grants of Warrants on October 20, 2020	2,770	5 years	October 20, 2025
Grants of Warrants on October 29, 2020	3,124	5 years	October 29, 2025
Grants of Warrants on December 15, 2020	5,744	5 years	December 15, 2025
Grants of Warrants on February 25, 2021	4,630	5 years	February 25, 2026
Grants of Warrants on April 7, 2021	3,174	5 years	April 7, 2026
Grants of Warrants on May 18, 2021	1,720	5 years	May 18, 2026
Grants of Warrants on June 21, 2021	2,715	5 years	June 21, 2026
Grants of Warrants on July 13, 2021	7,435	5 years	July 13, 2026
Grants of Warrants on July 30, 2021	1,773	5 years	July 30, 2026
Grants of Warrants on September 8, 2021	1,311	5 years	September 8, 2026
Grants of Warrants on September 30, 2021	1,355	5 years	September 30, 2026
Balance of warrants outstanding as of September 30, 2021	**58,627**	4.25 years	
Grants of Warrants on October 19, 2021	1,705	5 years	October 19, 2026
Grants of Warrants on November 1, 2021	2,184	5 years	November 1, 2026
Grants of Warrants on November 29, 2021	1,939	5 years	November 29, 2026
Grants of Warrants on December 10, 2021	2,127	5 years	December 10, 2026
Grants of Warrants on January 6, 2022	3,801	5 years	January 6, 2027
Grants of Warrants on January 27, 2022	13,385	5 years	January 27, 2027
Grants of Warrants on March 1, 2022	7,412	5 years	March 1, 2027
Grants of Warrants on March 31, 2022	8,031	5 years	March 31, 2027
Balance of warrants outstanding as of May 13, 2022	**99,211**		

The warrants are subject to anti-dilution provisions to reflect stock dividends and splits or other similar transactions, but not as a result of future securities offerings at lower prices.

The convertible notes did not contain beneficial conversion feature. The embedded conversion features, redemption features and acceleration features were not bifurcated from the debt hosts as they were clearly and closely related to the debt hosts. The convertible notes were classified as debt measured at amortized cost. The warrants were cashless settled and were classified as an equity because the warrants were indexed to the Group's own stocks and classified in the shareholders' equity in the consolidated balance sheets.

The proceeds from issuance of the Notes were allocated to the relative fair values of the Notes and warrants. The Group estimated fair value of Notes were RMB 286,098, using discount cash flow model, which took into consideration the term yields ranging between 18.12% and 25.58%. The Group estimated fair value of the warrants issued at RMB 6,052, using the Black-Scholes valuation model, which took into consideration the underlying price of ordinary shares, a risk-free interest rate, expected term and expected volatility. As a result, the valuation of the warrant was categorized as Level 3 in accordance with ASC 820, "Fair Value Measurement". The Group allocated proceeds of RMB 8,596 to the warrants which was recorded as an additional paid-in capital.

On May 25, 2022, the Group settled convertible notes and all the accrued but unpaid interest. In the meantime, the warrants to subscribe the ADSs were cancelled.

The discounts of RMB 8,596 will be amortized as additional interest expense over the terms of Notes. For the years ended September 30, 2020, 2021 and 2022, the Group accrued accretion of interest expenses of RMB 214, RMB 1,988 and RMB 1,222, respectively.

The key assumption used in estimates are as follows:

	July 29, 2020	September 25, 2020	October 14, 2020	October 20, 2020	October 29, 2020	December 15, 2020	February 25, 2021	April 7, 2021	May 18, 2021
Terms of warrants	60 months	60 months	60 months	60 months	60 months	60 months	60 months	60 months	60 months
Exercise price	57.3090	51.1070	46.5205	43.3265	38.4150	25.8380	17.7090	16.6355	10.1560
Risk free rate of interest	0.21%	0.21%	0.29%	0.29%	0.29%	0.28%	0.58%	0.61%	0.69%
Dividend yield	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Annualized volatility of underlying stock	40.0%	39.0%	39.0%	39.0%	39.0%	40.0%	41.0%	40.0%	40.0%

	June 21, 2021	July 13, 2021	July 30, 2021	September 8, 2021	September 30, 2021
Terms of warrants	60 months	60 months	60 months	60 months	60 months
Exercise price	10.1560	8.0360	8.0360	5.9720	5.9720
Risk free rate of interest	0.69%	0.52%	0.52%	0.76%	0.76%
Dividend yield	0.00	0.00	0.00	0.00	0.00
Annualized volatility of underlying stock	40.0%	40.0%	40.0%	40.0%	40.0%

	October 11, 2021	November 1, 2021	November 11, 2021	December 10, 2022	January 6, 2022	January 27, 2022	March 1, 2022	March 31, 2022
Terms of warrants	60 months	60 months	60 months	60 months	60 months	60 months	60 months	60 months
Exercise price	4.5744	4.2757	4.0013	3.5739	3.2626	2.8391	2.5636	2.3658
Risk free rate of interest	1.17%	1.24%	1.24%	1.55%	1.55%	1.55%	1.96%	1.96%
Dividend yield	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Annualized volatility of underlying stock	40.9%	40.8%	40.8%	41.5%	41.5%	41.5%	42.2%	42.2%

10. ACCRUED EXPENSES AND OTHER CURRENT LIABILITIES

	As of September 30,	
	2021	2022
Due to a rental service company (1)	603,884	—
Tenant deposits	102,355	5,184
Payable to a constructor for leasehold improvements (2)	62,498	—
Other tax payable	91,970	63,619
Interest payable	106,439	1,680
Accrued utilities	25,503	—
Operation service payable	35,514	—
Accrued payroll and welfare	4,471	3,999
Others	16,727	7,167
	1,049,361	**81,649**

(1) As of September 30, 2021, the balance of due to a rental service company primarily represented

a) the rental deposits and prepaid rental fee collected from tenants. The rental deposits and prepaid rental fee belonged to the rental service company, for which the Group provided apartment operation services since April 2020, and

b) Capital lease payable and other financing payables due to the rental service company. The Group started to cooperate with a rental service company to source and renovate apartments since August 2018. For certain identified newly sourced apartments, the rental service company reimburses the Group for costs incurred for the renovation. The Group then makes payments to the rental service company in instalments equal to the reimbursed renovation costs plus interest and tax over a period of five years. At the end of the five-year period, the ownership of the renovation will be transferred to the Group. The Group accounts for this arrangement with the rental service company as a capital lease. The Group terminated cooperation with the rental service company, and the Group reclassified the capital lease payable and other financing payable to the account of "Due to a rental service company".

During the year ended September 30, 2022, the Company deconsolidated subsidiaries of the VIE. As of September 30, 2022, the Company had no balance of due to a rental service company.

(2) During the year ended September 30, 2022, the constructor claimed debts with the Court (Note 3), which allocated the proceeds to the constructor. As of September 30, 2022, the Company had no outstanding balance due to the constructor.

11. SHARE BASED COMPENSATION

The Group utilized Yijia Inc., a company controlled by the Founder as a vehicle to hold shares that will be used to provide incentives and rewards to employees and executives who contribute to the success of the Group's operations. According to the Group's board resolutions, in July 2017 and March 2018, 86 million shares were reserved to Yijia Inc. Yijia Inc. has no activities other than administrating the incentive program and does not have any employees. On behalf of the Group and subject to approvals from the board or directors, the Founder has the authority to select eligible participants to whom equity awards will be granted; determine the number of shares covered; and establish the terms, conditions and provision of such awards. The board resolutions allow the grantees to hold options to purchase from the Yijia Inc. the equity shares of the Group.

As of June 24, 2022, Yijia Inc. held 75.2 million Class B ordinary shares. On June 24, 2022, Yijia Inc. transferred all reserved ordinary shares to Golden Stream Limited, a company controlled by Mr. Qu Chengcai, the Chief Executive Officer of the Group. Upon transfer, the Class B ordinary shares previously held by Yijia Inc. were automatically converted to Class A ordinary shares pursuant to the Company's third amended and restated memorandum and articles of association. Since then, Golden Stream Limited became a vehicle to hold shares that will be used to provide incentives and rewards to employees and executives who contribute to the success of the Group's operations. The board resolutions allow the grantees to hold options to purchase from the Golden Stream Limited the equity shares of the Group.

All the share information disclosed under Stock Option A and Stock Option B in this section refers to the shares of the Group the grantees are entitled through Yijia Inc. shares before June 24, 2022 and through Golden Stream Limited after June 24, 2022. The related expenses are reflected in the Group's consolidated financial statements as share-based compensation expenses with an offset to additional paid-in capital. Given the shares owned by Yijia Inc./ Golden Stream Limited for the purpose of the incentive program are existing and outstanding shares of the Group, the options do not have any dilution effect on the loss per share (see Note 12).

Stock Option A

On August 31, 2014, April 21, 2016, October 17, 2016 and October 18, 2016, the Group granted an aggregate number of 26.86 million share options to certain management, employees and non-employees of the Group. Under the plan, the exercise price was US$0.31 (RMB2.00) per share and vests 50% on the first and second anniversary after the IPO date. All grantees were restricted from transferring more than 25% of their total exercised ordinary shares each year after the exercise date. Given the vesting was contingent on the IPO and vested on the first and second anniversary after the IPO date, no share-based compensation expense is recognized until the date of IPO. For the year ended September 30, 2021, no share options were vested or exercised. As of September 30, 2021 and 2022, the number of outstanding options is 10,250,000 and 10,250,000, respectively, which was equal to the number of option expected to be vested. The remaining Stock Options A are exercisable into 10,250,000 Class B ordinary shares. Because the exercise price is out of money, the weighted average intrinsic value of the outstanding options and the options expected to vest was RMB nil.

Stock Option B

On July 31, 2017, the Group granted 43.14 million share options to management and employees of the Group. The options vested immediately upon the grant date and the exercise price were US$0.31 (RMB2.00) per share. All grantees were restricted from transferring its exercised ordinary shares during certain periods subsequent to the IPO date (the "lock-up period"). If the grantee resigned from the Group before the IPO or during the lock-up period, the Group has the right to repurchase the share options or ordinary shares at the exercise price. The Group believes that the repurchase feature is effectively to require the employee to remain throughout the requisite period in order to receive any economic benefit from the award. As such, the repurchase feature functions as a vesting condition that is contingent on the IPO, no share-based compensation expense is recognized until the date of IPO. As of September 30, 2021 and 2022, the Group had 23,950,000 and 23,850,000 share options outstanding, vested and exercisable. The remaining Stock Options B are exercisable into 23,850,000 Class A ordinary shares. Because the exercise price is out of money, the weighted average intrinsic value of these share options were RMB nil.

Binomial options pricing model was applied in determining the estimated fair value of the options granted. The model requires the input of highly subjective assumptions including the estimated expected stock price volatility and, the exercise multiple for which employees are likely to exercise share options. The estimated fair value of the ordinary shares, at the option grants, was determined with assistance from an independent third party valuation firm. The Group's management is ultimately responsible for the determination of the estimated fair value of its ordinary shares.

The following table presents the assumptions used to estimate the fair values of the share options granted in the years presented:

	April 2016	October 2016	July 2017
Risk-free rate of return	3.18%	3.18%	3.21%
Contractual life of option	10 years	10 years	8.4 years
Estimated volatility rate	37%	37%	35%
Expected dividend yield	0%	0%	0%
Fair value of underlying ordinary shares	US$ 0.03	US$ 0.04	US$ 0.05

2019 Share Incentive Plan

The 2019 Share Incentive Plan became effective immediately upon the completion of our initial public offering. The maximum number of shares that may be issued under the 2019 Plan is 10% of the total outstanding shares as of the date of the consummation of our initial public offering.

In June 2022, the Group issued 72 million stock options with nil exercise price to Mr. Qu, the Chief Executive Officer of the Company. All of the stock options were vested and exercised immediately upon grant. The Group recorded stock options at the grant date fair value per ADS of US$1.4537 by reference to the share price in the open market on grant date.

In June 2022, the Group issued 50.36 million stock options with nil exercise price to Mr. Sun, the Chief Financial Officer of the Company, of which 43.18 million stock options vested and exercised immediately upon grant, 3.59 million stock options vested on August 3, 2022, and the remaining 3.59 million stock options vested on August 3, 2023. As of September 30, 2022, the 3.59 million stock options vested on August 3, 2022 was not exercised by or issued to Mr. Sun. The Group recorded stock options at the grant date fair value per ADS of US$1.4537 by reference to the share price in the open market on grant date.

A summary of option activity during the year ended September 30, 2022 is presented below:

	Number of Options	Exercise Price RMB	Remaining Contractual Life
Outstanding, as of September 30, 2021	34,200,000	2	4.96
Granted	122,360,108	—	10.00
Exercised	(115,180,054)	—	10.00
Forfeited	(100,000)	2	4.83
Outstanding, as of September 30, 2022	41,280,054	2	5.44
Vested and exercisable as of September 30, 2022	37,690,027	2	4.51
Vested or expected to vest as of September 30, 2022	41,280,054	2	5.44

The Group recognized the compensation cost for the stock options on a straight line basis over the requisite service periods.

For the years ended September 30, 2020, 2021 and 2022, the Group recorded compensation expenses of RMB 16,045, RMB 1,236 and RMB 9,771 in connection with the above stock options. As of September 30, 2022, the Group had unrecognized compensation expenses for stock options of RMB169.

Restricted shares units

Under 2019 Share Incentive Plan, in March 2021, the Group also issued 25,000,000 restricted share units (“RSU”) to a consulting company for the service provided. All of the RSU were vested immediately upon grant. The Group recorded RSU at the measurement date fair value per share of US$0.09 by reference to the share price in the open market on grant date.

For the years ended September 30, 2020, 2021 and 2022, the Group recorded compensation expenses of RMB nil, RMB 14,570 and RMB nil in connection with the above restricted shares units.

As of September 30, 2022, the Group had no unrecognized compensation expenses for restricted share units.

For the years ended September 30, 2020, 2021 and 2022, the total share-based compensation expenses were comprised of the following:

	For the years ended September 30,		
	2020	2021	2022
Selling and marketing expenses	83	7	12
General and administrative expenses	15,596	15,991	9,737
Research and development expenses	366	(192)	22
	16,045	15,806	9,771

12. LOSS PER SHARE

The following table sets forth the computation of basic and diluted earnings per share for the years indicated:

	For the years ended September 30,		
	2020	2021	2022
Numerator:			
Net (loss) income attributable to FLJ Group Limited's ordinary shareholders	(1,533,592)	(569,174)	820,023
Denominator:			
Weighted average ordinary shares outstanding—basic and diluted	1,351,127,462	1,460,692,909	10,258,424,457
Net loss per share—basic and diluted	(1.14)	(0.39)	0.08

For the years ended September 30, 2020, 2021 and 2022, weighted average ordinary shares included nil, nil and 3,590,027 stock options. The 3,590,027 stock options were vest but unexercised as of September 30, 2022. The Company included the stock options because they are exercisable at RMB nil.

For the years ended September 30, 2020, 2021 and 2022, potential ordinary shares from assumed conversion of 2,789,720, 7,452,445 and 0 convertible notes as well as 41,750,000, 34,200,000 and 37,690,027 options have not been reflected in the calculation of diluted net loss per share as their inclusion would have been anti-dilutive.

13. INCOME TAXES

Cayman Islands

Under the current laws of the Cayman Islands, the Company, FLJ Group Limited is not subject to tax on income or capital gain.

BVI Islands

Under the current laws of the British Virgin Islands ("BVI"), the Group, QK365.com Inc. incorporated in BVI is not subject to tax on income or capital gain.

Hong Kong

QingKe (China) Limited and Fenglinju and are subject to Hong Kong profit tax. The applicable tax rate for the first Hong Kong dollar ("HKD$") $2,000 of assessable profits is 8.25% and assessable profits above HKD$2,000 will continue to be subject to the rate of 16.5% for corporations in Hong Kong, effective from the year of assessment 2018/2019. No Hong Kong profit tax has been provided as the Group has not had assessable profit that was earned in or derived from Hong Kong during the years presented.

United States of America

The Group's subsidiary in the U.S. is registered in the state of Delaware and is subject to a flat U.S. federal corporate income tax rate of 21%. In the year ended September 30, 2022, the US company filed a withdrawal that it was no longer required to file documents or tax returns to State or Federal since it was not generating profit as a legal entity thereafter.

PRC

Under the Law of the People's Republic of China on Enterprise Income Tax ("EIT Law"), which was effective from January 1, 2008, domestically-owned enterprises and foreign-invested enterprises are subject to a uniform tax rate of 25%.

Tax benefits is comprised of the following:

	For the years ended September 30,		
	2020	**2021**	**2022**
Current tax income	13	31	21
Deferred tax expenses	—	—	—
	13	**31**	**21**

A reconciliation between the effective income tax rate and the PRC statutory income tax rate are as follows:

	For the years ended September 30,		
	2020	**2021**	**2022**
PRC statutory tax rate	25%	25.0%	25.0%
Effect of different tax rates of group entities operating in other jurisdictions and preferential tax rates of group entities	0.5%	(5.0)%	14.8%
Effect of other expenses that are not deductible in determining taxable profit	—	(0.9)%	0.3%
Effect of gain from deconsolidation	—	—	(52.9)%
Effect of share-based compensation	(0.3)%	(0.7)%	0.3%
Effect of loss on disposal of long-term assets	(7.6)%	(2.0)%	0.4%
Effect of change in valuation allowance	(17.6)%	(16.4)%	12.1%
	(0.0)%	**(0.0)%**	**(0.0)%**

The principal components of the Group's deferred income tax assets as of September 30, 2021 and 2022 are as follows:

	As of September 30,	
	2021	**2022**
Deferred tax assets:		
Net losses carry forwards	215,193	109,940
Impairment loss on long-term assets	313,668	338,707
Allowance of doubtful accounts	37,668	39,136
Other accrued expenses	22,746	22,746
Advertising expenses	12,592	12,592
Valuation allowance	(601,867)	(523,121)
	—	—

Movement of the valuation allowance is as follows:

Balance as of September 30, 2019	338,964
Addition	280,958
Write off	—
Balance as of September 30, 2020	619,922
Addition	94,809
Write off	(112,864)
Balance as of September 30, 2021	601,867
Addition	99,230
Write off	(177,976)
Balance as of September 30, 2022	523,121

The write down of the valuation allowance is related to a reduction of the deferred tax asset for net operating losses from to the realizable amount based on prior tax filings and deconsolidation entities.

The Group considers positive and negative evidence to determine whether some portion or all of the deferred tax assets will more likely than not be realized. This assessment considers, among other matters, the nature, frequency and severity of recent losses, forecasts of future profitability, the duration of statutory carryforward periods, the Group's experience with tax attributes expiring unused and tax planning alternatives. Valuation allowances have been established for deferred tax assets based on a more likely than not threshold. The Group's ability to realize deferred tax assets depends on its ability to generate sufficient taxable income within the carryforward periods provided for in the tax law.

As of September 30, 2022, the Group had tax loss carryforwards of RMB 439,563, of which nil, RMB 143,592, RMB 24,556, RMB 21,168 and RMB 250,247, will expire, if unused, by 2023, 2024, 2025, 2026, and 2027, respectively. As of September 30, 2022, the net operating loss carryforward in Hong Kong RMB 300. The net operating loss in Hong Kong can be carried forward indefinitely.

According to the PRC Tax Administration and Collection Law, the statute of limitations is three years if the underpayment of income taxes is due to computational errors made by the taxpayer. The statute of limitations will be extended to five years under special circumstances, which are not clearly defined, but an underpayment of income tax liability exceeding RMB100 is specifically listed as a special circumstance. In the case of a transfer pricing related adjustment, the statute of limitations is ten years. There is no statute of limitations in the case of tax evasion. The Group's PRC subsidiaries are therefore subject to examination by the PRC tax authorities from 2018 through 2022 on non-transfer pricing matters, and from 2012 through 2022 on transfer pricing matters.

In accordance with the EIT Law, dividends, which arise from profits of foreign invested enterprises ("FIEs") earned after January 1, 2008, are subject to a 10% withholding income tax. In addition, under tax treaty between the PRC and Hong Kong, if the foreign investor is incorporated in Hong Kong and qualifies as the beneficial owner, the applicable withholding tax rate is reduced to 5%, if the investor holds at least 25% in the FIE, or 10%, if the investor holds less than 25% in the FIE. A deferred tax liability should be recognized for the undistributed profits of PRC subsidiaries unless the Group has sufficient evidence to demonstrate that the undistributed dividends will be reinvested and the remittance of the dividends will be postponed indefinitely. The Group plans to indefinitely reinvest undistributed profits earned from its China subsidiaries in its operations in the PRC. Therefore, no withholding income taxes for undistributed profits of the Group's subsidiaries have been provided as of September 30, 2021 and 2022.

Under applicable accounting principles, a deferred tax liability should be recorded for taxable temporary differences attributable to the excess of financial reporting basis over tax basis in a domestic subsidiary.

For the year ended September 30, 2022, the gains from deconsolidation of VIE's subsidiaries were recorded by Company and was not allocated to the Group's PRC subsidiaries and VIE. The Group's PRC subsidiaries and VIE reported accumulated deficits that are not available for distribution as of September 30, 2021 and 2022.

14. STATUTORY RESERVES AND NET RESTRICTED ASSETS

The Group's ability to pay dividends is primarily dependent on the Group receiving distributions of funds from its subsidiaries. Relevant PRC statutory laws and regulations permit payments of dividends by the VIE and subsidiaries of the VIE incorporated in PRC only out of their retained earnings, if any, as determined in accordance with PRC accounting standards and regulations. The consolidated results of operations reflected in the consolidated financial statements prepared in accordance with U.S. GAAP differ from those reflected in the statutory financial statements of the Group's subsidiaries.

Under PRC law, the Group's subsidiaries and consolidated VIEs located in the PRC (collectively referred as the ("PRC entities") are required to provide for certain statutory reserves, namely a general reserve, an enterprise expansion fund and a staff welfare and bonus fund. The PRC entities are required to allocate at least 10% of their after tax profits on an individual company basis as determined under PRC accounting standards to the statutory reserve and has the right to discontinue allocations to the statutory reserve if such reserve has reached 50% of registered capital on an individual company basis. In addition, the registered capital of the PRC entities is also restricted.

Amounts restricted including paid-in capital and statutory reserve funds as determined pursuant to PRC Laws were RMB 1,754,615 and RMB 10,000 as of September 30, 2021 and 2022, respectively.

15. RELATED PARTY TRANSACTIONS AND BALANCES

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operational decisions. Parties are also considered to be related if they are subject to common control or common significant influence. Related parties may be individuals or corporate entities.

The following entities are considered to be related parties to the Group. The related parties mainly act as service providers and service recipients to the Group. The Group is not obligated to provide any type of financial support to these related parties.

Related Party	Relationship with the Group
Shanghai Laiguan Property Management Co., Ltd. ("Laiguan") (i)	An entity controlled by certain shareholders of the Group
Shanghai Qingji Property Management Co., Ltd. ("Qingji") (i)	An entity controlled by certain shareholders of the Group
Wangxiancai Limited	An entity controlled by the legal representative and executive director of one of the subsidiaries
Key Space (S) Pte Ltd ("Key Space")	An entity controlled by certain shareholders of the Group
Mr. Qu Chengcai	Chief Executive Officer
Mr. Sun Zhichen	Chief Financial Officer

(i) Laiguan and Qingji ceased to be a related party of the Group in January 2021.

The Group entered into the following transactions with its related parties:

For the years ended September 30, 2020, 2021 and 2022, services provided by the related parties were as follows**:**

	For the years ended September 30,		
	2020	**2021**	**2022**
Labor outsourcing service expense to Laiguan	25,059	—	—
Labor outsourcing service expense to Qingji.	22,405	—	—
	47,464	—	—

As stated in Note 1, on October 26, 2021 and December 17, 2021, the Group transferred the equity interest in the Q&K Investment Consulting and Q&K HK, respectively, to Wangxiancai Limited for nominal consideration.

As stated in Note 9, for the years ended September 30, 2020, 2021 and 2022, the Group issued convertible notes in exchange for cash of $24,018 (RMB 163,565), $17,574 (RMB 113,236) and $2,813 (RMB 20,007), respectively, to Key Space.

Among the convertible notes issued in the year ended September 30, 2020, $7,133 and $16,885 are subject to interest rate of 15% per annum and 17% per annum, respectively. Among the convertible notes issued in the year ended September 30, 2021, $5,220 and $12,354 are subject to interest rate of 15% per annum and 17% per annum, respectively. Among the convertible notes issued in the year ended September 30, 2022, $835 and $1,978 are subject to interest rate of 15% per annum and 17% per annum, respectively. For the year ended September 30, 2020, 2021 and 2022, the Group accrued interest expenses of RMB 4,365, RMB 49,512 and RMB 13,094 on the convertible notes. On May 25, 2022, the Company issued ordinary shares to settle outstanding principal and unpaid interest.

As stated in Note 11, the Group issued 72 million and 43.18 million stock options to Mr. Qu and Mr. Sun, respectively. (See *Note 11-Share based compensation*)

As of September 30, 2021 and 2022, amounts due from related parties were RMB 201 and RMB nil, respectively, and details are as follows:

	As of September 30,	
	2021	**2022**
Others	201	—
	201	—

As of September 30, 2021 and 2022, amounts due to related parties were RMB nil and RMB 4,831, respectively. The balance due to related parties represented borrowings from the related parties which were due within 12 months from borrowing. Details are as follows:

	As of September 30,	
	2021	**2022**
Key Space	—	4,065
Others	—	766
	—	**4,831**

16. COMMITMENTS AND CONTINGENCIES

(a) Operating lease commitments

The Group has entered into lease agreements for properties which it operates. Such leases are classified as operating leases. Future minimum lease payments under non-cancellable operating lease agreements at September 30, 2022 were as follows:

For the years ending September 30,	
2023	339,513
2024	211,216
2025	81,947
2026	34,447
2027 and thereafter	37,905
Total	**705,028**

(b) Purchase Commitments

As of September 30, 2022, the Group's did not have commitments related to leasehold improvements and installation of equipment.

(c) Contingencies

The Group is subject to periodic legal or administrative proceedings in the ordinary course of business. The Group does not believe that any currently pending legal or administrative proceeding to which the Group is a party will have a material effect on its business or financial condition.

17. SUBSEQUENT EVENTS

2022 Share Incentive Plan

On November 18, 2022, the board of directors has approved and adopted a new share incentive plan (the "2022 Plan"). The maximum number of shares available for issuance under the 2022 Plan is 2,500,000,000 Class B ordinary shares of the Company (the "Shares").

In respect of matters requiring the votes of shareholders, holders of Class A ordinary shares are entitled to one vote per share, while holders of Class B ordinary shares are entitled to ten votes per share based on our dual class share structure. Each Class B ordinary share is convertible into one (1) Class A ordinary share at any time by the holder thereof, while Class A ordinary shares are not convertible into Class B ordinary shares under any circumstances. Upon any transfer of Class B ordinary shares by a holder thereof to any person or entity which is not an affiliate of such holder, such Class B ordinary shares shall be automatically and immediately converted into the equal number of Class A ordinary shares.

The board of directors has also approved the issuance of the Shares to an ESOP Platform, which is holding these Shares (representing 8.8% of the total outstanding share capital and 49.1% of the voting power of the Company) and will act upon the instructions from a senior management committee of the Company determined on a unanimous basis in relation to the voting and, prior to the vesting of the Shares to the relevant grantee of the share-based awards under the 2022 Plan, the disposition of the Shares. The Shares held by the ESOP Platform are reserved for share-based awards that the Company may grant in the future under the 2022 Plan. As of the date of this report, 2,500,000,000 Class B ordinary shares were reserved to 2022 Plan and no Class B ordinary shares have been issued under the 2022 Plan.

Commitment letter for net settle outstanding receivables

As of September 30, 2022, the Company had a balance of due from a service provider of RMB 36,100 and deposits of RMB 21,341 (Note 3). As one of the shareholders of the Seller of Beautiful House controls the service provider, both balances were collectible from the shareholder and one of its subsidiaries ("Shareholders"), to which the Company was obliged to make contingent liabilities aggregating RMB 119,186. On January 10, 2023, the Shareholders provided a commitment letter to the Company, pursuant to which the Shareholders agreed to net settle the outstanding receivable upon the Company repays the contingent liabilities.

18. EVENTS (UNAUDITED) OCCURRED AFTER THE REPORT DATE

On October 31, 2023, the Company entered into an equity transfer agreement to sell all of our equity interest in Q&K AI to Wangxiancai Limited for nominal consideration (the "Disposal"). Q&K AI holds substantially all of the equity interest of our subsidiaries in the PRC, through which the Company carried out long-term rental apartment rental business (the "Disposed Business"). The Disposed Business contributed substantially all revenue and held substantially all of the Company's assets. Upon the consummation of the Disposal on October 31, 2023, the Company became a shell company as defined in Rule 12b-2 under the Exchange Act.

On November 22, 2023, the Company entered into an equity acquisition agreement with Alpha Mind Technology Limited ("Alpha Mind"), an insurance agency and insurance technology business in the PRC, and Alpha Mind's shareholders to acquire all of the issued and outstanding shares in Alpha Mind for an aggregate purchase price of US$180,000,000 or RMB equivalent (the "Acquisition"). The purchase price is payable in the form of promissory note (collectively, the "Notes"). The Notes have a maturity of 90 days from the closing date, an interest rate at an annual rate to 3% per annum and will be secured by all of the issued and outstanding equity of the Alpha Mind and all of the assets of the Alpha Mind, including its consolidated entities.

The Acquisition was consummated on December 28, 2023. Upon consummation of the Acquisition, Alpha Mind became the Company's wholly-owned subsidiary and the Company assumed and began conducting the principal business of Alpha Mind. As a result of the consummation of the Acquisition, the Company ceased to be a shell company.

The following unaudited pro forma combined balance sheet as of September 30, 2022 illustrated the estimated effects of the Disposal and Acquisition. The balances are expressed in thousand US dollar.

Unaudited Pro Forma Combined Balance Sheet

	As of September 30, 2022				
	Company Historical	Alpha Mind Historical	Pro Forma Adjustments (a)	Other Adjustments (b)	Pro Forma Combined
	USD'000	USD'000	USD'000		USD'000
ASSETS					
Current Assets					
Cash and cash equivalents	$ 390	$ 342	$ -	$ (311)	$ 421
Restricted Cash	15	-	-	(15)	-
Accounts receivable, net	106	2,893	-	(106)	2,893
Prepayments	1,195	1,412	-	(195)	2,412
Amount due from related parties	-	21	-	-	21
Short-term Investment	-	273	-	-	273
Other Current Assets	8,298	132	-	(8,298)	132
Current assets of discontinued operations	-	-	-	8,925	8,925
Total Current Assets	**10,004**	**5,073**	**-**	**-**	**15,077**
Non-current Assets					
Restricted Cash- non-current	1,464	718	-	(1,464)	718
Property and equipment, net	70	69	-	(70)	69
Intangible assets, net	1,894	-	-	(1,894)	-
Deferred tax assets	-	25	-	-	25
Goodwill	-	-	177,635	-	177,635
Long-term assets of discontinued operations	-	-		3,428	3,428
Total assets	**$ 13,432**	**$ 5,885**	**$ 177,635**	**$ -**	**$ 196,952**
LIABILITIES AND STOCKHOLDERS' EQUITY					
LIABILITIES					
Accounts payable	$ 17,244	$ 2,497	$ -	$ (17,244)	$ 2,497
Advance from customer	18,265	5	-	(18,265)	5
Short-term debt	15,477	-	-	(14,557)	920
Rental instalment loans	2,215	-	-	(2,215)	-
Amount due to related parties	679	17	-	(107)	589
Deposits from tenants	5,404	-	-	(5,404)	-
Contingent liabilities for payable for asset acquisition	23,200	-	-	-	23,200
Accrued expenses and other current liabilities	11,480	1,001	-	(10,994)	1,487
Notes payable	-	-	180,000	-	180,000
Current liabilities of discontinued operations	-	-	-	68,786	68,786
Total Current Liabilities	**93,964**	**3,520**	**180,000**	**-**	**277,484**
Total Liabilities	**93,964**	**3,520**	**180,000**	**-**	**277,484**
Commitments and Contingencies					
SHAREHOLDERS' EQUITY					
Class A Ordinary shares	243	-	-		243
Additional paid-in capital	415,355	8,649	(8,649)		415,355
Stock subscription receivable	-	-	-		-
Accumulated deficit	(500,270)	(5,636)	5,636		(500,270)
Accumulated other comprehensive income (loss)	4,140	(648)	648		4,140
Total Shareholders' Deficit	**(80,532)**	**2,365**	**(2,365)**	**-**	**(80,532)**
Total Liabilities, Mezzanine Equity and Shareholders' Deficit	**$ 13,432**	**5,885**	**177,635**	**-**	**196,952**

(a) Pro Forma Adjustments for Acquisitions

Reflects the preliminary purchase price allocation recorded, and the elimination of the acquired companies' net assets balances in accordance with the acquisition method of accounting.

(b) Other Adjustments

Reflects the reclassification of assets and liabilities of Q&K AI and its subsidiaries which was dispose of in October 2023. On October 31, 2023, the Company closed the disposal of the WFOE and the WFOE's subsidiaries, and classified the as disposal of WFOE and its subsidiaries as discontinue operations.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Stockholders of
Alpha Mind Technology Limited

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Alpha Mind Technology Limited, subsidiaries, and variable interest entities (collectively the "Company") as of December 31, 2022 and 2021, and the related consolidated statements of income (loss) and comprehensive income (loss), changes in shareholders' equity, and cash flows in each of the years for the two-year period ended December 31, 2022, and the related notes (collectively referred to as the financial statements). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2022 and 2021, and the results of its operations and its cash flows for each of the years in the two-year period ended December 31, 2022, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ WWC, P.C.
WWC, P.C.
Certified Public Accountants
PCAOB ID No.1171

We have served as the Company's auditor since 2022.

San Mateo, California
August 29, 2023

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ALPHA MIND TECHNOLOGY LIMITED, SUBSIDIARIES, AND VARIABLE INTEREST ENTITIES
CONSOLIDATED BALANCE SHEETS
(In U.S. dollars, except for share and per share data, or otherwise noted)

	As of	
	December 31, 2022	**December 31, 2021**
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	$ 341,743	$ 512,028
Accounts receivable, net	2,892,960	3,601,345
Prepayments	1,412,266	2,449,349
Other receivables, net	31,227	97,112
Due from related parties	20,784	34,361
Short-term investment	273,182	393,651
Other current assets	100,558	171,019
Total Current Assets	5,072,720	7,258,865
NON-CURRENT ASSETS:		
Restricted cash- non-current	717,916	784,228
Property and equipment, net	68,541	48,086
Deferred tax assets	25,360	4,280
Total Non-current Assets	811,817	836,594
Total Assets	$ 5,884,537	$ 8,095,459
LIABILITIES AND SHAREHOLDERS' (DEFICIT) EQUITY		
CURRENT LIABILITIES:		
Accounts payable	$ 2,496,587	$ 3,504,865
Salary payable	65,709	42,082
Other payables	780,247	1,132,451
Due to related parties	16,723	74,739
Taxes payable	154,585	203,114
Advance from customer	5,306	13,617
Total Current Liabilities	3,519,157	4,970,868
NON-CURRENT LIABILITIES:		
Long-term liabilities	—	439,167
Total Non-current Liabilities	—	439,167
Total Liabilities	3,519,157	5,410,035
SHAREHOLDERS' EQUITY:		
Common shares (par value $1.00 per share; 50,000 shares authorized as of April 17, 2023)	50,000	50,000
Subscription receivable	(50,000)	(50,000)
Additional paid-in capital	8,649,321	8,205,976
Accumulated deficit	(5,636,318)	(5,110,749)
Accumulated other comprehensive loss	(647,623)	(409,803)
Total Shareholders' Equity	2,365,380	2,685,424
Total Liabilities and Shareholders' Equity	$ 5,884,537	$ 8,095,459

The accompanying notes are an integral part of these consolidated financial statements.

ALPHA MIND TECHNOLOGY LIMITED, SUBSIDIARIES, AND VARIABLE INTEREST ENTITIES
CONSOLIDATED STATEMENTS OF INCOME (LOSS) AND COMPREHENSIVE INCOME (LOSS)
(In U.S. dollars, except for share and per share data, or otherwise noted)

	For the Year Ended	
	December 31, 2022	December 31, 2021
REVENUE	$ 47,443,458	$ 44,948,234
COST OF REVENUE	43,614,455	41,946,093
GROSS PROFIT	3,829,003	3,002,141
OPERATING EXPENSES:		
Selling and marketing	3,380,556	2,440,581
General and administrative		
Payroll and related benefits	641,389	803,833
Other general and administrative	1,152,245	601,128
Total Operating Expenses	5,174,190	3,845,542
LOSS FROM OPERATIONS	(1,345,187)	(843,401)
OTHER INCOME (EXPENSE):		
Interest income	18,559	40,275
Interest expense	(13,266)	(70,196)
Other income, net	818,372	239,305
Total Other income (expense)	823,665	209,384
LOSS BEFORE INCOME TAXES	(521,522)	(634,017)
INCOME TAXES	(4,047)	(16,393)
NET LOSS	$ (525,569)	$ (650,410)
OTHER COMPREHENSIVE (LOSS) INCOME		
Foreign currency translation adjustments	(237,820)	68,723
COMPREHENSIVE LOSS	$ (763,389)	$ (581,687)

The accompanying notes are an integral part of these consolidated financial statements.

ALPHA MIND TECHNOLOGY LIMITED, SUBSIDIARIES, AND VARIABLE INTEREST ENTITIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(In U.S. dollars, except for share and per share data, or otherwise noted)

	Common Shares		Subscription Receivable	Additional Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive Loss	Total Shareholders' Equity
	Number of Shares	Amount					
Balance, January 1, 2021	50,000	$ 50,000	$ (50,000)	$ 8,205,976	$ (4,460,339)	$ (478,526)	$ 3,267,111
Net loss for the year ended December 31, 2021	-	-	-	-	(650,410)	-	(650,410)
Foreign currency translation adjustment	-	-	-	-	-	68,723	68,723
Balance, December 31, 2021	50,000	$ 50,000	$ (50,000)	$ 8,205,976	$ (5,110,749)	$ (409,803)	$ 2,685,424
Capital contribution from shareholders	-	-	-	443,345	-	-	443,345
Net loss for the year ended December 31, 2022	-	-	-	-	(525,569)	-	(525,569)
Foreign currency translation adjustment	-	-		-	-	(237,820)	(237,820)
Balance, December 31, 2022	50,000	$ 50,000	$ (50,000)	$ 8,649,321	$ (5,636,318)	$ (647,623)	$ 2,365,380

The accompanying notes are an integral part of these consolidated financial statements.

ALPHA MIND TECHNOLOGY LIMITED, SUBSIDIARIES, AND VARIABLE INTEREST ENTITIES
CONSOLIDATED STATEMENTS OF CASH FLOW
(In U.S. dollars, except for share and per share data, or otherwise noted)

	For the Years Ended December 31,	
	2022	**2021**
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	$ (525,569)	$ (650,410)
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation expense	16,305	17,322
Allowance for bad debts	81,073	16,488
Deferred taxes expense	(22,202)	(4,230)
Noncash other expense	-	4,650
Changes in operating assets and liabilities:		
Accounts receivable	391,791	(1,217,065)
Prepayments	859,406	642,790
Due from related parties	13,577	(4,850)
Prepaid expenses and other current assets	60,505	(458,129)
Accounts Payable	(737,165)	1,669,768
Salary payable	28,150	24,463
Accrued liabilities and other payables	(287,925)	154,413
Net cash provided by (used in) operating activities	(122,054)	195,210
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property and equipment	(41,695)	-
Purchase of short-term investment	90,274	(389,025)
Net cash provided by (used in) investing activities	48,579	(389,025)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Cash borrowed from related parties	-	434,008
Repayment to related parties	(58,016)	(11,791)
Net cash provided by (used in) financing activities	(58,016)	422,217
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS AND RESTRICTED CASH	(131,491)	228,402
Effect of exchange rate changes on cash	(105,106)	23,502
CASH AND CASH EQUIVALENTS AND RESTRICTED CASH AT BEGINNING OF YEAR	1,296,256	1,044,352
CASH AND CASH EQUIVALENTS AND RESTRICTED CASH AT END OF YEAR	$ 1,059,659	$ 1,296,256
RECONCILIATION OF CASH, CASH EQUIVALENTS AND RESTRICTED CASH		
Cash and cash equivalents at beginning of year	$ 512,028	$ 278,057
Restricted cash at beginning of year	784,228	766,295
Total cash, cash equivalents and restricted cash at beginning of year	$ 1,296,256	$ 1,044,352
Cash and cash equivalents at end of year	$ 341,743	$ 512,028
Restricted cash at end of year	717,916	784,228
Total cash, cash equivalents and restricted cash at end of year	$ 1,059,659	$ 1,296,256
SUPPLEMENTAL CASH FLOW INFORMATION:		
Cash paid for income tax	$ (16,986)	$ (22,017)
Cash paid for interest	$ (13,266)	$ (70,196)

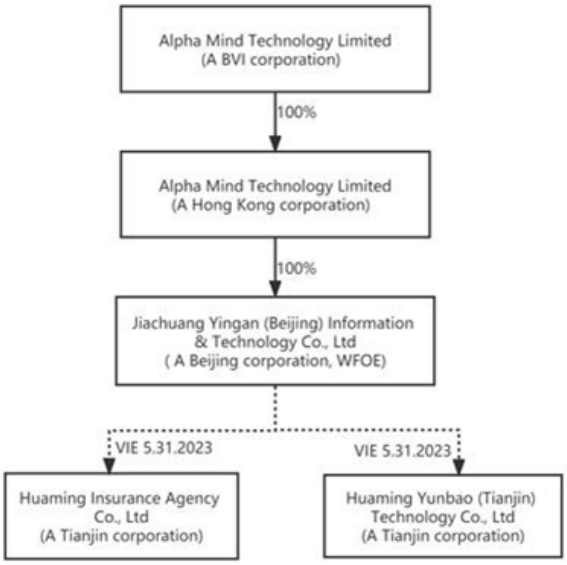
The accompanying notes are an integral part of these consolidated financial statements.

NOTE 1 – ORGANIZATION AND NATURE OF OPERATIONS

Alpha Mind Technology Limited ("Alpha Mind BVI" or the "Company") is a holding company incorporated on April 17, 2023 under the laws of British Virgin Islands (the "BVI"). The Company has no substantive operations other than holding all of the outstanding share capital of Alpha Mind Technology Limited ("Alpha Mind HK"), which is also a holding company incorporated in Hong Kong on October 19, 2021. The Company operates as an agency to sell insurance products in the People's Republic of China ("PRC" or "China"), through variable interest entities ("VIE"), Huaming Insurance Agency Co., Ltd ("Huaming Insurance"), which was established on March 7, 2014, and Huaming Yunbao (Tianjin) Technology Co., Ltd ("Huaming Yunbao"), which was established on May 8, 2015.

On April 13, 2022, Alpha Mind HK became the sole shareholder of Jiachuang Yingan (Beijing) Information & Technology Inc. ("Jiachuang Yingan", or "WFOE"), a Beijing company incorporated on August 2, 2019. Jiachuang Yingan entered into a series of contractual arrangements, or VIE agreements with Huaming Insurance and Huaming Yunbao and the equity holders of Huaming Insurance and Huaming Yunbao, through which the Company obtained control and became the primary beneficiary of Huaming Insurance and Huaming Yunbao. As a result, Huaming Insurance and Huaming Yunbao became the Company's VIE.

The structure of the Company as follows:



Contractual Arrangements

The Company, through the WFOE, has the following contractual arrangements with the VIE and its shareholders that enable the Company to (1) to direct the activities that most significantly affect the economic performance of the VIE, and (2) receive the economic benefits of the VIE that could be significant to the VIE. Accordingly, the WFOE was considered the primary beneficiary of the VIE and had consolidated the VIE's financial results of operations, assets and liabilities in the Company's consolidated financial statements.

The significant terms of the Contractual Arrangements are as follows:

Exclusive Business Cooperation Agreement

Pursuant to the exclusive business cooperation agreement between Jiachuang Yingan WFOE and Huaming Insurance and Huaming Yunbao, Jiachuang Yingan WFOE has the exclusive right to provide Huaming Insurance and Huaming Yunbao with technical support services, consulting services and other services requested by Huaming Insurance and Huaming Yunbao from time to time to the extent permitted under PRC law. In exchange, Jiachuang Yingan WFOE is entitled to a service fee that equals to all of the consolidated net income of each of Huaming Insurance and Huaming Yunbao. The service fee may be adjusted by Jiachuang Yingan WFOE based on the actual scope of services rendered by Jiachuang Yingan WFOE and the operational needs and expanding demands of Huaming Insurance and Huaming Yunbao. Pursuant to the exclusive business cooperation agreement, the service fees may be adjusted based on the actual scope of services rendered by Jiachuang Yingan WFOE and the operational needs of Huaming Insurance and Huaming Yunbao.

The exclusive business cooperation agreement remains in effect unless terminated in accordance with the following provision of the agreement or terminated in writing by Jiachuang Yingan WFOE.

During the term of the exclusive business cooperation agreement, Jiachuang Yingan WFOE and Huaming Insurance and Huaming Yunbao shall renew the operation term prior to the expiration thereof so as to enable the exclusive business cooperation agreement to remain effective. The exclusive business cooperation agreement shall be terminated upon the expiration of the operation term of either Jiachuang Yingan WFOE or Huaming Insurance and Huaming Yunbao if the application for renewal of the operation term is not approved by relevant government authorities. If an application for renewal of the operation term is not approved, according to the PRC Company Law, the expiration of the operation term may lead to the dissolution and cancellation of such PRC company.

Exclusive Option Agreement

Pursuant to the exclusive option agreement among Jiachuang Yingan WFOE, Huaming Insurance and Huaming Yunbao and the shareholders who collectively owned all of Huaming Insurance and Huaming Yunbao, such shareholders jointly and severally granted Jiachuang Yingan WFOE an option to purchase their equity interests in Huaming Insurance and Huaming Yunbao. The purchase price upon exercise of the option will be the lowest price then permitted under applicable PRC laws. Jiachuang Yingan WFOE or its designated person may exercise such option at any time to purchase all or part of the equity interests in Huaming Insurance and Huaming Yunbao until it has acquired all equity interests of Huaming Insurance and Huaming Yunbao, which is irrevocable during the term of the agreements.

The exclusive option agreement remains in effect until all equity interest held by shareholders in Huaming Insurance and Huaming Yunbao have been transferred or assigned to Jiachuang Yingan WFOE and/or any other person designated by the Jiachuang Yingan WFOE in accordance with such agreement.

Equity Interest Pledge Agreements

Pursuant to the equity interest pledge agreements, among Jiachuang Yingan WFOE, Huaming Insurance and Huaming Yunbao, and the shareholders who collectively owned all of Huaming Insurance and Huaming Yunbao, such shareholders pledged all of the equity interests in Huaming Insurance and Huaming Yunbao to Jiachuang Yingan WFOE as collateral to secure the obligations of Huaming Insurance and Huaming Yunbao under the exclusive business cooperation agreement, shareholders' powers of attorney and exclusive option agreements. These shareholders are prohibited from transferring the pledged equity interests without the prior consent of Jiachuang Yingan WFOE unless transferring the equity interests to Jiachuang Yingan WFOE or its designated person in accordance to the exclusive option agreements.

The equity interest pledge agreements will remain in effect until all of the obligations to Jiachuang Yingan WFOE have been fulfilled completely by Huaming Insurance and Huaming Yunbao.

Shareholders' Powers of Attorney ("POAs")

Pursuant to the shareholders' POAs, the shareholders of Huaming Insurance and Huaming Yunbao have given Jiachuang Yingan WFOE an irrevocable proxy to act on their behalf on all matters pertaining to Huaming Insurance and Huaming Yunbao and to exercise all of their rights as shareholders of Huaming Insurance and Huaming Yunbao, including the (i) right to attend shareholders meeting; (ii) to exercise voting rights and all of the other rights including but not limited to the sale or transfer or pledge or disposition of their shares held in part or in whole; and (iii) designate and appoint on behalf of the shareholders the legal representative, the directors, supervisors, the chief executive officer and other senior management members of Huaming Insurance and Huaming Yunbao, and to sign transfer documents and any other documents in relation to the fulfillment of the obligations under the exclusive option agreements and the equity interest pledge agreements. The shareholders' POAs remain in effect while the shareholders of Huaming Insurance and Huaming Yunbao hold the equity interests in Huaming Insurance and Huaming Yunbao.

Spousal Consent Letters

Pursuant to the spousal consent letters, the spouses of the shareholders of Huaming Insurance and Huaming Yunbao commit that they have no right to make any assertions in connection with the equity interests of Huaming Insurance and Huaming Yunbao, which are held by the shareholders. In the event that the spouses obtain any equity interests of Huaming Insurance and Huaming Yunbao, which are held by the shareholders, for any reasons, the spouses of the shareholders shall be bound by the exclusive option agreement, the equity interest pledge agreement, the shareholder POA and the exclusive business cooperation agreement and comply with the obligations thereunder as a shareholder of Huaming Insurance and Huaming Yunbao. The letters are irrevocable and shall not be withdrawn without the consent of Jiachuang Yingan WFOE.

Based on the foregoing contractual arrangements, which grant Jiachuang Yingan WFOE effective control of Huaming Insurance and Huaming Yunbao and enable Jiachuang Yingan WFOE to receive all of their expected residual returns, the Company accounts for Huaming Insurance and Huaming Yunbao as a VIE. Accordingly, the Company consolidates the accounts of Huaming Insurance and Huaming Yunbao for the periods presented herein, in accordance with Regulation S-X-3A-02 promulgated by the Securities Exchange Commission ("SEC"), and Accounting Standards Codification ("ASC") 810-10, Consolidation.

NOTE 2 – BASIS OF PRESENTATION

The accompanying consolidated financial statements and related notes have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") and with the rules and regulations of the U.S. Securities and Exchange Commission for financial information, and include all normal and recurring adjustments that management of the Company considers necessary for a fair presentation of its financial position and operation results.

The consolidated financial statements include the financial statements of the Company and its subsidiaries, which include the wholly-owned foreign enterprise and VIE over which the Company exercises control and, when applicable, entities for which the Company has a controlling financial interest or is the primary beneficiary for accounting purposes. Jiachuang Yingan WFOE is deemed to have a controlling financial interest and be the primary beneficiary for accounting purposes of Huaming Insurance and Huaming Yunbao because it has both of the following characteristics: (1) the power to direct activities at Huaming Insurance and Huaming Yunbao that most significantly impact such entity's economic performance, and (2) the right to receive benefits from Huaming Insurance and Huaming Yunbao that could potentially be significant to such entity. All transactions and balances among the Company and its subsidiaries have been eliminated upon consolidation.

The Company adopted a fiscal year end of December 31st.

NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Use of Estimates and assumptions

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

Significant estimates and assumptions reflected in the Company's consolidated financial statements during the years ended December 31, 2022 and 2021 include, but not are not limited to, the allowance for doubtful accounts, the useful life of property and equipment, and assumptions used in assessing impairment of long-lived assets, revenue recognition, allowance for deferred tax assets and the associated valuation allowance. Management bases the estimates on historical experience and various other assumptions that are believed to be reasonable, the results of which form the basis for making judgments about the carrying values of assets and liabilities. Actual results could materially differ from those estimates.

Foreign Currency Translation

The reporting currency of the Company is the U.S. dollar ("USD"). The Company's functional currency is the RMB, result of operations and cash flows are translated at average exchange rates during the period, assets and liabilities are translated at the unified exchange rate at the end of the period, and equity is translated at historical exchange rates. As a result, amounts relating to assets and liabilities reported on the statements of cash flows may not necessarily agree with the changes in the corresponding balances on the balance sheets. Translation adjustments resulting from the process of translating the local currency financial statements into U.S. dollars are included in determining comprehensive income/loss.

All of the Company's revenue and expense transactions are transacted in the functional currency. The Company does not enter into any material transaction in foreign currencies. Transaction gains or losses have not had, and are not expected to have, a material effect on the results of operations of the Company.

The consolidated balance sheet amounts, with the exception of equity, at December 31, 2022 and 2021 were translated at RMB 6.9646 to $1.00 and at RMB 6.3757 to $1.00, respectively. Equity accounts were stated at their historical rates. The average translation rates applied to consolidated statements of income and cash flows for the years ended December 31, 2022 and 2021 were RMB 6.7261 and RMB 6.4515 to $1.00, respectively.

Cash and Cash Equivalents

The Company considers all highly liquid investments purchased with an original maturity of three months or less to be cash equivalents. Cash and cash equivalents are comprised primarily of bank accounts. At December 31, 2022 and 2021, cash and cash equivalents balances held in China amounted to $341,743 and $512,028, respectively.

Restricted Cash

The Company, as an insurance agency, is required to reserve 10% of its registered capital in cash held in an escrow bank account pursuant to the China Banking and Insurance Regulatory Commission ("CBIRC") rules and regulations, in order to protect insurance premium appropriation by insurance agency which is restricted as to withdrawal for other than current operations. Thus, the Company classified the balance for guarantee deposit as a non-current asset. As of December 31, 2022 and 2021, the non-current restricted cash amounted to $717,916 and $784,228, respectively.

Concentrations of Credit Risk

The Company has operations carried out in China. Accordingly, the Company's business, financial condition and results of operations may be influenced by the political, economic and legal environment in China, and by the general state of China's economy. The Company's operations in China are subject to specific considerations and significant risks not typically associated with companies in North America. The Company's results may be adversely affected by changes in governmental policies with respect to laws and regulations, anti-inflationary measures, currency conversion and remittance abroad, and rates and methods of taxation, among other things.

Accounts Receivable, Net

Accounts receivable represents insurance agency service fee or commission receivable on insurance products sold from insurance companies stated at net realizable values. The Company reviews its accounts receivable on a periodic basis to determine if the bad debt allowance is adequate, and adjust the allowance when necessary.

In establishing the allowance for doubtful accounts, management considers historical collection experience, aging of the receivables, the economic environment, industry trend analysis, and the credit history and financial conditions of the customers. Accounts are written off after exhaustive efforts at collection.

As of December 31, 2022 and 2021, allowance for doubtful accounts were $38,360 and $14,054 respectively.

Other Receivables, Net

Other receivables primarily include advances to employees and other deposits. Management regularly reviews the aging of receivables and changes in payment trends and records allowances when management believes collection of amounts due are at risk. Accounts considered uncollectable are written off against allowances after exhaustive efforts at collection are made.

As of December 31, 2022 and 2021, allowance for doubtful accounts were $611,382 and $610,174, respectively.

Prepayments

Prepayments are advanced to suppliers for future service rendering. As of December 31, 2022 and 2021, prepayments amounted to $1,412,266 and $2,449,349, respectively. For any advances to suppliers determined by management that such advances will not be in receipts or refundable, the Company will recognize an allowance account to reserve such balances. Management reviews its advances to suppliers on a regular basis to determine if the allowance is adequate, and adjusts the allowance when necessary. Delinquent account balances are written off against allowance for doubtful accounts after management has determined that the likelihood of collection is not probable. Management continues to evaluate the reasonableness of the valuation allowance policy and update it if necessary. As of December 31, 2022 and 2021, no allowance for the doubtful accounts were deemed necessary.

Property and Equipment

Property and equipment are stated at cost less accumulated depreciation, and depreciated on a straight-line basis over the estimated useful lives of the assets. Cost represents the purchase price of the asset and other costs incurred to bring the asset into its existing use. The cost of repairs and maintenance is expensed as incurred; major replacements and improvements are capitalized. When assets are retired or disposed of, the cost and accumulated depreciation are removed from the accounts, and any resulting gains or losses are included in income/loss in the year of disposition. Estimated useful lives are as follows:

	Estimated Useful Life
Automobile	3 - 5 Years

Impairment of Long-lived Assets

In accordance with ASC Topic 360, the Company reviews long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be fully recoverable, or at least annually. The Company recognizes an impairment loss when the sum of expected undiscounted future cash flows is less than the carrying amount of the asset. The amount of impairment is measured as the difference between the asset's estimated fair value and its book value. The Company did not record any impairment charge for the years ended December 31, 2022 and 2021.

Value Added Tax

Pursuant to the PRC tax legislation, general taxpayers normally applies value-added-tax (VAT) of 6% in the modern service industries on a nationwide basis. The Company is subject to VAT of 6% for providing insurance agency service as general taxpayer, while the branch office in Liaoning Yixian subjects to 3% VAT as small taxpayer until September 2022, and then applied to general taxpayer in October 2022. Entities that are VAT general taxpayers are allowed to offset qualified input VAT paid to suppliers against their output VAT liabilities. Net VAT balance between input VAT and output VAT is recorded in tax payable. The amount of VAT liability is determined by applying the applicable tax rate to the invoiced amount. The Company reports revenue net of PRC's VAT for all the periods presented on the statements of operations and comprehensive income (loss).

Revenue Recognition

The Company recognizes revenue under Accounting Standards Codification ("ASC") Topic 606, Revenue from Contracts with Customers ("ASC 606"). The core principle of the revenue standard is that a company should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the company expects to be entitled in exchange for those goods or services. The following five steps are applied to achieve that core principle:

- Step 1: Identify the contract with the customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognize revenue when the company satisfies a performance obligation

The Company generates revenue primarily from its insurance agency services. According to the agency service contracts made by and between the Company and insurance carriers, the Company is authorized to sell insurance products provided by insurance carriers to the insureds as an insurance agent, and collects commission from the respective insurance carriers as revenue.

The commission charged is determined by the terms agreed in the agency service contract, typically a percentage of insurance premium. The performance obligation is considered met and revenue is recognized when the insurance agency services are rendered and completed at the time an insurance policy becomes effective and the premium is collected from the insured.

The necessary data to reasonably determine the revenue amount is controlled by the insurance carriers, and bill statement is confirmed with the Company on a monthly basis. The Company has met all the criteria of revenue recognition when the premiums are collected by the respective insurance carriers and not before, because collectability is not ensured until receipt of the premium. Therefore, the Company does not accrue any commissions prior to the receipt of the related premiums of insurance carriers, due to the specific practice in the industry.

The Company recorded insurance agency commission revenue in the amount of $47,443,458 and $44,948,234 for the years ended December 31, 2022 and 2021, respectively.

Cost of Revenues

Cost of revenues consists primarily of commissions paid to distribution channels. The Company generally recognizes commissions as cost of revenues when incurred. For the years ended December 31, 2022 and 2021, the cost of revenue amounted to $43,775,753 and $41,946,093 respectively.

Selling Expenses

Selling expenses mainly consisted of advertising and marketing expenses. For the years ended December 31, 2022 and 2021, the selling expenses amounted to $3,380,556 and $2,440,581 respectively.

Operating Leases

The Company adopted FASB Accounting Standards Codification, Topic 842, Leases ("ASC 842") using the modified retrospective approach, electing the practical expedient that allows the Company not to restate prior to the adoption of the standard on January 1, 2019.

The Company applied the following practical expedients in the transition to the new standard allowed under ASC 842:

Practical Expedient	Description
Reassessment of expired or existing contracts	The Company elected not to reassess, at the application date, whether any expired or existing contracts contained leases, the lease classification for any expired or existing leases, and the accounting for initial direct costs for any existing leases.
Use of hindsight	The Company elected to use hindsight in determining the lease term (that is, when considering options to extend or terminate the lease and to purchase the underlying asset) and in assessing impairment of right-to-use assets.
Reassessment of existing or expired land easements	The Company elected not to evaluate existing or expired land easements that were not previously accounted for as leases under ASC 840, as allowed under the transition practical expedient. Going forward, new or modified land easements will be evaluated under ASU No. 2016-02.
Separation of lease and non-lease components	Lease agreements that contain both lease and non-lease components are generally accounted for separately.
Short-term lease recognition exemption	The Company also elected the short-term lease recognition exemption and will not recognize ROU assets or lease liabilities for leases with a term less than 12 months.

The Company determines if an arrangement is a lease at inception under FASB ASC Topic 842, Right of Use Assets ("ROU") and lease liabilities are recognized at commencement date based on the present value of remaining lease payments over the lease term. For this purpose, the Company considers only payments that are fixed and determinable at the time of commencement. As most of its leases do not provide an implicit rate, it uses its incremental borrowing rate based on the information available at commencement date in determining the present value of lease payments. The Company's incremental borrowing rate is a hypothetical rate based on its understanding of what its credit rating would be. The ROU assets include adjustments for prepayments and accrued lease payments. The ROU asset also includes any lease payments made prior to commencement and is recorded net of any lease incentives received. The Company's lease terms may include options to extend or terminate the lease when it is reasonably certain that it will exercise such options.

ROU assets are reviewed for impairment when indicators of impairment are present. ROU assets from operating and finance leases are subject to the impairment guidance in ASC 360, Property, Plant, and Equipment, as ROU assets are long-lived nonfinancial assets.

ROU assets are tested for impairment individually or as part of an asset group if the cash flows related to the ROU asset are not independent from the cash flows of other assets and liabilities. An asset group is the unit of accounting for long-lived assets to be held and used, which represents the lowest level for which identifiable cash flows are largely independent of the cash flows of other groups of assets and liabilities. The Company recognized no impairment of ROU assets as of December 31, 2022 and 2021. Operating leases are included in operating lease ROU and operating lease liabilities (current and non-current), on the consolidated balance sheets.

Employee Benefits

The Company makes mandatory contributions to the PRC government's health, retirement benefit and unemployment funds in accordance with the relevant Chinese social security laws. The costs of these payments are charged to the same accounts as the related salary costs in the same period as the related salary costs incurred. Employee benefit costs totaled $641,389 and $803,833 for the years ended December 31, 2022 and 2021, respectively.

Income Taxes

The Company accounts for income taxes using the asset/liability method prescribed by ASC 740, "Income Taxes." Under this method, deferred tax assets and liabilities are determined based on the difference between the financial reporting and tax bases of assets and liabilities using enacted tax rates that will be in effect in the period in which the differences are expected to reverse. The Company records a valuation allowance to offset deferred tax assets if, based on the weight of available evidence, it is more-likely-than-not that some portion, or all, of the deferred tax assets will not be realized. The effect on deferred taxes of a change in tax rates is recognized as income or loss in the period that includes the enactment date.

The Company follows the accounting guidance for uncertainty in income taxes using the provisions of ASC 740 "Income Taxes". Using that guidance, tax positions initially need to be recognized in the financial statements when it is more likely than not the position will be sustained upon examination by the tax authorities. For the years ended December 31, 2022 and 2021, the Company had no significant uncertain tax positions that qualify for either recognition or disclosure in the financial statements. Tax years that remain subject to examination are the years ended December 31, 2022 and 2021. The Company recognizes interest and penalties related to significant uncertain income tax positions in other expense. No such interest and penalties incurred for the years ended December 31, 2022 and 2021.

Comprehensive Income

Comprehensive income is comprised of net income and all changes to the statements of equity, except those due to investments by shareholders, changes in paid-in capital and distributions to shareholders. For the Company, comprehensive income for the years ended December 31, 2022 and 2021 consisted of net income and unrealized (loss) gain from foreign currency translation adjustment.

Fair Value of Financial Instruments and Fair Value Measurements

The Company adopted the guidance of ASC 820 for fair value measurements which clarifies the definition of fair value, prescribes methods for measuring fair value, and establishes a fair value hierarchy to classify the inputs used in measuring fair value as follows:

- Level 1-Inputs are unadjusted quoted prices in active markets for identical assets or liabilities available at the measurement date.
- Level 2-Inputs are unadjusted quoted prices for similar assets and liabilities in active markets, quoted prices for identical or similar assets and liabilities in markets that are not active, inputs other than quoted prices that are observable, and inputs derived from or corroborated by observable market data.
- Level 3-Inputs are unobservable inputs which reflect the reporting entity's own assumptions on what assumptions the market participants would use in pricing the asset or liability based on the best available information.

The carrying amounts reported in the balance sheets for cash and cash equivalents, accounts receivable, prepaid expenses and other current assets, taxes payable, accrued liabilities and other payables, and due from (to) related parties, approximate their fair market value based on the short-term maturity of these instruments.

Commitments and Contingencies

In the normal course of business, the Company is subject to contingencies, such as legal proceedings and claims arising out of its business, that cover a wide range of matters. Liabilities for such contingencies are recorded when it is probable that a liability has been incurred and the amount of the assessment can be reasonably estimated.

Segment Reporting

ASC 280 "Segment reporting" establishes standards for reporting information on operating segments in interim and annual financial statements. Operating segments are defined as the components of an enterprise about which separate financial information is available that is evaluated regularly by the chief operating decision maker in deciding how to allocate resources and in assessing performance. Our chief operating decision makers direct the allocation of resources to operating segments based on the profitability, cash flows, and growth opportunities of each respective segment.

The Company manages its business as a single operating segment engaged in the provision of insurance agent services in the PRC. Substantially all of its revenues are derived in the PRC. All long-lived assets are located in PRC.

Related Parties

Parties are considered to be related to the Company if the parties, directly or indirectly, through one or more intermediaries, control, are controlled by, or are under common control with the Company. Related parties also include principal owners of the Company, its management, members of the immediate families of principal owners of the Company and its management and other parties with which the Company may deal with if one party controls or can significantly influence the management or operating policies of the other to an extent that one of the transacting parties might be prevented from fully pursuing its own separate interests. The Company discloses all significant related party transactions.

NOTE 4 – ACCOUNTS RECEIVABLE, NET

Accounts receivable, net consist of the following:

	December 31, 2022	December 31, 2021
Accounts receivable	$ 2,931,320	$ 3,615,399
Less: Allowance for doubtful accounts	(38,360)	(14,054)
Total accounts receivable, net	$ 2,892,960	$ 3,601,345

Movements of allowance for doubtful accounts are as follows:

	December 31, 2022	December 31, 2021
Beginning balance	$ 14,054	$ -
Addition	26,399	13,889
Exchange rate effect	(2,093)	165
Ending balance	$ 38,360	$ 14,054

NOTE 5 – PREPAYMENTS

Prepayments consist of the following:

	December 31, 2022	December 31, 2021
Advances to suppliers	$ 1,411,026	$ 2,427,469
Prepaid expenses	1,240	21,880
Total	$ 1,412,266	$ 2,449,349

NOTE 6 – SHORT-TERM INVESTMENT

Short-term investments are investments in wealth management product with underlying in bonds offered by private entities and other equity products. The investments can be redeemed upon one workday's notice and their carrying values approximate their fair values. The gain (loss) from sale of any investments and fair value change are recognized in the statements of income and comprehensive income.

As of December 31, 2022 and 2021, the ending balance of short-term investments were $273,182 and $393,651 respectively.

NOTE 7 – PROPERTY AND EQUIPMENT

Property and equipment consisted of the following at December 31, 2022 and 2021:

	December 31, 2022	December 31, 2021
Automobile	$ 113,075	$ 79,533
Less: Accumulated depreciation	(44,534)	(31,447)
Property and equipment, net	$ 68,541	$ 48,086

For the years ended December 31, 2022 and 2021, depreciation expense amounted to $16,305 and $17,322, respectively, all of which were included in operating expenses.

NOTE 8 – OTHER PAYABLES

	December 31, 2022	December 31, 2021
Borrowing from other parties	635,102	966,662
Accrued expense	3,010	51,740
Others	142,135	114,049
Total	$ 780,247	$ 1,132,451

NOTE 9 – RELATED PARTY BALANCES AND TRANSACTIONS

Due from related parties

At December 31, 2022 and 2021, due from related party consisted of the following:

Name of related party	Relationship	December 31, 2022	December 31, 2021
Yangwei Cui	A Key Management Personnel	$ 19,799	$ 14,934
Shumei Wang	A Key Management Personnel	63	69
Xin Wang	A Key Management Personnel	922	1,007
Jianlong Zhao	A Key Management Personnel	—	18,351
Total		$ 20,784	$ 34,361

The balance of due from related parties is interest free, unsecured and repayable on demand. Management believes that the related party receivable is fully collectable. Therefore, no allowance for doubtful accounts is deemed to be required on its due from related party at December 31, 2022 and 2021. The Company historically has not experienced an uncollectible receivable from the related party.

Due to related parties

Name of related party	Relationship	December 31, 2022	December 31, 2021
Jian Guo	Chairman of the Board of Directors	$ —	$ 50,354
Xiaodan Chen	A Key Management Personnel	5,743	—
Jianlong Zhao	A Key Management Personnel	1,205	18,679
Wei Meng	A Key Management Personnel	4,525	4,943
Guixin Ye	A Key Management Personnel	4,551	—
Xin Wang	A Key Management Personnel	699	763
Total		$ 16,723	$ 74,739

The balance of due to related parties represents expenses paid by these related parties on behalf of the Company. The related parties' payable is short-term in nature, interest free, unsecured and repayable on demand.

NOTE 10 – INCOME TAXES

Hong Kong

Alpha Mind HK is incorporated in Hong Kong and is subject to 16.5% income tax on their taxable income generated from operations in Hong Kong. The first HK$2 million of profits arising in or derived from Hong Kong are taxed at 8.25% and any assessable profits over HK$2 million are taxed at 16.5%. Alpha Mind HK had no operations for the years ended December 31, 2022 and 2021. Therefore, there was no provision for income taxes in the years ended December 31, 2022 and 2021.

PRC

Jiachuang Yingan WFOE, Huaming Insurance and Huaming Yunbao are subject to PRC Enterprise Income Tax ("EIT") on the taxable income in accordance with the relevant PRC income tax laws. The EIT rate for companies operating in the PRC is 25%.

On March 16, 2007, the National People's Congress enacted a new enterprise income tax law, which took effect on January 1, 2008. The law applies a uniform 25% enterprise income tax rate to both foreign invested enterprises and domestic enterprises. In the years ended December 31, 2022 and 2021, Jiachuang Yingan WFOE did not generate any taxable income. Therefore, there was no provision for income taxes in the years ended December 31, 2022 and 2021.

The components of the provision for income taxes for the years ended December 31, 2022 and 2021 consisted of the following:

	December 31, 2022	December 31, 2021
Current	$ (26,249)	$ (20,623)
Deferred	22,202	4,230
Total income tax expense	(4,047)	(16,393)

Reconciliation of the Differences Between Statutory Tax Rate and the Effective Tax Rate

The following table reconciles China statutory rates to the Company's effective tax rate:

	December 31, 2022	December 31, 2021
China statutory income tax rate	25%	$ 25%
Change in valuation allowance	(24)%	(22)%
Effective tax rate	1%	3%

The Company's approximate net deferred tax assets as of December 31, 2022 and 2021 attributable to tax filings in the PRC are as follows:

Deferred Tax Assets	December 31, 2022	December 31, 2021
Net operating loss carry-forwards	$ -	$ -
Allowance for doubtful account	25,360	4,280
Net deferred tax assets	$ 25,360	$ 4,280

The Company provided a valuation allowance equal to the deferred income tax assets related to net operating loss carryforward for the year ended December 31, 2022, because it was not known whether future taxable income will be sufficient to utilize the loss carryforward. The potential tax benefit arising from the loss carryforward will begin to expire in 2026.

As of December 31, 2022 and 2021, the Company had no significant uncertain tax positions that qualify for either recognition or disclosure in the financial statements. As of December 31, 2022, income tax returns for the tax years ended December 31, 2017 through December 31, 2021 remain open for statutory examination by PRC tax authorities.

The uncertain tax positions are related to tax years that remain subject to examination by the relevant tax authorities. Based on the outcome of any future examinations, or as a result of the expiration of statute of limitations for specific jurisdictions, it is reasonably possible that the related unrecognized tax benefits for tax positions taken regarding previously filed tax returns, might materially change from those recorded as liabilities for uncertain tax positions in the Company's consolidated financial statements as of December 31, 2022 and 2021. In addition, the outcome of these examinations may impact the valuation of certain deferred tax assets (such as net operating losses) in future periods. The Company's policy is to recognize interest and penalties accrued on any unrecognized tax benefits, if any, as a component of other expense. The Company does not anticipate any significant increases or decreases to its liability for unrecognized tax benefits within the next twelve months.

Accounting for Uncertainty in Income Taxes

The tax authority of the PRC government conducts periodic and ad hoc tax filing reviews on business enterprises operating in the PRC after those enterprises complete their relevant tax filings. Therefore, the Company's PRC entities' tax filings results are subject to change. It is therefore uncertain as to whether the PRC tax authority may take different views about the Company's PRC entities' tax filings, which may lead to additional tax liabilities.

ASC 740 requires recognition and measurement of uncertain income tax positions using a "more-likely-than-not" approach. The management evaluated the Company's tax positions and concluded that no provision for uncertainty in income taxes was necessary as of December 31, 2022 and 2021.

NOTE 11 – SHAREHOLDERS' EQUITY

Alpha Mind BVI was established under the laws of British Virgin Islands on April 17, 2023. The Company is authorised to issue a maximum of 50,000 shares of US$1.00 par value each of a single class and series.

NOTE 12 – COMMITMENTS AND CONTINGENCIES

Contingencies

From time to time, the Company may be subject to certain legal proceedings, claims and disputes that arise in the ordinary course of business. Although the outcomes of these legal proceedings cannot be predicted, the Company does not believe these actions, in the aggregate, will have a material adverse impact on its financial position, results of operations or liquidity.

Variable Interest Entity Structure

In the opinion of the management, (i) the corporate structure of the Company is in compliance with existing PRC laws and regulations; (ii) the VIE Agreements are valid and binding, and do not result in any violation of PRC laws or regulations currently in effect; and (iii) the business operations of WFOE, VIE and VIE's subsidiaries are in compliance with existing PRC laws and regulations in all material respects.

However, there are substantial uncertainties regarding the interpretation and application of current and future PRC laws and regulations. Accordingly, the Company cannot be assured that PRC regulatory authorities will not ultimately take a contrary view to the foregoing opinion of its management. If the current corporate structure of the Company or the VIE Agreements are found to be in violation of any existing or future PRC laws and regulations, the Company may be required to restructure its corporate structure and operations in the PRC to comply with changing and new PRC laws and regulations. In the opinion of management, the likelihood of loss in respect of the Company's current corporate structure or the VIE Agreements is remote based on current facts and circumstances.

NOTE 13 – SUBSEQUENT EVENTS

The Group has evaluated subsequent events through the date the consolidated financial statements are issued, and concluded that no subsequent events have occurred that would require recognition or disclosure in the consolidated financial statements.

FLJ GROUP LIMITED
(formerly known as "Q&K INTERNATIONAL GROUP LIMITED")
CONDENSED CONSOLIDATED BALANCE SHEETS
(Renminbi and USD in thousands, except for share and per share data, unless otherwise stated)

	As of September 30, 2022	As of March 31, 2023	
	RMB	RMB (unaudited)	USD (unaudited)
ASSETS			
Current assets:			
Cash and cash equivalents	2,772	2,276	331
Restricted cash	106	106	15
Accounts receivable, net	752	2,301	335
Advances to suppliers	8,501	8,527	1,242
Other current assets	59,029	73,970	10,771
Total current assets	**71,160**	**87,180**	**12,694**
Non-current assets:			
Property and equipment, net	500	342	50
Intangible assets, net	13,475	—	—
Operating lease right of use assets	—	417,556	60,801
Other assets	10,405	10,321	1,503
Total non-current assets	**24,380**	**428,219**	**62,354**
Total assets	**95,540**	**515,399**	**75,048**
LIABILITIES AND SHAREHOLDERS' DEFICIT			
LIABILITIES (including amounts of the consolidated VIEs without recourse to the Group, see Note 2)			
Current liabilities:			
Accounts payable	122,667	156,794	22,831
Amounts due to related parties	4,831	5,394	785
Deferred revenue	129,930	100,074	14,572
Short-term debt	110,097	135,624	19,748
Rental instalment loans	15,756	15,756	2,294
Deposits from tenants	38,439	29,723	4,328
Contingent liabilities for payable for asset acquisition	165,033	159,328	23,200
Operating lease liabilities, current	—	228,655	33,295
Accrued expenses and other current liabilities	81,649	103,870	15,126
Total current liabilities	**668,402**	**935,218**	**136,179**
Operating lease liabilities, non-current	—	188,901	27,506
Total liabilities	**668,402**	**1,124,119**	**163,685**
Commitments and contingencies (Note 14)			
Shareholders' Deficit:			
Class A Ordinary shares (US$0.00001 par value per share; 37,500,000,000 shares authorized; 25,878,920,464 shares issued and outstanding as of September 30, 2022 and March 31, 2023, respectively)	1,727	1,727	251
Class B Ordinary shares (US$0.00001 par value per share; 2,500,000,000 shares authorized; nil and 2,500,000,000 shares issued and outstanding as of September 30, 2022 and March 31, 2023, respectively)	—	172	25
Additional paid-in capital	2,954,625	2,956,760	430,538
Accumulated deficit	(3,558,667)	(3,601,992)	(524,492)
Accumulated other comprehensive income	29,453	34,613	5,041
Total shareholders' deficit	**(572,862)**	**(608,720)**	**(88,637)**
Total liabilities and shareholders' deficit	**95,540**	**515,399**	**75,048**

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

FLJ GROUP LIMITED
(formerly known as "Q&K INTERNATIONAL GROUP LIMITED")
UNAUDITED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
(Renminbi and USD in thousands, except for share and per share data, unless otherwise stated)

	For the Six Months Ended March 31,		
	2022	2023	
	RMB	RMB	USD
Net revenues:			
Rental service	332,783	175,148	25,504
Value-added services and others	31,431	24,522	3,571
Total net revenues	**364,214**	**199,670**	**29,075**
Operating costs and expenses:			
Operating cost	(405,661)	(217,295)	(31,642)
Selling and marketing expenses	(189)	(15)	(2)
General and administrative expenses	(25,329)	(15,422)	(2,246)
Research and development expenses	(1,853)	(1,308)	(190)
Impairment loss on long-lived assets	(100,156)	(10,474)	(1,525)
Other income (expense), net	(20,074)	2,157	314
Total operating costs and expenses	**(553,262)**	**(242,357)**	**(35,291)**
Loss from operations	**(189,048)**	**(42,687)**	**(6,216)**
Interest expense, net	(54,174)	(638)	(93)
Foreign exchange loss, net	(5)	—	—
Loss before income taxes	**(243,227)**	**(43,325)**	**(6,309)**
Income tax expense	3	—	—
Net loss	**(243,224)**	**(43,325)**	**(6,309)**
Other comprehensive income, net of tax of nil:			
Foreign currency translation adjustments	3,642	5,160	751
Comprehensive loss	**(239,582)**	**(38,165)**	**(5,558)**
Net loss per share—Basic and diluted	(0.14)	(0.00)	(0.00)
Weighted average number of ordinary shares used in computing net loss per share—Basic and diluted	1,728,612,425	27,715,937,039	27,715,937,039

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

FLJ GROUP LIMITED
(formerly known as "Q&K INTERNATIONAL GROUP LIMITED")
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN DEFICIT
(Renminbi and USD in thousands, except for share data, unless otherwise stated)

	Attributable to FLJ's shareholders											
	Class A Ordinary shares		Class B Ordinary shares		Treasury stock		Additional paid in capital	Accumulated other comprehensive (loss) income	Accumulated deficit	Total	Noncontrolling interests	Total deficit
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount						
Balance at September 30, 2021	**1,544,097,151**	**99**	**180,389,549**	**11**	**(77,100,000)**	**(5)**	**1,845,295**	**38,784**	**(4,378,690)**	**(2,494,506)**	**9,600**	**(2,484,906)**
Issuance of ordinary shares to settle acquisition of certain assets from two third parties	7,662,060	1	—	—	—	—	(1)	—	—	—	—	—
Share-based compensation	—	—	—	—	—	—	399	—	—	399	—	399
Warrants issued in connection with convertible notes	—	—	—	—	—	—	1,420	—	—	1,420	—	1,420
Net loss	—	—	—	—	—	—	—	—	(243,224)	(243,224)	—	(243,224)
Foreign currency translation adjustments	—	—	—	—	—	—	—	3,642	—	3,642	—	3,642
Balance at March 31, 2022	**1,551,759,211**	**100**	**180,389,549**	**11**	**(77,100,000)**	**(5)**	**1,847,113**	**42,426**	**(4,621,914)**	**(2,732,269)**	**9,600**	**(2,722,669)**
Balance at September 30, 2022	**25,878,920,464**	**1,727**	**—**	**—**	**—**	**—**	**2,954,625**	**29,453**	**(3,558,667)**	**(572,862)**	**—**	**(572,862)**
Issuance of Class B Ordinary shares	—	—	2,500,000,000	172	—	—	(172)	—	—	—	—	—
Share-based compensation	—	—	—	—	—	—	2,307	—	—	2,307	—	2,307
Net loss	—	—	—	—	—	—	—	—	(43,325)	(43,325)	—	(43,325)
Foreign currency translation adjustments	—	—	—	—	—	—	—	5,160	—	5,160	—	5,160
Balance at March 31, 2023	**25,878,920,464**	**1,727**	**2,500,000,000**	**172**	**—**	**—**	**2,956,760**	**34,613**	**(3,601,992)**	**(608,720)**	**—**	**(608,720)**

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

FLJ GROUP LIMITED
(formerly known as "Q&K INTERNATIONAL GROUP LIMITED")
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Renminbi and USD in thousands, unless otherwise stated)

	For the Six Months Ended March 31,		
	2022	2023	
	RMB	RMB	USD
Net cash used in operating activities	**(27,545)**	**(25,478)**	**(3,713)**
Financing activities:			
Proceeds from issuance of convertible notes	17,832	—	—
Proceeds from short-term borrowings	—	25,527	3,717
Repayment of rental instalment loans	(1,300)	—	—
Net cash provided by financing activities	**16,532**	**25,527**	**3,717**
Effect of foreign exchange rate changes	(142)	(545)	(63)
Net decrease in cash, cash equivalents and restricted cash	(11,155)	(496)	(59)
Cash, cash equivalents and restricted cash at the beginning of the period	19,252	2,878	405
Cash, cash equivalents and restricted cash at the end of the period	**8,097**	**2,382**	**346**
Supplemental schedule of non-cash investing and financing activities:			
Operating lease right-of-use assets obtained in exchange for operating lease liabilities	—	547,440	79,713
Supplemental disclosure of cash flow information:			
Interest paid, net of amounts capitalized	—	—	—
Income taxes paid	4	—	—

Reconciliation to amounts on the condensed consolidated balance sheets:

	As of September 30, 2022	As of March 31, 2023	
	RMB	RMB (unaudited)	USD (unaudited)
Cash and cash equivalents	2,772	2,276	331
Restricted cash	106	106	15
	2,878	**2,382**	**346**

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

1. ORGANIZATION AND PRINCIPAL ACTIVITIES

FLJ Group Limited (formerly known as "Q&K International Group Limited") (the "Company" or "FLJ"), its subsidiaries and consolidated variable interest entities (the "Group") is a rental apartment operation platform in the People's Republic of China (the "PRC"), that provides rental and value-added services to young, emerging urban residents since 2012. The Group sources and converts apartments to standardized furnished rooms and leases to young people seeking affordable residence in cities in the PRC. The Company has changed its corporate name from "Q&K International Group Limited" to "FLJ Group Limited", effective on September 13, 2022. In addition, the Company began trading under the new ticker symbol "FLJ" on the NASDAQ effective on September 26, 2022.

Effective on March 7, 2022, the Group changed the ratio of the American depositary shares ("ADSs") representing its Class A ordinary shares from one (1) ADS representing thirty (30) Class A ordinary share to one (1) ADS representing one hundred and fifty (150) Class A ordinary shares. For the ADS holders, the change in the ADS ratio will have the same effect as a one-for-five reverse ADS split. There will be no change to the Group's Class A ordinary shares. The exchange of every five (5) then-held (old) ADSs for one (1) new ADS will occur automatically with the then-held ADSs being cancelled and new ADSs being issued by the depositary bank, in each case as of the effective date for the ADS ratio change. No fractional new ADSs will be issued in connection with the change in the ADS ratio.

On October 26, 2021 and December 17, 2021, the Group transferred of all of its equity interest in Q&K Investment Consulting Co., Ltd. ("Q&K Investment Consulting") and Qingke (China) Limited ("Q&K HK"), respectively, to Wangxiancai Limited, which is a related party of the Group, and is beneficially owned by the legal representative and executive director of one of the Group's subsidiaries (the "Equity Transfer"). The Equity Transfer was made at nominal consideration. As of September 30, 2022, the Group no longer conducts substantial operation through any variable interest entity.

As of September 30, 2022, four of the subsidiaries of Shanghai Qingke E-Commerce Co., Ltd. ("Q&K E- Commerce") filed the voluntary petition for bankruptcy under the Article 2 of the PRC Enterprise Bankruptcy Law with Shanghai Third Intermediary Court ("Court"), and the Court announced the effectiveness of the petition and the administrator of bankruptcy was assigned on board. Accordingly the Group had no control over the allocation of remaining assets in liquidation of these subsidiaries and their subsidiaries (collectively "Deconsolidated VIE's Subsidiaries"), accordingly the Company deconsolidated these deconsolidated subsidiaries.

The management believed the deconsolidation of Deconsolidated VIE's Subsidiaries does not represent a strategic shift that has (or will have) a major effect on the Company's operations and financial results. The deconsolidation is not accounted as discontinued operations in accordance with ASC 205-20.

The Group did not account for the transfer of equity interest in Q&K HK, Q&K Investment Consulting and Q&K E-commerce as a discontinued operation, as FLJ is the primary beneficiary of Q&K HK, Q&K Investment Consulting and Q&K E-commerce as FLJ has the power to direct the activities of these companies that most significantly impact their economic performance and FLJ has the obligation to absorb losses of these companies that could potentially be significant to these companies since their inception. The Group accounted for Q&K HK, Q&K Investment Consulting and Q&K E-commerce as variable interest entities. Accordingly, the accompanying consolidated financial statements include the financial statements of Q&K HK, Q&K Investment Consulting and Q&K E-commerce.

As of March 31, 2023, the Group's significant subsidiaries and VIE:

Entity	Date of incorporation	Place of incorporation	Percentage of legal/beneficial ownership by the Company	Principal activities
Subsidiaries:				
QK365.com INC. (BVI)	September 29, 2014	BVI	100%	Holding
Fenglinju (China) Hong Kong Limited ("Fenglinju")	October 21, 2021	Hong Kong	100%	Holding
Haoju (Shanghai) Artificial Intelligence Technology Co., Ltd (formerly known as "Qingke (Shanghai) Artificial Intelligence Technology Co., Ltd.") ("Q&K AI")	May 13, 2019	PRC	100%	Holding and Operating
Chengdu Liwu Apartment Management Co., Ltd	June 19, 2020	PRC	100%	Operating
VIE:				
QingKe (China) Limited ("Q&K HK")	July 7, 2014	Hong Kong	100%	Holding
Q&K Investment Consulting Co., Ltd. ("Q&K Investment Consulting")	April 2, 2015	PRC	100%	Holding and Operating
Shanghai Qingke E-Commerce Co., Ltd. ("Q&K E-Commerce")	August 2, 2013	PRC	100%	Holding and Operating

2. SUMMARY OF PRINCIPAL ACCOUNTING POLICIES

Basis of presentation

The unaudited condensed consolidated financial statements have been prepared in accordance with the rules and regulations of the Security and Exchange Commission and accounting principles generally accepted in the United States of America ("U.S. GAAP") for interim financial reporting. Certain information and footnote disclosures normally included in financial statements prepared in conformity with U.S. GAAP have been condensed or omitted pursuant to such rules and regulations. Accordingly, these statements should be read in conjunction with the Group's audited consolidated financial statements for the years ended September 30, 2022 filed on February 15, 2022.

In the opinion of the management, the accompanying unaudited condensed consolidated financial statements reflect all normal recurring adjustments, which are necessary for a fair presentation of financial results for the interim periods presented. The Group believes that the disclosures are adequate to make the information presented not misleading. The accompanying unaudited condensed consolidated financial statements have been prepared using the same accounting policies as used in the preparation of the Group's consolidated financial statements for the year ended September 30, 2022. The results of operations for the six months ended March 31, 2022 and 2023 are not necessarily indicative of the results for the full years.

Going concern

The Group has been incurring losses from operations since its inception. Accumulated deficits amounted to RMB 3,558,667 and RMB 3,601,992 as of September 30, 2022 and March 31, 2023, respectively. Net cash used in operating activities were RMB 27,545 and RMB 25,478 for the six months ended March 31, 2022 and 2023, respectively. As of September 30, 2022 and March 31, 2023, current liabilities exceeded current assets by RMB 597,242 and RMB 848,038, respectively.

These factors raise substantial doubt about the Group's ability to continue as a going concern. The financial statements do not include any adjustments that might be necessary if the Group is unable to continue as a going concern.

The Group has adopted a defensive strategy after a prudent assessment of the broader macroeconomic downturn since COVID-19 by consolidating internal resources, further improving operating efficiencies and focusing on asset quality improvement rather than aggressive expansion. The Group's number of rental units contracted as well as number of available rental units decreased by 48.5% from March 31, 2022 to March 31, 2023, as the Group continued to optimize its rental asset portfolio. On the other hand, the Group's total operating cost and expenses decreased by 56.2% from RMB553.3 million (US$87.3 million) in the six months ended March 31, 2022 to RMB242.4 million (US$35.3 million) in the six months ended March 31, 2023 and its net loss narrowed by 82.2% from RMB243.2 million (US$38.4 million) in the six months ended March 31, 2022 to RMB43.3 million (US$6.3 million) in the six months ended March 31, 2023.

The Group intends to meet the cash requirements for the next 12 months from the issuance date of this report through a combination of bank loans and short-term loan from certain third parties, issuance of ordinary shares or other equity-linked securities. In addition, the Group has continued to adopt the defensive strategy mentioned above and optimize its rental asset portfolio. The Group's number of rental units contracted and available rental units decreased from 55,177 as of March 31, 2022 to 28,400 as of March 31, 2023 during the same period, whereas its loss from operation decreased from RMB 189.0 million in the six months ended March 31, 2022 to RMB42.7 million in the six months ended March 31, 2023.

The Group will also focus on the follow activity:

- On October 26, 2022, the Company's Form F-3 to offer up to a total amount of $300 million was declared effective. The Company plans to raise funds under the Form F-3 to support the Company's operations.

The Management plan cannot alleviate the substantial doubt of the Group's ability to continue as a going concern. There can be no assurance that the Group will be successful in achieving its strategic plans, that the Group's future capital raises will be sufficient to support its ongoing operations, or that any additional financing will be available in a timely manner or with acceptable terms, if at all. If the Group is unable to raise sufficient financing or events or circumstances occur such that the Group is not able to achieve ideal optimization of its asset portfolio, the Group will be required to reduce certain discretionary spending, alter or scale back research and development programs, or be unable to fund capital expenditures, which would have a material adverse effect on the Group's financial position, results of operations, cash flows, and ability to achieve its intended business objectives.

The accompanying unaudited condensed consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty. Accordingly, the unaudited condensed consolidated financial statements have been prepared on a basis that assumes the Group will continue as a going concern and which contemplates the realization of assets and satisfaction of liabilities and commitments in the ordinary course of business.

Financial statement amounts and balances of the VIE and its subsidiaries

The following financial statement amounts and balances of the Q&K HK, Q&K Investment Consulting and Q&K E-Commerce (collectively "VIE entities") and their subsidiaries were included in the accompanying consolidated financial statements after elimination of intercompany transactions and balances.

The revenues, net loss and cash flows for the six months ended March 31, 2022 represented the amounts of Q&K HK and Q&K Investment Consulting for the period from dates of equity transfer through March 31, 2022, and the amounts of the amounts of Q&K E-Commerce and its subsidiaries for the six months ended March 31, 2022.

The revenues, net loss and cash flows for the six months ended March 31, 2023 represented the amounts of VIE entities for the six months ended March 31, 2023.

	As of September 30, 2022	As of March 31, 2023	
	RMB	RMB	USD
ASSETS			
Cash and cash equivalents	62	63	9
Advances to suppliers	6,131	6,136	893
Other current assets	2,572	2,572	375
Other assets	98	98	14
Total assets	**8,863**	**8,869**	**1,291**
LIABILITIES			
Accounts payable	34	34	5
Deferred revenue	16	16	2
Short-term debt	13,000	13,000	1,893
Accrued expenses and other current liabilities	67,908	68,124	9,920
Total liabilities	**80,958**	**81,174**	**11,820**

	For the Six Months Ended March 31,		
	2022	2023	
	RMB	RMB	USD
Net revenues	1,621	—	—
Net loss	(41,909)	(221)	(32)
Net cash used in operating activities	(10,773)	1	0
Net cash provided by investing activities	—	—	—
Net cash provided by financing activities	—	—	—

The consolidated VIE entities and their subsidiaries contributed 0.4% and nil of the Group's consolidated revenues for the six months ended March 31, 2022 and 2023. As of September 30, 2022 and March 31, 2023, the consolidated VIE entities and their subsidiaries accounted for an aggregate of 9% and 2%, respectively, of the Group's consolidated total assets, and 12% and 7%, respectively, of the Group's consolidated total liabilities.

There are no terms in any arrangements, considering both explicit arrangements and implicit variable interests that require the Group or its subsidiaries to provide financial support to the VIE entities. However, the Company has provided and will continue to provide financial support to the VIE considering the business requirements of the VIE entities, as well as the Company's own business objectives in the future.

There are no assets held in the VIE entities and its subsidiaries that can be used only to settle obligations of the VIE entities and their subsidiaries, except for registered capital and the PRC statutory reserves. As the VIE entities and their subsidiaries are incorporated as a limited liability company under the PRC Company Law, creditors of the VIE entities do not have recourse to the general credit of the Group for any of the liabilities of the VIE entities. Relevant PRC laws and regulations restrict the VIE entities from transferring a portion of their net assets, equivalent to the balance of its statutory reserve and its share capital, to the Group in the form of loans and advances or cash dividends.

Impairment of long-lived assets

The Group evaluates its long-lived assets and finite lived intangibles for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. When these events occur, the Group measures impairment by comparing the carrying amount of the assets to future undiscounted net cash flows expected to result from the use of the assets and their eventual disposition. If the sum of the expected undiscounted cash flows is less than the carrying amount of the assets, the Group recognizes an impairment loss equal to the difference between the carrying amount and fair value of these assets.

For the six months ended March 31, 2022 and 2023, the Group recognized impairment of RMB 100,156 and RMB 10,474 against trademark and apartment rental contracts (*See Note 5 – Intangible assets*), respectively.

Revenue Recognition

The Group sources apartments from landlords and convert them into standardized furnished rooms to lease to tenants seeking affordable residences in China. Revenues are primarily derived from rental service and value-added services.

Rental Service Revenues

Rental service revenues are primarily derived from the lease payments from tenants and are recorded net of tax.

The Group typically enters into 26-month leases with tenants, a majority of which have a lock-in period of 12 months or shorter. The lock-in period represents the term during which termination will result in the forfeiture of deposit, which is typically one or two months' rent. The Group determines that the lock-in period is the lease term under ASC 840. When tenants terminate their leases, the Group returns unused portions of any prepaid rentals to the tenant within a prescribed period of time. Deposit can only be returned for termination after the lock-in period. Monthly rent is fixed throughout the lock-in period and there is no rent-free period or rent escalations during the period. The Group determines all lease arrangements with tenants are operating leases since the benefits and risks incidental to ownership remains with the Group. Revenue is recognized on a straight-line basis starting from the commencement date stated in the lease agreements.

Value-added Services and Others

Value-added services and others primarily consist of fees received from the tenants from provision of internet connection and utility services as part of the lease agreement. The service fees are fixed in the agreements and recognized on a monthly basis during the period of the lease term. The service fee are recognized on a gross basis as the Group has latitude in determining prices and bear inventory risks.

Operating lease

The Company adopted the ASU 2016-02, Leases (Topic 842) on October 1, 2022 using a modified retrospective approach reflecting the application of the standard to leases existing at, or entered after, the beginning of the earliest comparative period presented in the consolidated financial statements.

The Company leases apartments from landlords, which are classified as operating leases in accordance with Topic 842. Operating leases are required to record in the balance sheet as right-of-use assets and lease liabilities, initially measured at the present value of the lease payments. The Company has elected the package of practical expedients, which allows the Company not to reassess (1) whether any expired or existing contracts as of the adoption date are or contain a lease, (2) lease classification for any expired or existing leases as of the adoption date, and (3) initial direct costs for any expired or existing leases as of the adoption date. The Company elected the short-term lease exemption as the lease terms are 12 months or less.

At the commencement date, the Company recognizes the lease liability at the present value of the lease payments not yet paid, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate for the same term as the underlying lease.

The right-of-use asset is recognized initially at cost, which primarily comprises the initial amount of the lease liability, plus any initial direct costs incurred, consisting mainly of brokerage commissions, less any lease incentives received. All right-of-use assets are reviewed for impairment. There was no impairment for right-of-use lease assets as of March 31, 2023

3. OTHER CURRENT ASSETS

Other current assets consist of the following:

	As of September 30, 2022	As of March 31, 2023
Due from a service provider (1)	36,100	37,552
Deposit for share settlement (2)	21,341	20,602
Due from shareholders (3)	—	13,910
Others	1,588	1,906
	59,029	**73,970**

(1) Upon asset acquisition with Beautiful House, the Group engaged a third party service provider to provide apartment operation services to the Group. The third party service provider is controlled by one of the shareholders of the Seller of Beautiful House. To support the operation services to the tenants, the Group made interest free loans to and operating expenses on behalf of the service provider and loans are repayable on demand.
(2) Upon settle payables due to Beautiful House arising from asset acquisition, the Group made a deposit of RMB 20,602 (US$3,000) to Beautiful House, which is expected to get repaid upon share settlement.
(3) During the six months ended March 31, 2023, the Company paid RMB 13,910 on behalf of certain shareholders who owned less than 5% of outstanding shares of the Company, for transfer of their ordinary shares into ADS which could be traded in the open market. The balance was repayable on demand.

4. PROPERTY AND EQUIPMENT, NET

Property and equipment, net consist of the following:

	As of September 30, 2022	As of March 31, 2023
Cost:		
Vehicle	2,269	2,269
Office furniture, fixtures and equipment	922	922
	3,191	3,191
Less: Accumulated depreciation	(2,691)	(2,849)
	500	**342**

Depreciation expenses were RMB 474 and RMB 158 and for the six months ended March 31, 2022 and 2023, respectively.

5. INTANGIBLE ASSETS, NET

Intangible assets, net consist of the following:

	As of September 30, 2022	As of March 31, 2023
Cost:		
Apartment rental contracts	55,967	3,001
Trademarks	16,294	—
	72,261	3,001
Less: Accumulated amortization	(58,786)	(3,001)
	13,475	—

Amortization expenses were RMB 21,967 and RMB 3,001 for the six months ended March 31, 2022 and 2023, respectively. Impairment loss against intangible assets were RMB 100,156 and RMB 10,474 for the six months ended March 31, 2022 and 2023, respectively.

Impairment of apartment rental contracts

The Group acquired from Great Alliance Coliving Limited. and its affiliates ("Beautiful House") certain assets, including approximately 72,000 apartment rental contracts and leasehold improvements attached to the apartments, and trademarks of Beautiful House. The Group determined the estimated fair values using Level 3 inputs after review and consideration of relevant information, which are unobservable inputs that fall within Level 3 of the fair value hierarchy.

As of March 31, 2022 and March 31, 2023, the Group reviewed the fair value of the apartment rental agreements based on the income approach using the discounted cash flow associated with the underlying assets, which incorporated certain assumptions including projected rooms' revenue, growth rates and projected operating costs based on current economic condition, expectation of management and projected trends of current operating results. As a result, the Group has determined that the majority of the inputs used to value its apartment rental agreements is unobservable inputs that fall within Level 3 of the fair value hierarchy. The revenue growth rate and the discount rate were the significant unobservable inputs used in the fair value measurement.

The revenue growth rate for apartment rental agreements was 0%, and the discount rate was 11% for the six months ended March 31, 2022, both of which met the profit projection target. The carrying amount of apartment rental agreements exceeds its fair value by RMB 29,550, the Group recognized impairment against apartment rental agreements of RMB 29,550 for the six months ended March 31, 2022.

The revenue growth rate for apartment rental agreements was 0%, as a result of increase of unit rental fee by 0%, and the discount rate was 11% for the six months ended March 31, 2023, which underperformed the profit projection target. The Group provided impairment of RMB 10,474 on apartment rental contracts for the six months ended March 31, 2023.

Impairment of trademarks

As of March 31, 2022, the Group wrote off full trademark balance because the trademark will not be used in the future consider the future business development.

6. SHORT-TERM DEBT

The short-term debts were as follows:

	As of September 30, 2022	As of March 31, 2023
Short-term bank borrowings	103,552	103,552
Other short-term payable (1)	6,545	32,072
	110,097	135,624

(1) During the six months ended March 31, 2023, the Company entered into loan agreements with certain third parties to borrow an aggregation of RMB 25,527 (equivalent of US$3,750). The loans bore an interest rate of 3.85% per annum and payable in twelve months.

7. OPERATING LEASE

The Group leases apartments from landlords usually for a period of five to six years which may be extended for an additional three or two years at the discretion of the landlords. Since all the benefits and risks incidental to ownership remains with the landlord, the Group determines that these arrangements are operating leases. The Group typically negotiates a rent-free period of one – two months per year and locks in a fixed rent for the first three years and approximately 5% annual, non-compounding increase for the rest of the lease period. As such, typically all leases with landlords contain rent holidays and fixed escalations of rental payments during the lease term. The Group considers those renewal or termination options that are reasonably certain to be exercised in the determination of the lease term and initial measurement of right of use assets and lease liabilities. Lease expense for lease payment is recognized on a straight-line basis over the lease term.

The Group determines whether a contract is or contains a lease at inception of the contract and whether that lease meets the classification criteria of a finance or operating lease. When available, the Group uses the rate implicit in the lease to discount lease payments to present value; however, most of the leases do not provide a readily determinable implicit rate. Therefore, the Group discount lease payments based on an estimate of the incremental borrowing rate.

For operating leases that include rent holidays and rent escalation clauses, the Group recognizes lease expense on a straight-line basis over the lease term from the date it takes possession of the leased property. The Group records the straight-line lease expense and any contingent rent, if applicable, in general and administrative expenses on the consolidated statements of income and comprehensive income. The apartment leases also require the Group to pay real estate taxes, common area maintenance costs and other occupancy costs which are included in the general and administrative expenses on the condensed consolidated statements of income and comprehensive income.

The lease agreements do not contain any material residual value guarantees or material restrictive covenants.

For short-term leases, the Group records operating lease expense in its consolidated statements of income and comprehensive income on a straight-line basis over the lease term and record variable lease payments as incurred.

The table below presents the operating lease related assets and liabilities recorded on the consolidated balance sheets.

	As of September 30, 2022	As of March 31, 2023
Right of use assets	—	417,556
Operating lease liabilities, current	—	228,655
Operating lease liabilities, noncurrent	—	188,901
Total operating lease liabilities	—	417,556

Other information about the Company's leases is as follows:

	For the Six Months Ended March 31,	
	2022	2023
Weighted average remaining lease term (years)	—	2.36
Weighted average discount rate	—	4.47%

Operating lease expenses were RMB 300,668 and RMB 172,046, respectively, for the six months ended March 31, 2022 and 2023, respectively.

The following is a schedule, by years, of maturities of lease liabilities as of March 31, 2023:

	March 31, 2023
For the six months ending September 30, 2023	136,507
For the year ending September 30, 2024	175,537
For the year ending September 30, 2025	72,950
For the year ending September 30, 2026	26,765
For the year ending September 30, 2027	14,500
For the year ending September 30, 2028 and thereafter	17,968
Total lease payments	444,227
Less: Imputed interest	(26,671)
Present value of lease liabilities	**417,556**

8. ACCRUED EXPENSES AND OTHER CURRENT LIABILITIES

	As of September 30, 2022	As of March 31, 2023
Tenant deposits	5,184	21,432
Other tax payable	63,619	75,600
Interest payable	1,680	2,120
Accrued payroll and welfare	3,999	1,538
Others	7,167	3,180
	81,649	**103,870**

9. SHARE BASED COMPENSATION

The Group utilized Yijia Inc., a company controlled by the Founder as a vehicle to hold shares that will be used to provide incentives and rewards to employees and executives who contribute to the success of the Group's operations. According to the Group's board resolutions, in July 2017 and March 2018, 86 million shares were reserved to Yijia Inc. Yijia Inc. has no activities other than administrating the incentive program and does not have any employees. On behalf of the Group and subject to approvals from the board or directors, the Founder has the authority to select eligible participants to whom equity awards will be granted; determine the number of shares covered; and establish the terms, conditions and provision of such awards. The board resolutions allow the grantees to hold options to purchase from the Yijia Inc. the equity shares of the Group.

As of June 24, 2022, Yijia Inc. held 75.2 million Class B ordinary shares. On June 24, 2022, Yijia Inc. transferred all reserved ordinary shares to Golden Stream Limited, a company controlled by Mr. Qu Chengcai, the Chief Executive Officer of the Group. Upon transfer, the Class B ordinary shares previously held by Yijia Inc. were automatically converted to Class A ordinary shares pursuant to the Company's third amended and restated memorandum and articles of association. Since then, Golden Stream Limited became a vehicle to hold shares that will be used to provide incentives and rewards to employees and executives who contribute to the success of the Group's operations. The board resolutions allow the grantees to hold options to purchase from the Golden Stream Limited the equity shares of the Group.

All the share information disclosed under Stock Option A and Stock Option B in this section refers to the shares of the Group the grantees are entitled through Yijia Inc. shares before June 24, 2022 and through Golden Stream Limited after June 24, 2022. The related expenses are reflected in the Group's consolidated financial statements as share-based compensation expenses with an offset to additional paid-in capital. Given the shares owned by Yijia Inc./ Golden Stream Limited for the purpose of the incentive program are existing and outstanding shares of the Group, the options do not have any dilution effect on the loss per share (see Note 11).

Stock Option A

On August 31, 2014, April 21, 2016, October 17, 2016 and October 18, 2016, the Group granted an aggregate number of 26.86 million share options to certain management, employees and non-employees of the Group. Under the plan, the exercise price was US$0.31 (RMB2.00) per share and vests 50% on the first and second anniversary after the IPO date. All grantees were restricted from transferring more than 25% of their total exercised ordinary shares each year after the exercise date. Given the vesting was contingent on the IPO and vested on the first and second anniversary after the IPO date, no share-based compensation expense is recognized until the date of IPO. For the year ended September 30, 2021, no share options were vested or exercised. As of September 30, 2022 and March 31, 2023, the number of outstanding options is 10,250,000 and 10,250,000, respectively, which was equal to the number of option expected to be vested. The remaining Stock Options A are exercisable into 10,250,000 Class B ordinary shares. Because the exercise price is out of money, the weighted average intrinsic value of the outstanding options and the options expected to vest was RMB nil.

Stock Option B

On July 31, 2017, the Group granted 43.14 million share options to management and employees of the Group. The options vested immediately upon the grant date and the exercise price were US$0.31 (RMB2.00) per share. All grantees were restricted from transferring its exercised ordinary shares during certain periods subsequent to the IPO date (the "lock-up period"). If the grantee resigned from the Group before the IPO or during the lock-up period, the Group has the right to repurchase the share options or ordinary shares at the exercise price. The Group believes that the repurchase feature is effectively to require the employee to remain throughout the requisite period in order to receive any economic benefit from the award. As such, the repurchase feature functions as a vesting condition that is contingent on the IPO, no share-based compensation expense is recognized until the date of IPO. As of September 30, 2022 and March 31, 2022, the Group had 23,850,000 and 23,850,000 share options outstanding, vested and exercisable. The remaining Stock Options B are exercisable into 23,850,000 Class A ordinary shares. Because the exercise price is out of money, the weighted average intrinsic value of these share options were RMB nil.

Binomial options pricing model was applied in determining the estimated fair value of the options granted. The model requires the input of highly subjective assumptions including the estimated expected stock price volatility and, the exercise multiple for which employees are likely to exercise share options. The estimated fair value of the ordinary shares, at the option grants, was determined with assistance from an independent third party valuation firm. The Group's management is ultimately responsible for the determination of the estimated fair value of its ordinary shares.

The following table presents the assumptions used to estimate the fair values of the share options granted in the years presented:

	April 2016	October 2016	July 2017
Risk-free rate of return	3.18%	3.18%	3.21%
Contractual life of option	10 years	10 years	8.4 years
Estimated volatility rate	37%	37%	35%
Expected dividend yield	0%	0%	0%
Fair value of underlying ordinary shares	US$ 0.03	US$ 0.04	US$ 0.05

2019 Share Incentive Plan

The 2019 Share Incentive Plan became effective immediately upon the completion of our initial public offering. The maximum number of shares that may be issued under the 2019 Plan is 10% of the total outstanding shares as of the date of the consummation of our initial public offering.

In June 2022, the Group issued 72 million stock options with nil exercise price to Mr. Qu, the Chief Executive Officer of the Company. All of the stock options were vested and exercised immediately upon grant. The Group recorded stock options at the grant date fair value per ADS of US$1.4537 by reference to the share price in the open market on grant date.

In June 2022, the Group issued 50.36 million stock options with nil exercise price to Mr. Sun, the Chief Financial Officer of the Company, of which 43.18 million stock options vested and exercised immediately upon grant, 3.59 million stock options vested on August 3, 2022, and the remaining 3.59 million stock options vested on August 3, 2023. As of March 31, 2023, the 3.59 million stock options vested on August 3, 2022 was not exercised by or issued to Mr. Sun. The Group recorded stock options at the grant date fair value per ADS of US$1.4537 by reference to the share price in the open market on grant date.

For the six months ended March 31, 2023, no option activities were incurred. As of March 31, 2023, 37,690,027 options were vested and exercisable.

The Group recognized the compensation cost for the stock options on a straight line basis over the requisite service periods.

For the six months ended March 31, 2022 and 2023, the Group recorded compensation expenses of RMB 399 and RMB 2,307 in connection with the above stock options. As of September 30, 2022, the Group had unrecognized compensation expenses for stock options of RMB 69.

For the six months ended March 31, 2022 and 2023, the total share-based compensation expenses were comprised of the following:

	For the Six Months Ended March 31,	
	2022	**2023**
Selling and marketing expenses	2	12
General and administrative expenses	4	2,273
Research and development expenses	393	22
	399	**2,307**

10. EQUITY

Class B Ordinary Shares

On November 18, 2022, the board of directors has approved and adopted a new share incentive plan (the “2022 Plan”). The maximum number of shares available for issuance under the 2022 Plan is 2,500,000,000 Class B ordinary shares of the Company (the “Shares”).

In respect of matters requiring the votes of shareholders, holders of Class A ordinary shares are entitled to one vote per share, while holders of Class B ordinary shares are entitled to ten votes per share based on our dual class share structure. Each Class B ordinary share is convertible into one (1) Class A ordinary share at any time by the holder thereof, while Class A ordinary shares are not convertible into Class B ordinary shares under any circumstances. Upon any transfer of Class B ordinary shares by a holder thereof to any person or entity which is not an affiliate of such holder, such Class B ordinary shares shall be automatically and immediately converted into the equal number of Class A ordinary shares.

The board of directors has also approved the issuance of the Shares to an ESOP Platform, which is holding these Shares (representing 8.8% of the total outstanding share capital and 49.1% of the voting power of the Company) and will act upon the instructions from a senior management committee of the Company determined on a unanimous basis in relation to the voting and, prior to the vesting of the Shares to the relevant grantee of the share-based awards under the 2022 Plan, the disposition of the Shares. The Shares held by the ESOP Platform are reserved for share-based awards that the Company may grant in the future under the 2022 Plan. As of the date of this report, 2,500,000,000 Class B ordinary shares were reserved to 2022 Plan and no Class B ordinary shares have been issued under the 2022 Plan.

Upon the issuance of Class B Ordinary Shares, the Company recorded the share capital of RMB 172, with corresponding accounts to additional paid-in capital.

11. LOSS PER SHARE

The following table sets forth the computation of basic and diluted earnings per share for the periods indicated:

	For the Six Months Ended March 31,	
	2022	**2023**
Net loss	(243,224)	(43,325)
Net loss per share—Basic and diluted	(0.14)	(0.00)
Weighted average number of ordinary shares used in computing net loss per share—Basic and diluted	1,728,612,425	27,715,937,039

For the six months ended March 31, 2022 and 2023, weighted average ordinary shares included nil and 3,590,027 stock options. The 3,590,027 stock options were vest but unexercised as of March 31, 2023. The Company included the stock options because they are exercisable at RMB nil.

For the six months ended March 31, 2022 and 2023, potential ordinary shares from assumed conversion of convertible notes into 364,641,420 and nil the Group's ordinary shares, assumed exercise of share options of 34,200,000 and 37,690,027, and warrants to purchase 14,349,000 and nil of the Group's ordinary shares have not been reflected in the calculation of diluted net loss per share as their inclusion would have been anti-dilutive.

12. INCOME TAXES

The Company evaluates the level of authority for each uncertain tax position (including the potential application of interest and penalties) based on the technical merits, and measures the unrecognized benefits associated with the tax positions. For the six months ended March 31, 2022 and 2023, the Company had no unrecognized tax benefits. Due to uncertainties surrounding future utilization, the Company estimates there will not be sufficient future income to realize the deferred tax assets for the subsidiaries. The Company maintains a full valuation allowance on its net deferred tax assets as of September 30, 2022 and March 31, 2023.

The Company does not anticipate any significant increase to its liability for unrecognized tax benefit within the next 12 months. The Company will classify interest and penalties related to income tax matters, if any, in income tax expense.

For the six months ended March 31, 2022 and 2023, the Company had a current tax benefit of RMB 3 and RMB nil, respectively.

Uncertain tax positions

The Company accounts for uncertainty in income taxes using a two-step approach to recognizing and measuring uncertain tax positions. The first step is to evaluate the tax position for recognition by determining if the weight of available evidence indicates that it is more likely than not that the position will be sustained on audit, including resolution of related appeals or litigation processes, if any. The second step is to measure the tax benefit as the largest amount that is more than 50% likely of being realized upon settlement. Interest and penalties related to uncertain tax positions are recognized and recorded as necessary in the provision for income taxes. The Company is subject to income taxes in the PRC. According to the PRC Tax Administration and Collection Law, the statute of limitations is three years if the underpayment of taxes is due to computational errors made by the taxpayer or the withholding agent. The statute of limitations is extended to five years under special circumstances, where the underpayment of taxes is more than RMB 100,000. In the case of transfer pricing issues, the statute of limitation is ten years. There is no statute of limitation in the case of tax evasion. There were no uncertain tax positions as of March 31, 2023 and the Company does not believe that its unrecognized tax benefits will change over the next twelve months.

13. RELATED PARTY TRANSACTIONS AND BALANCES

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operational decisions. Parties are also considered to be related if they are subject to common control or common significant influence. Related parties may be individuals or corporate entities.

The following entities are considered to be related parties to the Group. The related parties mainly act as service providers and service recipients to the Group. The Group is not obligated to provide any type of financial support to these related parties.

Related Party	Relationship with the Group
Wangxiancai Limited*	An entity controlled by the legal representative and executive director of one of the subsidiaries
Key Space (S) Pte Ltd (“Key Space”)	An entity controlled by certain shareholders of the Group

* Wangxiancai Limited was no longer a related party of the Company since June 30, 2022 when the Company disposed of the Deconsolidated VIE’s Subsidiaries.

The Group entered into the following transactions with its related parties:

As stated in Note 1, on October 26, 2021 and December 17, 2021, the Group transferred the equity interest in the Q&K Investment Consulting and Q&K HK, respectively, to Wangxiancai Limited for nominal consideration.

For the six months ended March 31, 2022, the Group issued convertible notes in exchange for cash of $2,813 (RMB 17,832) to Key Space. Among the convertible notes issued in the six months ended March 31, 2022, $835 and $1,978 are subject to interest rate of 15% per annum and 17% per annum, respectively. For the six months ended March 31, 2022, the Group accrued interest expenses of RMB 26,870 on the convertible notes.

As of September 30, 2022 and March 31, 2022, amounts due to related parties were RMB 4,831 and RMB 5,394, respectively. The balance due to related parties represented borrowings from the related parties which were due within 12 months from borrowing. Details are as follows:

	As of September 30, 2022	As of March 31, 2023
Key Space	4,065	4,065
Others	766	1,329
	4,831	**5,394**

14. COMMITMENTS AND CONTINGENCIES

(a) Purchase Commitments

As of March 31, 2023, the Group's did not have commitments related to leasehold improvements and installation of equipment.

(b) Contingencies

The Group is subject to periodic legal or administrative proceedings in the ordinary course of business. The Group does not believe that any currently pending legal or administrative proceeding to which the Group is a party will have a material effect on its business or financial condition.

ALPHA MIND TECHNOLOGY LIMITED AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(UNAUDITED)

	As of	
	June 30, 2023	**December 31, 2022**
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	$ 298,966	$ 341,743
Accounts receivable, net	2,199,262	2,892,960
Prepayments	1,393,484	1,412,266
Other receivables, net	57,748	31,227
Due from related parties	949	20,784
Short-term investment	266,513	273,182
Other current assets	79,925	100,558
Total Current Assets	4,296,847	5,072,720
NON-CURRENT ASSETS:		
Restricted cash- non-current	691,965	717,916
Property and equipment, net	55,315	68,541
Operating lease right-of-use asset	16,433	-
Deferred tax assets	70,681	25,360
Total Non-current Assets	834,394	811,817
Total Assets	$ 5,131,241	$ 5,884,537
LIABILITIES AND SHAREHOLDERS' (DEFICIT) EQUITY		
CURRENT LIABILITIES:		
Accounts payable	$ 1,550,175	$ 2,496,587
Salary payable	53,350	65,709
Other payables	797,133	780,247
Due to related parties	52,298	16,723
Taxes payable	58,879	154,585
Advance from customer	288,696	5,306
Lease liabilities, current	30,389	-
Total Current Liabilities	2,830,920	3,519,157
NON-CURRENT LIABILITIES:		
Lease liabilities, noncurrent	13,544	-
Total Non-current Liabilities	13,544	-
Total Liabilities	2,844,464	3,519,157
SHAREHOLDERS' EQUITY:		
Common shares (par value $1.00 per share; 50,000 shares authorized)	50,000	50,000
Subscription receivable	(50,000)	(50,000)
Additional paid-in capital	8,649,321	8,649,321
Accumulated deficit	(5,610,002)	(5,636,318)
Accumulated other comprehensive loss	(752,542)	(647,623)
Total Shareholders' Equity	2,286,777	2,365,380
Total Liabilities and Shareholders' Equity	$ 5,131,241	$ 5,884,537

The accompanying notes are an integral part of these consolidated financial statements.

ALPHA MIND TECHNOLOGY LIMITED AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME (LOSS)
(UNAUDITED)

	For the Six Months Ended	
	June 30, 2023	**June 30, 2022**
REVENUE	$ 19,210,144	$ 23,410,471
COST OF REVENUE	18,069,023	22,067,728
GROSS PROFIT	1,141,121	1,342,743
OPERATING EXPENSES:		
Selling and marketing	959,852	901,369
General and administrative		
Payroll and related benefits	402,844	427,203
Other general and administrative	208,725	419,291
Total Operating Expenses	1,571,421	1,747,863
LOSS FROM OPERATIONS	(430,300)	(405,120)
OTHER INCOME (EXPENSE):		
Interest income	2,422	9,239
Interest expense	(2,564)	(5,786)
Other income, net	412,658	220,616
Total Other income (expense)	412,516	224,069
LOSS BEFORE INCOME TAXES	(17,784)	(181,051)
INCOME TAXES	44,100	11,268
NET GAIN(LOSS)	$ 26,316	$ (169,783)
OTHER COMPREHENSIVE (LOSS)		
Foreign currency translation adjustments	(104,919)	(149,333)
COMPREHENSIVE LOSS	$ (78,603)	$ (319,116)

The accompanying notes are an integral part of these consolidated financial statements.

ALPHA MIND TECHNOLOGY LIMITED AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(UNAUDITED)

	Common Shares						
	Number of Shares	Amount	Subscription Receivable	Additional Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive Loss	Total Shareholders' Equity
Balance, January 1, 2022	50,000	$ 50,000	$ (50,000)	$ 8,205,976	$ (5,110,749)	$ (409,803)	$ 2,685,424
Net loss for the six months ended June 30, 2022	-	-	-	-	$ (169,783)	$ -	$ (169,783)
Foreign currency translation adjustment	-	-	-	-	-	$ (149,333)	$ (149,333)
Balance, June 30, 2022	50,000	$ 50,000	$ (50,000)	$ 8,205,976	$ (5,280,532)	$ (559,136)	$ 2,366,308
Balance, January 1, 2023	50,000	$ 50,000	$ (50,000)	$ 8,649,321	$ (5,636,318)	$ (647,623)	$ 2,365,380
Net gain for the six months ended June 30, 2023	-	-	-	-	$ 26,316	$ -	$ 26,316
Foreign currency translation adjustment	-	-	-	-	-	$ (104,919)	$ (104,919)
Balance, June 30, 2023	50,000	$ 50,000	$ (50,000)	$ 8,649,321	$ (5,610,002)	$ (752,542)	$ 2,286,777

The accompanying notes are an integral part of these consolidated financial statements.

ALPHA MIND TECHNOLOGY LIMITED AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOW
(UNAUDITED)

	For the Six months Ended June 30,	
	2023	**2022**
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net gain (loss)	$ 26,316	$ (169,783)
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation expense	11,232	9,751
Gain on short-term investment	(3,344)	(5,322)
Allowance for bad debts	1,380	92,415
Deferred taxes expense	(48,824)	(23,316)
Changes in operating assets and liabilities:		
Accounts receivable	627,657	(383,457)
Prepayments	(17,662)	555,538
Due from related parties	19,835	14,747
Prepaid expenses and other current assets	(10,949)	37,222
Operating lease right-of-use asset	(17,439)	-
Accounts Payable	(905,380)	(192,235)
Salary payable	(10,469)	(25,476)
Accrued liabilities and other payables	238,141	196,324
Lease liabilities, current	44,436	-
Net cash (used in) provided by operating activities	(45,070)	106,408
CASH FLOWS FROM INVESTING ACTIVITIES:		
Redemption of short-term investment	-	57,162
Net cash provided by investing activities	-	57,162
CASH FLOWS FROM FINANCING ACTIVITIES:		
Cash proceeds from related parties	35,575	34,018
Net cash provided by financing activities	35,575	34,018
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS AND RESTRICTED CASH	(9,495)	197,588
Effect of exchange rate changes on cash	(59,233)	(72,933)
CASH AND CASH EQUIVALENTS AND RESTRICTED CASH AT BEGINNING OF PERIOD	1,059,659	1,296,256
CASH AND CASH EQUIVALENTS AND RESTRICTED CASH AT END OF PERIOD	$ 990,931	$ 1,420,911
RECONCILIATION OF CASH, CASH EQUIVALENTS AND RESTRICTED CASH		
Cash and cash equivalents at beginning of period	$ 341,743	$ 512,028
Restricted cash at beginning of period	717,916	784,228
Total cash, cash equivalents and restricted cash at beginning of period	$ 1,059,659	$ 1,296,256
Cash and cash equivalents at end of period	$ 298,966	$ 675,910
Restricted cash at end of period	691,965	745,001
Total cash, cash equivalents and restricted cash at end of period	$ 990,931	$ 1,420,911
SUPPLEMENTAL CASH FLOW INFORMATION:		
Cash paid for income tax	(4,547)	$ (2,795)
Cash paid for interest	(2,564)	$ (5,786)

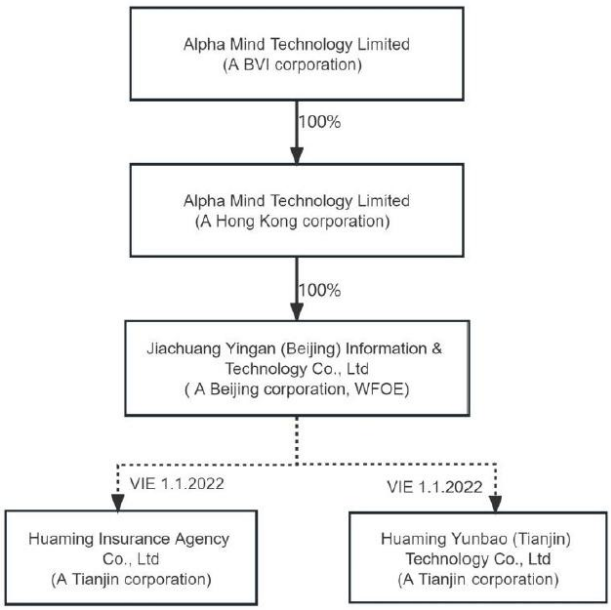
The accompanying notes are an integral part of these consolidated financial statements.

NOTE 1 – ORGANIZATION AND NATURE OF OPERATIONS

Alpha Mind Technology Limited ("Alpha Mind BVI" or the "Company") is a holding company incorporated on April 17, 2023 under the laws of British Virgin Islands (the "BVI"). The Company has no substantive operations other than holding all of the outstanding share capital of Alpha Mind Technology Limited ("Alpha Mind HK"), which is also a holding company incorporated in Hong Kong on October 19, 2021. The Company operates as an agency to sell insurance products in the People's Republic of China ("PRC" or "China"), through variable interest entities ("VIE"), Huaming Insurance Agency Co., Ltd ("Huaming Insurance"), which was established on March 7, 2014, and Huaming Yunbao (Tianjin) Technology Co., Ltd ("Huaming Yunbao"), which was established on May 8, 2015.

On April 13, 2022, Alpha Mind HK became the sole shareholder of Jiachuang Yingan (Beijing) Information & Technology Inc. ("Jiachuang Yingan", or "WFOE"), a Beijing company incorporated on August 2, 2019. Jiachuang Yingan entered into a series of contractual arrangements, or VIE agreements with Huaming Insurance and Huaming Yunbao and the equity holders of Huaming Insurance and Huaming Yunbao, through which the Company obtained control and became the primary beneficiary of Huaming Insurance and Huaming Yunbao. As a result, Huaming Insurance and Huaming Yunbao became the Company's VIE.

The structure of the Company as follows:



Contractual Arrangements

The Company, through the WFOE, has the following contractual arrangements with the VIE and its shareholders that enable the Company to (1) to direct the activities that most significantly affect the economic performance of the VIE, and (2) receive the economic benefits of the VIE that could be significant to the VIE. Accordingly, the WFOE was considered the primary beneficiary of the VIE and had consolidated the VIE's financial results of operations, assets and liabilities in the Company's consolidated financial statements.

The significant terms of the Contractual Arrangements are as follows:

Exclusive Business Cooperation Agreement

Pursuant to the exclusive business cooperation agreement between Jiachuang Yingan WFOE and Huaming Insurance and Huaming Yunbao, Jiachuang Yingan WFOE has the exclusive right to provide Huaming Insurance and Huaming Yunbao with technical support services, consulting services and other services requested by Huaming Insurance and Huaming Yunbao from time to time to the extent permitted under PRC law. In exchange, Jiachuang Yingan WFOE is entitled to a service fee that equals to all of the consolidated net income of each of Huaming Insurance and Huaming Yunbao. The service fee may be adjusted by Jiachuang Yingan WFOE based on the actual scope of services rendered by Jiachuang Yingan WFOE and the operational needs and expanding demands of Huaming Insurance and Huaming Yunbao. Pursuant to the exclusive business cooperation agreement, the service fees may be adjusted based on the actual scope of services rendered by Jiachuang Yingan WFOE and the operational needs of Huaming Insurance and Huaming Yunbao.

The exclusive business cooperation agreement remains in effect unless terminated in accordance with the following provision of the agreement or terminated in writing by Jiachuang Yingan WFOE.

During the term of the exclusive business cooperation agreement, Jiachuang Yingan WFOE and Huaming Insurance and Huaming Yunbao shall renew the operation term prior to the expiration thereof so as to enable the exclusive business cooperation agreement to remain effective. The exclusive business cooperation agreement shall be terminated upon the expiration of the operation term of either Jiachuang Yingan WFOE or Huaming Insurance and Huaming Yunbao if the application for renewal of the operation term is not approved by relevant government authorities. If an application for renewal of the operation term is not approved, according to the PRC Company Law, the expiration of the operation term may lead to the dissolution and cancellation of such PRC company.

Exclusive Option Agreement

Pursuant to the exclusive option agreement among Jiachuang Yingan WFOE, Huaming Insurance and Huaming Yunbao and the shareholders who collectively owned all of Huaming Insurance and Huaming Yunbao, such shareholders jointly and severally granted Jiachuang Yingan WFOE an option to purchase their equity interests in Huaming Insurance and Huaming Yunbao. The purchase price upon exercise of the option will be the lowest price then permitted under applicable PRC laws. Jiachuang Yingan WFOE or its designated person may exercise such option at any time to purchase all or part of the equity interests in Huaming Insurance and Huaming Yunbao until it has acquired all equity interests of Huaming Insurance and Huaming Yunbao, which is irrevocable during the term of the agreements.

The exclusive option agreement remains in effect until all equity interest held by shareholders in Huaming Insurance and Huaming Yunbao have been transferred or assigned to Jiachuang Yingan WFOE and/or any other person designated by the Jiachuang Yingan WFOE in accordance with such agreement.

Equity Interest Pledge Agreements

Pursuant to the equity interest pledge agreements, among Jiachuang Yingan WFOE, Huaming Insurance and Huaming Yunbao, and the shareholders who collectively owned all of Huaming Insurance and Huaming Yunbao, such shareholders pledged all of the equity interests in Huaming Insurance and Huaming Yunbao to Jiachuang Yingan WFOE as collateral to secure the obligations of Huaming Insurance and Huaming Yunbao under the exclusive business cooperation agreement and exclusive option agreements. These shareholders are prohibited from transferring the pledged equity interests without the prior consent of Jiachuang Yingan WFOE unless transferring the equity interests to Jiachuang Yingan WFOE or its designated person in accordance to the exclusive option agreements.

The equity interest pledge agreements will remain in effect until all of the obligations to Jiachuang Yingan WFOE have been fulfilled completely by Huaming Insurance and Huaming Yunbao.

Shareholders' Powers of Attorney ("POAs")

Pursuant to the shareholders' POAs, the shareholders of Huaming Insurance and Huaming Yunbao have given Jiachuang Yingan WFOE an irrevocable proxy to act on their behalf on all matters pertaining to Huaming Insurance and Huaming Yunbao and to exercise all of their rights as shareholders of Huaming Insurance and Huaming Yunbao, including the (i) right to attend shareholders meeting; (ii) to exercise voting rights and all of the other rights including but not limited to the sale or transfer or pledge or disposition of their shares held in part or in whole; and (iii) designate and appoint on behalf of the shareholders the legal representative, the directors, supervisors, the chief executive officer and other senior management members of Huaming Insurance and Huaming Yunbao, and to sign transfer documents and any other documents in relation to the fulfillment of the obligations under the exclusive option agreements and the equity interest pledge agreements. The shareholders' POAs remain in effect while the shareholders of Huaming Insurance and Huaming Yunbao hold the equity interests in Huaming Insurance and Huaming Yunbao.

Spousal Consent Letters

Pursuant to the spousal consent letters, the spouses of the shareholders of Huaming Insurance and Huaming Yunbao commit that they have no right to make any assertions in connection with the equity interests of Huaming Insurance and Huaming Yunbao, which are held by the shareholders. In the event that the spouses obtain any equity interests of Huaming Insurance and Huaming Yunbao, which are held by the shareholders, for any reasons, the spouses of the shareholders shall be bound by the exclusive option agreement, the equity interest pledge agreement, the shareholder POA and the exclusive business cooperation agreement and comply with the obligations thereunder as a shareholder of Huaming Insurance and Huaming Yunbao. The letters are irrevocable and shall not be withdrawn without the consent of Jiachuang Yingan WFOE.

Based on the foregoing contractual arrangements, which grant Jiachuang Yingan WFOE effective control of Huaming Insurance and Huaming Yunbao and enable Jiachuang Yingan WFOE to receive all of their expected residual returns, the Company accounts for Huaming Insurance and Huaming Yunbao as a VIE. Accordingly, the Company consolidates the accounts of Huaming Insurance and Huaming Yunbaofor the periods presented herein, in accordance with Regulation S-X-3A-02 promulgated by the Securities Exchange Commission ("SEC"), and Accounting Standards Codification ("ASC") 810-10, Consolidation.

NOTE 2 – BASIS OF PRESENTATION

The accompanying consolidated financial statements and related notes have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") and with the rules and regulations of the U.S. Securities and Exchange Commission for financial information, and include all normal and recurring adjustments that management of the Company considers necessary for a fair presentation of its financial position and operation results.

The consolidated financial statements include the financial statements of the Company and its subsidiaries, which include the wholly-owned foreign enterprise and VIE over which the Company exercises control and, when applicable, entities for which the Company has a controlling financial interest or is the primary beneficiary for accounting purposes. Jiachuang Yingan WFOE is deemed to have a controlling financial interest and be the primary beneficiary for accounting purposes of Huaming Insurance and Huaming Yunbao because it has both of the following characteristics: (1) the power to direct activities at Huaming Insurance and Huaming Yunbao that most significantly impact such entity's economic performance, and (2) the right to receive benefits from Huaming Insurance and Huaming Yunbao that could potentially be significant to such entity. All transactions and balances among the Company and its subsidiaries have been eliminated upon consolidation.

The Company adopted a fiscal year end of December 31st.

NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Use of Estimates and assumptions

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

Significant estimates and assumptions reflected in the Company's consolidated financial statements during the six months ended June 30,2022 and 2023 include, but not are not limited to, the allowance for doubtful accounts, the useful life of property and equipment, and assumptions used in assessing impairment of long-lived assets, revenue recognition, allowance for deferred tax assets and the associated valuation allowance. Management bases the estimates on historical experience and various other assumptions that are believed to be reasonable, the results of which form the basis for making judgments about the carrying values of assets and liabilities. Actual results could materially differ from those estimates.

Foreign Currency Translation

The reporting currency of the Company is the U.S. dollar ("USD"). The functional currency of Jiachuang Yingan (Beijing) Information & Technology Co., Ltd, Huaming Insurance Agency Co., Ltd and Huaming Yunbao (Tianjin) Technology Co., Ltd is the RMB.The functional currency of Alpha Mind Technology Limited (HK) is the Hong Kong dollar. The financial statements of the Company's subsidiaries whose functional currency is the RMB and Hong Kong dollar are translated to U.S. dollars using period end rates of exchange for assets and liabilities, average rate of exchange for revenue and expenses and cash flows, and at historical exchange rates for equity. As a result, amounts relating to assets and liabilities reported on the statements of cash flows may not necessarily agree with the changes in the corresponding balances on the balance sheets. Translation adjustments resulting from the process of translating the local currency financial statements into U.S. dollars are included in determining comprehensive income/loss.

All of the Company's revenue and expense transactions are transacted in the functional currency. The Company does not enter into any material transaction in foreign currencies. Transaction gains or losses have not had, and are not expected to have, a material effect on the results of operations of the Company.

The consolidated balance sheet amounts, with the exception of equity, at June 30, 2023 and December 31, 2022 were translated at RMB 7.2258 to $1.00 and at RMB 6.9646 to $1.00, respectively. Equity accounts were stated at their historical rates. The average translation rates applied to consolidated statements of income and cash flows for the six months ended June 30,2023 and 2022 were RMB 7.1492 and RMB 6.4364 to $1.00, respectively.

Cash and Cash Equivalents

The Company considers all highly liquid investments purchased with an original maturity of three months or less to be cash equivalents. Cash and cash equivalents are comprised primarily of bank accounts. At June 30, 2023 and December 31, 2022, cash and cash equivalents balances held in China amounted to $298,966 and $341,743, respectively.

Restricted Cash

The Company, as an insurance agency, is required to reserve 10% of its registered capital in cash held in an escrow bank account pursuant to the China Banking and Insurance Regulatory Commission ("CBIRC") rules and regulations, in order to protect insurance premium appropriation by insurance agency which is restricted as to withdrawal for other than current operations. Thus, the Company classified the balance for guarantee deposit as a non-current asset. As of June 30, 2023 and December 31, 2022, the non-current restricted cash amounted to $691,965 and $717,916, respectively.

Concentrations of Credit Risk

The Company has operations carried out in China. Accordingly, the Company's business, financial condition and results of operations may be influenced by the political, economic and legal environment in China, and by the general state of China's economy. The Company's operations in China are subject to specific considerations and significant risks not typically associated with companies in North America. The Company's results may be adversely affected by changes in governmental policies with respect to laws and regulations, anti-inflationary measures, currency conversion and remittance abroad, and rates and methods of taxation, among other things.

Accounts Receivable, Net

Accounts receivable represents insurance agency service fee or commission receivable on insurance products sold from insurance companies stated at net realizable values. The Company reviews its accounts receivable on a periodic basis to determine if the bad debt allowance is adequate, and adjust the allowance when necessary.

In establishing the allowance for doubtful accounts, management considers historical collection experience, aging of the receivables, the economic environment, industry trend analysis, and the credit history and financial conditions of the customers. Accounts are written off after exhaustive efforts at collection.

As of June 30, 2023 and December 31, 2022, allowance for doubtful accounts were $38,281 and $38,360 respectively.

Other Receivables, Net

Other receivables primarily include advances to employees and other deposits. Management regularly reviews the aging of receivables and changes in payment trends and records allowances when management believes collection of amounts due are at risk. Accounts considered uncollectable are written off against allowances after exhaustive efforts at collection are made.

As of June 30, 2023 and December 31, 2022, allowance for doubtful accounts were $589,282 and $611,382, respectively.

Prepayments

Prepayments are advanced to suppliers for future service rendering. As of June 30, 2023 and December 31, 2022, prepayments amounted to $1,393,484 and $1,412,266, respectively. For any advances to suppliers determined by management that such advances will not be in receipts or refundable, the Company will recognize an allowance account to reserve such balances. Management reviews its advances to suppliers on a regular basis to determine if the allowance is adequate, and adjusts the allowance when necessary. Delinquent account balances are written off against allowance for doubtful accounts after management has determined that the likelihood of collection is not probable. Management continues to evaluate the reasonableness of the valuation allowance policy and update it if necessary. As of June 30, 2023 and December 31, 2022, no allowance for the doubtful accounts were deemed necessary.

Property and Equipment

Property and equipment are stated at cost less accumulated depreciation, and depreciated on a straight-line basis over the estimated useful lives of the assets. Cost represents the purchase price of the asset and other costs incurred to bring the asset into its existing use. The cost of repairs and maintenance is expensed as incurred; major replacements and improvements are capitalized. When assets are retired or disposed of, the cost and accumulated depreciation are removed from the accounts, and any resulting gains or losses are included in income/loss in the year of disposition. Estimated useful lives are as follows:

	Estimated Useful Life
Automobile	3 - 5 Years

Impairment of Long-lived Assets

In accordance with ASC Topic 360, the Company reviews long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be fully recoverable, or at least annually. The Company recognizes an impairment loss when the sum of expected undiscounted future cash flows is less than the carrying amount of the asset. The amount of impairment is measured as the difference between the asset's estimated fair value and its book value. The Company did not record any impairment charge for the the six months ended June 30,2023 and 2022.

Value Added Tax

Pursuant to the PRC tax legislation, general taxpayers normally applies value-added-tax (VAT) of 6% in the modern service industries on a nationwide basis. The Company is subject to VAT of 6% for providing insurance agency service as general taxpayer, while the branch office in Liaoning Yixian subjects to 3% VAT as small taxpayer until September 2022, and then applied to general taxpayer in October 2022. Entities that are VAT general taxpayers are allowed to offset qualified input VAT paid to suppliers against their output VAT liabilities. Net VAT balance between input VAT and output VAT is recorded in tax payable. The amount of VAT liability is determined by applying the applicable tax rate to the invoiced amount. The Company reports revenue net of PRC's VAT for all the periods presented on the statements of operations and comprehensive income (loss).

Revenue Recognition

The Company recognizes revenue under Accounting Standards Codification ("ASC") Topic 606, Revenue from Contracts with Customers ("ASC 606"). The core principle of the revenue standard is that a company should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the company expects to be entitled in exchange for those goods or services. The following five steps are applied to achieve that core principle:

- Step 1: Identify the contract with the customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognize revenue when the company satisfies a performance obligation

The Company generates revenue primarily from its insurance agency services. According to the agency service contracts made by and between the Company and insurance carriers, the Company is authorized to sell insurance products provided by insurance carriers to the insureds as an insurance agent, and collects commission from the respective insurance carriers as revenue.

The commission charged is determined by the terms agreed in the agency service contract, typically a percentage of insurance premium. The performance obligation is considered met and revenue is recognized when the insurance agency services are rendered and completed at the time an insurance policy becomes effective and the premium is collected from the insured.

The necessary data to reasonably determine the revenue amount is controlled by the insurance carriers, and bill statement is confirmed with the Company on a monthly basis. The Company has met all the criteria of revenue recognition when the premiums are collected by the respective insurance carriers and not before, because collectability is not ensured until receipt of the premium. Therefore, the Company does not accrue any commissions prior to the receipt of the related premiums of insurance carriers, due to the specific practice in the industry.

The Company recorded insurance agency commission revenue in the amount of $19,210,144 and $23,410,471 for the six months ended June 30,2023 and 2022, respectively.

Cost of Revenues

Cost of revenues consists primarily of commissions paid to distribution channels. The Company generally recognizes commissions as cost of revenues when incurred. For the six months ended June 30,2023 and 2022, the cost of revenue amounted to $18,069,023 and $22,067,728 respectively.

Selling Expenses

Selling expenses mainly consisted of advertising and marketing expenses. For the six months ended June 30,2023 and 2022, the selling expenses amounted to $959,852and $901,369 respectively.

Operating Leases

The Company adopted FASB Accounting Standards Codification, Topic 842, Leases ("ASC 842") using the modified retrospective approach, electing the practical expedient that allows the Company not to restate prior to the adoption of the standard on January 1, 2019.

The Company applied the following practical expedients in the transition to the new standard allowed under ASC 842:

Practical Expedient	Description
Reassessment of expired or existing contracts	The Company elected not to reassess, at the application date, whether any expired or existing contracts contained leases, the lease classification for any expired or existing leases, and the accounting for initial direct costs for any existing leases.
Use of hindsight	The Company elected to use hindsight in determining the lease term (that is, when considering options to extend or terminate the lease and to purchase the underlying asset) and in assessing impairment of right-to-use assets.
Reassessment of existing or expired land easements	The Company elected not to evaluate existing or expired land easements that were not previously accounted for as leases under ASC 840, as allowed under the transition practical expedient. Going forward, new or modified land easements will be evaluated under ASU No. 2016-02.
Separation of lease and non-lease components	Lease agreements that contain both lease and non-lease components are generally accounted for separately.
Short-term lease recognition exemption	The Company also elected the short-term lease recognition exemption and will not recognize ROU assets or lease liabilities for leases with a term less than 12 months.

The Company determines if an arrangement is a lease at inception under FASB ASC Topic 842, Right of Use Assets ("ROU") and lease liabilities are recognized at commencement date based on the present value of remaining lease payments over the lease term. For this purpose, the Company considers only payments that are fixed and determinable at the time of commencement. As most of its leases do not provide an implicit rate, it uses its incremental borrowing rate based on the information available at commencement date in determining the present value of lease payments. The Company's incremental borrowing rate is a hypothetical rate based on its understanding of what its credit rating would be. The ROU assets include adjustments for prepayments and accrued lease payments. The ROU asset also includes any lease payments made prior to commencement and is recorded net of any lease incentives received. The Company's lease terms may include options to extend or terminate the lease when it is reasonably certain that it will exercise such options.

ROU assets are reviewed for impairment when indicators of impairment are present. ROU assets from operating and finance leases are subject to the impairment guidance in ASC 360, Property, Plant, and Equipment, as ROU assets are long-lived nonfinancial assets.

ROU assets are tested for impairment individually or as part of an asset group if the cash flows related to the ROU asset are not independent from the cash flows of other assets and liabilities. An asset group is the unit of accounting for long-lived assets to be held and used, which represents the lowest level for which identifiable cash flows are largely independent of the cash flows of other groups of assets and liabilities. The Company recognized no impairment of ROU assets as of June 30, 2023 and December 31, 2022. Operating leases are included in operating lease ROU and operating lease liabilities (current and non-current), on the consolidated balance sheets.

Employee Benefits

The Company makes mandatory contributions to the PRC government's health, retirement benefit and unemployment funds in accordance with the relevant Chinese social security laws. The costs of these payments are charged to the same accounts as the related salary costs in the same period as the related salary costs incurred. Employee benefit costs totaled $402,844 and $427,203 for the six months ended June 30,2023 and 2022, respectively.

Income Taxes

The Company accounts for income taxes using the asset/liability method prescribed by ASC 740, "Income Taxes." Under this method, deferred tax assets and liabilities are determined based on the difference between the financial reporting and tax bases of assets and liabilities using enacted tax rates that will be in effect in the period in which the differences are expected to reverse. The Company records a valuation allowance to offset deferred tax assets if, based on the weight of available evidence, it is more-likely-than-not that some portion, or all, of the deferred tax assets will not be realized. The effect on deferred taxes of a change in tax rates is recognized as income or loss in the period that includes the enactment date.

The Company follows the accounting guidance for uncertainty in income taxes using the provisions of ASC 740 "Income Taxes". Using that guidance, tax positions initially need to be recognized in the financial statements when it is more likely than not the position will be sustained upon examination by the tax authorities. For the six months ended June 30,2023 and 2022, the Company had no significant uncertain tax positions that qualify for either recognition or disclosure in the financial statements. Tax years that remain subject to examination are the six months ended June 30,2023 and 2022. The Company recognizes interest and penalties related to significant uncertain income tax positions in other expense. No such interest and penalties incurred for the six months ended June 30,2023 and 2022.

Comprehensive Income

Comprehensive income is comprised of net income and all changes to the statements of equity, except those due to investments by shareholders, changes in paid-in capital and distributions to shareholders. For the Company, comprehensive income for the six months ended June 30,2023 and 2022 consisted of net income and unrealized (loss) gain from foreign currency translation adjustment.

Fair Value of Financial Instruments and Fair Value Measurements

The Company adopted the guidance of ASC 820 for fair value measurements which clarifies the definition of fair value, prescribes methods for measuring fair value, and establishes a fair value hierarchy to classify the inputs used in measuring fair value as follows:

- Level 1-Inputs are unadjusted quoted prices in active markets for identical assets or liabilities available at the measurement date.
- Level 2-Inputs are unadjusted quoted prices for similar assets and liabilities in active markets, quoted prices for identical or similar assets and liabilities in markets that are not active, inputs other than quoted prices that are observable, and inputs derived from or corroborated by observable market data.
- Level 3-Inputs are unobservable inputs which reflect the reporting entity's own assumptions on what assumptions the market participants would use in pricing the asset or liability based on the best available information.

The carrying amounts reported in the balance sheets for cash and cash equivalents, accounts receivable, prepaid expenses and other current assets, taxes payable, accrued liabilities and other payables, and due from (to) related parties, approximate their fair market value based on the short-term maturity of these instruments.

Commitments and Contingencies

In the normal course of business, the Company is subject to contingencies, such as legal proceedings and claims arising out of its business, that cover a wide range of matters. Liabilities for such contingencies are recorded when it is probable that a liability has been incurred and the amount of the assessment can be reasonably estimated.

Segment Reporting

ASC 280 "Segment reporting" establishes standards for reporting information on operating segments in interim and annual financial statements. Operating segments are defined as the components of an enterprise about which separate financial information is available that is evaluated regularly by the chief operating decision maker in deciding how to allocate resources and in assessing performance. Our chief operating decision makers direct the allocation of resources to operating segments based on the profitability, cash flows, and growth opportunities of each respective segment.

The Company manages its business as a single operating segment engaged in the provision of insurance agent services in the PRC. Substantially all of its revenues are derived in the PRC. All long-lived assets are located in PRC.

Related Parties

Parties are considered to be related to the Company if the parties, directly or indirectly, through one or more intermediaries, control, are controlled by, or are under common control with the Company. Related parties also include principal owners of the Company, its management, members of the immediate families of principal owners of the Company and its management and other parties with which the Company may deal with if one party controls or can significantly influence the management or operating policies of the other to an extent that one of the transacting parties might be prevented from fully pursuing its own separate interests. The Company discloses all significant related party transactions.

NOTE 4 – ACCOUNTS RECEIVABLE, NET

Accounts receivable, net consist of the following:

	June 30, 2023	December 31, 2022
	(Unaudited)	
Accounts receivable	$ 2,237,543	$ 2,931,320
Less: Allowance for doubtful accounts	(38,281)	(38,360)
Total accounts receivable, net	$ 2,199,262	$ 2,892,960

Movements of allowance for doubtful accounts are as follows:

	June 30, 2023	December 31, 2022
	(Unaudited)	
Beginning balance	$ 38,360	$ 14,054
Addition	23,117	26,399
Reversal	(21,810)	-
Exchange rate effect	(1,386)	(2,093)
Ending balance	$ 38,281	$ 38,360

NOTE 5 – PREPAYMENTS

Prepayments consist of the following:

	June 30, 2023	December 31, 2022
	(Unaudited)	
Advances to suppliers	$ 1,369,598	$ 1,411,026
Prepaid expenses	23,886	1,240
Total	$ 1,393,484	$ 1,412,266

NOTE 6 – SHORT-TERM INVESTMENT

Short-term investments are investments in wealth management product with underlying in bonds offered by private entities and other equity products. The investments can be redeemed upon one workday's notice and their carrying values approximate their fair values. The gain (loss) from sale of any investments and fair value change are recognized in the statements of income and comprehensive income.

As of June 30, 2023 and December 31, 2022, the ending balance of short-term investments were $266,513 and $273,182 respectively.

NOTE 7 – PROPERTY AND EQUIPMENT

Property and equipment consisted of the following at June 30, 2023 and December 31, 2022:

	June 30, 2023	December 31, 2022
	(Unaudited)	
Automobile	$ 108,988	$ 113,075
Less: Accumulated depreciation	(53,673)	(44,534)
Property and equipment, net	$ 55,315	$ 68,541

For the six months ended June 30,2023 and 2022, depreciation expense amounted to $11,232 and $9,751, respectively, all of which were included in operating expenses.

NOTE 8 – OTHER PAYABLES

	June 30, 2023	December 31, 2022
	(Unaudited)	
Borrowing from other parties	612,145	635,102
Accrued expense	4,820	3,010
Others	180,168	142,135
Total	$ 797,133	$ 780,247

NOTE 9 – RELATED PARTY BALANCES AND TRANSACTIONS

Due from related parties

At June 30, 2023 and December 31, 2022, due from related party consisted of the following:

Name of related party	Relationship	June 30, 2023	December 31, 2022
		(Unaudited)	
Xin Wang	A Key Management Personnel	$ 888	$ 922
Shumei Wang	A Key Management Personnel	61	63
Yangwei Cui	A Key Management Personnel	-	19,799
Total		$ 949	$ 20,784

The balance of due from related parties is interest free, unsecured and repayable on demand. Management believes that the related party receivable is fully collectable. Therefore, no allowance for doubtful accounts is deemed to be required on its due from related party at June 30, 2023 and December 31, 2022. The Company historically has not experienced an uncollectible receivable from the related party.

Due to related parties

Name of related party	Relationship	June 30, 2023	December 31, 2022
		(Unaudited)	
Gujia (Beijing) Technology Co., Ltd.	An entity controlled by certain shareholders of the Company	$ 12,455	$ -
Xiaodan Chen	A Key Management Personnel	14,254	5,743
Guixin Ye	A Key Management Personnel	11,046	4,551
Yangwei Cui	A Key Management Personnel	8,319	-
Wei Meng	A Key Management Personnel	4361	4,525
Jianlong Zhao	A Key Management Personnel	1161	1,205
Xin Wang	A Key Management Personnel	674	699
Jian Guo	Chairman of the Board of Directors	28	-
Total		$ 52,298	$ 16,723

The balance of due to related parties represents expenses paid by these related parties on behalf of the Company. The related parties' payable is short-term in nature, interest free, unsecured and repayable on demand.

NOTE 10 – INCOME TAXES

Hong Kong

Alpha Mind HK is incorporated in Hong Kong and is subject to 16.5% income tax on their taxable income generated from operations in Hong Kong. The first HK$2 million of profits arising in or derived from Hong Kong are taxed at 8.25% and any assessable profits over HK$2 million are taxed at 16.5%. Alpha Mind HK had no operations for the six months ended June 30,2023 and 2022. Therefore, there was no provision for income taxes in the six months ended June 30,2023 and 2022.

PRC

Jiachuang Yingan WFOE, Huaming Insurance and Huaming Yunbao are subject to PRC Enterprise Income Tax ("EIT") on the taxable income in accordance with the relevant PRC income tax laws. The EIT rate for companies operating in the PRC is 25%.

On March 16, 2007, the National People's Congress enacted a new enterprise income tax law, which took effect on January 1, 2008. The law applies a uniform 25% enterprise income tax rate to both foreign invested enterprises and domestic enterprises. In the six months ended June 30,2023 and 2022, Jiachuang Yingan WFOE did not generate any taxable income. Therefore, there was no provision for income taxes in the six months ended June 30,2023 and 2022.

The components of the provision for income taxes for the six months ended June 30,2023 and 2022 consisted of the following:

	June 30, 2023	June 30, 2022
	(Unaudited)	
Current	$ (4,436)	$ (12,048)
Deferred	48,536	23,316
Total income tax expense	44,100	11,268

Reconciliation of the Differences Between Statutory Tax Rate and the Effective Tax Rate

The following table reconciles China statutory rates to the Company's effective tax rate:

	June 30, 2023	December 31, 2022
	(Unaudited)	
China statutory income tax rate	25%	25%
Change in valuation allowance	(25)%	(24)%
Effective tax rate	0%	1%

The Company's approximate net deferred tax assets as of June 30, 2023 and December 31, 2022 attributable to tax filings in the PRC are as follows:

Deferred Tax Assets	June 30, 2023	December 31, 2022
	(Unaudited)	
Net operating loss carry-forwards	$ -	$ -
Allowance for doubtful account	70,681	25,360
Net deferred tax assets	$ 70,681	$ 25,360

The Company provided a valuation allowance equal to the deferred income tax assets related to net operating loss carryforward for the six months ended June 30, 2023, because it was not known whether future taxable income will be sufficient to utilize the loss carryforward. The potential tax benefit arising from the loss carryforward will begin to expire in 2026.

As of June 30, 2023 and 2022, the Company had no significant uncertain tax positions that qualify for either recognition or disclosure in the financial statements.

The uncertain tax positions are related to tax years that remain subject to examination by the relevant tax authorities. Based on the outcome of any future examinations, or as a result of the expiration of statute of limitations for specific jurisdictions, it is reasonably possible that the related unrecognized tax benefits for tax positions taken regarding previously filed tax returns, might materially change from those recorded as liabilities for uncertain tax positions in the Company's consolidated financial statements as of June 30, 2023 and 2022. In addition, the outcome of these examinations may impact the valuation of certain deferred tax assets (such as net operating losses) in future periods. The Company's policy is to recognize interest and penalties accrued on any unrecognized tax benefits, if any, as a component of other expense. The Company does not anticipate any significant increases or decreases to its liability for unrecognized tax benefits within the next twelve months.

Accounting for Uncertainty in Income Taxes

The tax authority of the PRC government conducts periodic and ad hoc tax filing reviews on business enterprises operating in the PRC after those enterprises complete their relevant tax filings. Therefore, the Company's PRC entities' tax filings results are subject to change. It is therefore uncertain as to whether the PRC tax authority may take different views about the Company's PRC entities' tax filings, which may lead to additional tax liabilities.

ASC 740 requires recognition and measurement of uncertain income tax positions using a "more-likely-than-not" approach. The management evaluated the Company's tax positions and concluded that no provision for uncertainty in income taxes was necessary as of June 30, 2023 and 2022.

NOTE 11 – SHAREHOLDERS' EQUITY

Alpha Mind BVI was established under the laws of British Virgin Islands on April 17, 2023. The Company is authorised to issue a maximum of 50,000 shares of US$1.00 par value each of a single class and series.

NOTE 12 – COMMITMENTS AND CONTINGENCIES

Contingencies

From time to time, the Company may be subject to certain legal proceedings, claims and disputes that arise in the ordinary course of business. Although the outcomes of these legal proceedings cannot be predicted, the Company does not believe these actions, in the aggregate, will have a material adverse impact on its financial position, results of operations or liquidity.

Operating Leases

The Company leases office space under non-cancelable operating lease agreements, which end at various dates in 2024 and 2025. As of June 30, 2023, the Company's operating leases had a weighted average remaining lease term of 1.51 years and a weighted average discount rate of 3.45%. Future lease payments under operating leases as of June 30, 2023 were as follows:

	June 30, 2023
2024	$ 37,225
2025	$ 17,583
Total future lease payments	$ 54,808
Less imputed interest	$ (10,875)
Total lease liabilities	$ 43,933
Less: current portion	$ (30,389)
Operating lease liability, non-current	$ 13,544

NOTE 13 – SUBSEQUENT EVENTS

The Company has evaluated subsequent events through the date the consolidated financial statements are issued, and concluded that no subsequent events have occurred that would require recognition or disclosure in the consolidated financial statements.

UNAUDITED PRO FORMA COMBINED FINANCIAL INFORMATION

On December 28, 2023, the Company completed the acquisition of 100% of the issued and outstanding shares of Alpha Mind Technology Limited ("Alpha Mind"), at a total consideration of $180,000,000 in the form of notes payable ("Acquisition").

We refer the acquired company, Alpha Mind as "the acquired company", and the corresponding transactions collectively as "Acquisition".

The following unaudited pro forma combined financial information of the Company and the acquired company is presented to illustrate the estimated effects of the Acquisition described below ("Adjustments" or "Pro Forma Adjustments").

The unaudited pro forma combined balance sheet as of March 31, 2023 combines the historical unaudited condensed consolidated balance sheet of the Company and the unaudited condensed consolidated balance sheet of the acquired company, after giving effect to the Acquisition as if it had occurred on March 31, 2023. The unaudited pro forma statement of operations for the year ended September 30, 2022 combines the historical consolidated statement of income of the Company and the consolidated statement of operations of the acquired company, after giving effect to the Acquisition as if it had occurred on October 1, 2021. The unaudited pro forma statement of operations for the six months ended March 31, 2023 combines the historical unaudited condensed consolidated statement of loss of the Company and the unaudited condensed consolidated statement of income of the acquired company, after giving effect to the Acquisition as if it had occurred on October 1, 2022.

These unaudited pro forma combined balance sheet and unaudited pro forma combined statement of operations are referred to collectively as the "pro forma financial information."

The pro forma financial information should be read in conjunction with the accompanying notes. In addition, the pro forma financial information is derived from and should be read in conjunction with (i) the audited consolidated financial statements of FLJ Group Limited, as of and for the years ended September 30, 2020, 2021, and 2022, and unaudited interim financial statement of FLJ Group Limited, as of and for the six months ended March 31, 2023, (ii) the audited consolidated financial statements of Alpha Mind as of and for the years ended December 31, 2021, and 2022 and unaudited interim financial statement of Alpha Mind, as of and for the six months ended June 30, 2023, each as required under Item 18, are attached hereto starting on page F-47 and page F-87, respectively, of this Shell Company Report on Form 20-F.

Unaudited Pro Forma Combined Balance Sheet

	As of March 31, 2023						
	Company Historical	Alpha Mind Historical	Pro Forma Adjustments	Note	Other Adjustments	Note	Pro Forma Combined
	USD'000	USD'000	USD'000				USD'000
ASSETS							
Current Assets							
Cash and cash equivalents	$ 331	$ 299	$ -		$ (300)	(a)	$ 330
Restricted Cash	15	-	-		(15)	(a)	-
Accounts receivable, net	335	2,200	-		(335)	(a)	2,200
Prepayments	1,242	1,393	-		(242)	(a)	2,393
Amount due from related parties	-	-	-		-		-
Short-term Investment	-	267	-		-		267
Other Current Assets	10,771	139	-		(8,718)	(a)	2,192
Current assets of discontinued operations	-	-	-		71,964	(a)	71,964
Total Current Assets	**12,694**	**4,298**	**-**		**62,354**		**79,346**
Non-current Assets					-		
Restricted Cash- non-current	-	692	-		-		692
Property and equipment, net	50	55	-		(50)	(a)	55
Right-of-use asset	60,801	16	-		(60,801)	(a)	16
Intangible assets, net	-	-	-		-		-
Deferred tax assets	-	71	-		-		71
Other Assets	1,503	-	-		(1,503)	(a)	-
Goodwill	-	-	177,714	(a)	-		177,714
Total assets	**$ 75,048**	**$ 5,132**	**$ 177,714**		**$ -**		**$ 257,894**
LIABILITIES AND STOCKHOLDERS' EQUITY							
LIABILITIES							
Accounts payable	$ 22,831	$ 1,550	$ -		$ (22,719)	(a)	$ 1,662
Advance from customer	14,572	289	-		(14,572)	(a)	289
Short-term debt	19,748	-	-		(15,078)	(a)	4,670
Rental instalment loans	2,294	-	-		(2,294)	(a)	-
Amount due to related parties	785	-	-		(191)	(a)	594
Lease liabilities, current	-	30	-		-		30
Deposits from tenants	4,328	-	-		(4,328)	(a)	-
Contingent liabilities for payable for asset acquisition	23,200	-	-		-		23,200
Operating lease liabilities, current	33,295	-	-		(33,295)	(a)	-
Accrued expenses and other current liabilities	15,126	963	-		(15,057)	(a)	1,032
Notes payable	-	-	180,000	(a)	-		180,000
Current liabilities of discontinued operations	-	-	-		135,040	(a)	135,040
Total Current Liabilities	**136,179**	**2,832**	**180,000**		**27,506**		**346,517**
Lease Liabilities, Noncurrent	27,506	14	-		(27,506)	(a)	14
Total Liabilities	**163,685**	**2,846**	**180,000**		**-**		**346,531**
Commitments and Contingencies							
SHAREHOLDERS' EQUITY							
Class A Ordinary shares	251	-	-		-		251
Class B Ordinary shares	25	-	-		-		25
Additional paid-in capital	430,538	13,649	(13,649)	(a)	-		430,538
Stock subscription receivable	-	(5,000)	5,000	(a)	-		-
Accumulated deficit	(524,492)	(5,610)	5,610	(a)	-		(524,492)
Accumulated other comprehensive income (loss)	5,041	(753)	753	(a)	-		5,041
Total Shareholders' Deficit	**(88,637)**	**2,286**	**(2,286)**		**-**		**(88,637)**
Total Liabilities, Mezzanine Equity and Shareholders' Deficit	**$ 75,048**	**$ 5,132**	**$ 177,714**		**$ -**		**$ 257,894**

	As of September 30, 2022						
	Company Historical	Alpha Mind Historical	Pro Forma Adjustments	Note	Other Adjustments	Note	Pro Forma Combined
	USD'000	USD'000	USD'000				USD'000
ASSETS							
Current Assets							
Cash and cash equivalents	$ 390	$ 342	$ -		$ (311)	(a)	$ 421
Restricted Cash	15	-	-		(15)	(a)	-
Accounts receivable, net	106	2,893	-		(106)	(a)	2,893
Prepayments	1,195	1,412	-		(195)	(a)	2,412
Amount due from related parties	-	21	-		-	(a)	21
Short-term Investment	-	273	-		-	(a)	273
Other Current Assets	8,298	132	-		(8,298)	(a)	132
Current assets of discontinued operations	-	-	-		8,925	(a)	8,925
Total Current Assets	**10,004**	**5,073**	**-**		**-**		**15,077**
Non-current Assets							
Restricted Cash- non-current	1,464	718	-		(1,464)	(a)	718
Property and equipment, net	70	69	-		(70)	(a)	69
Intangible assets, net	1,894	-	-		(1,894)	(a)	-
Deferred tax assets	-	25	-		-	(a)	25
Goodwill	-	-	177,635	(a)	-		177,635
Long-term assets of discontinued operations	-	-			3,428	(a)	3,428
Total assets	**$ 13,432**	**$ 5,885**	**$ 177,635**		**$ -**		**$ 196,952**
LIABILITIES AND STOCKHOLDERS' EQUITY							
LIABILITIES							
Accounts payable	$ 17,244	$ 2,497	$ -		$ (17,244)	(a)	$ 2,497
Advance from customer	18,265	5	-		(18,265)	(a)	5
Short-term debt	15,477	-	-		(14,557)	(a)	920
Rental instalment loans	2,215	-	-		(2,215)	(a)	-
Amount due to related parties	679	17	-		(107)	(a)	589
Deposits from tenants	5,404	-	-		(5,404)	(a)	-
Contingent liabilities for payable for asset acquisition	23,200	-	-		-		23,200
Accrued expenses and other current liabilities	11,480	1,001	-		(10,994)	(a)	1,487
Notes payable	-	-	180,000	(a)	-		180,000
Current liabilities of discontinued operations	-	-	-		68,786	(a)	68,786
Total Current Liabilities	**93,964**	**3,520**	**180,000**		**-**		**277,484**
Total Liabilities	**93,964**	**3,520**	**180,000**		**-**		**277,484**
Commitments and Contingencies							
SHAREHOLDERS' EQUITY							
Class A Ordinary shares	243	-	-				243
Additional paid-in capital	415,355	8,649	(8,649)	(a)			415,355
Stock subscription receivable	-	-	-	(a)			-
Accumulated deficit	(500,270)	(5,636)	5,636	(a)			(500,270)
Accumulated other comprehensive income (loss)	4,140	(648)	648	(a)			4,140
Total Shareholders' Deficit	**(80,532)**	**2,365**	**(2,365)**		**-**		**(80,532)**
Total Liabilities, Mezzanine Equity and Shareholders' Deficit	**$ 13,432**	**5,885**	**177,635**		**-**		**196,952**

The accompanying notes are an integral part of these unaudited pro forma combined financial statements

Unaudited Pro Forma Combined Statements of Operations

Account Name	For the Six Months Ended March 31, 2023						
	Company Historical	Alpha Mind Historical	Pro Forma Adjustments	Note	Other Adjustments	Note	Pro Forma Combined
Revenue	$ 29,075	$ 19,210	$ -		$ (29,075)	(a)	$ 19,210
Cost of revenue	(31,642)	(18,069)	-		31,642	(a)	(18,069)
Gross (loss) profit	**(2,567)**	**1,141**	**-**		**2,567**		**1,141**
Operating expenses							
Selling and marketing expense	(2)	(960)	-		-		(962)
General and administrative Expense	(2,246)	(612)	-		1,446	(a)	(1,412)
Research & Development Expense	(190)	-	-		187	(a)	(3)
Impairment loss on long-lived assets	(1,525)	-	-		1,525	(a)	-
Total operating expenses	**(3,963)**	**(1,572)**	**-**		**3,158**		**(2,377)**
Loss from operations	**(6,530)**	**(431)**	**-**		**5,725**		**(1,236)**
Other Income							
Interest Expense, net	(93)	-	-		2	(a)	(91)
Other income (expense), net	314	413	-		-		727
Total other income, net	**221**	**413**	**-**		**2**		**636**
Loss Before Income Taxes	**(6,309)**	**(18)**	**-**		**5,727**		**(600)**
Income tax benefits	-	44	-		-		44
Net (loss) income from continuing operations	**(6,309)**	**26**	**-**		**5,727**		**(556)**
Net loss from discontinued operations	-	-	-		(5,727)	(a)	(5,727)
Net (loss) income	**$ (6,309)**	**$ 26**	**$ -**		**$ -**		**$ (6,283)**
Weighted average shares outstanding of redeemable ordinary shares	27,715,937,039	-	-		-		27,715,937,039
Basic and diluted net income (loss) per ordinary share from continuing operations	(0.00)	-	-		0.00	(a)	(0.00)
Basic and diluted net income per ordinary share from dicontinued operations	-				(0.00)	(a)	(0.00)
Basic and diluted net income (loss) per ordinary share	(0.00)				-	(a)	(0.00)

Account Name	For the Year Ended September 30, 2022						
	Company Historical	Alpha Mind Historical	Pro Forma Adjustments	Note	Other Adjustments	Note	Pro Forma Combined
Revenue	$ 91,703	$ 47,443	$ -		$ (91,703)	(a)	$ 47,443
Cost of revenue	(99,952)	(43,614)	-		99,952	(a)	(43,614)
Gross (loss) profit	**(8,249)**	**3,829**	**-**		**8,249**		**3,829**
Operating expenses							
Selling and marketing expense	(2)	(3,381)	-		-		(3,383)
General and administrative Expense	(8,738)	(1,794)	-		4,616	(a)	(5,916)
Research & Development Expense	(393)	-	-		390	(a)	(3)
Impairment loss on long-lived assets	(14,080)	-	-		14,080	(a)	-
Loss from disposal of property and equipment and intangible assets	(1,683)	-	-		1,683	(a)	-
Total operating expenses	**(24,896)**	**(5,175)**	**-**		**20,769**		**(9,302)**
Loss from operations	**(33,145)**	**(1,346)**	**-**		**29,018**		**(5,473)**
Other Income							
Interest Expense, net	(9,403)	5	-		3,493	(a)	(5,905)
Inducement expenses	(59,561)	-	-		-		(59,561)
Gains of deconsolidation of VIE's subsidiaries	218,521	-	-		(218,521)	(a)	-
Other income (expense), net	(1,140)	819	-		1,140	(a)	819
Total other income, net	**148,417**	**824**	**-**		**(213,888)**		**(64,647)**
Income (loss) Before Income Taxes	**115,272**	**(522)**	**-**		**(184,870)**		**(70,120)**
Income tax expenses	(3)	(4)	-		3	(a)	(4)
Net income (loss) from continuing operations	**115,269**	**(526)**	**-**		**(184,867)**		**(70,124)**
Net income from discontinued operations	-	-	-		184,867	(a)	184,867
Net income (loss)	**$ 115,269**	**$ (526)**	**$ -**		**$ -**		**$ 114,743**
Weighted average shares outstanding of redeemable ordinary shares	10,258,424,457	-	-		-		10,258,424,457
Basic and diluted net income (loss) per ordinary share from continuing operations	0.01	-	-		(0.02)	(a)	(0.01)
Basic and diluted net income per ordinary share from dicontinued operations	-	-	-		0.02	(a)	0.02
Basic and diluted net income (loss) per ordinary share	0.01	-	-		-		0.01

The accompanying notes are an integral part of these unaudited pro forma combined financial statements

NOTES TO UNAUDITED PRO FORMA CONSOLIDATED FINANCIAL STATEMENTS

1. Basis of Presentation

The pro forma financial information was prepared in conformity with Article 11 of Regulation S-X. The pro forma financial information for acquisitions was prepared using the acquisition method of accounting in accordance with Accounting Standards Codification 805, "Business Combinations" ("ASC 805") and was derived from the audited historical financial statements of the Company and the acquired company.

The pro forma financial information has been prepared by the Company for illustrative and informational purposes only in accordance with Article 11. The pro forma financial information is not necessarily indicative of what the Company's consolidated statement of comprehensive loss or consolidated balance sheet actually would have been had the Acquisition and other Adjustments been completed as of the dates indicated or will be for any future periods. The pro forma financial information does not purport to project the Company's future financial position or results of operations following the completion of the Acquisition.

The Company is still in the process of performing a full review of the acquired companies' accounting policies to determine if there are any additional material differences that require modification or reclassification of the acquired companies' revenues, expenses, assets or liabilities to conform to the Company's accounting policies and classifications. As a result of that review, the Company may identify differences between the accounting policies of the companies that, when conformed, could have a material impact on the pro forma financial information.

2. Consideration and Purchase Price

Consideration and Purchase Price of Alpha Mind

Before the Acquisition, the Company previously held nil shares of Alpha Mind and the ownership of Alpha Mind was nil. On November 22, 2023, the Company completed the acquisition of 100% of the issued and outstanding shares of Alpha Mind, at a total consideration of $180,000, consisting of $180 million in the form of a note payable. The Company's ownership of Alpha Mind thereby increased to 100%.

3. The allocation of the purchase price

The following table presents the preliminary purchase price allocation of the assets acquired and the liabilities assumed as if the Acquisition occurred on March 31, 2023.

Preliminary purchase price allocation of Alpha Mind

	USD'000
Assets	
Cash and cash equivalents	299
Accounts receivable, net	2,200
Prepayments	1,393
Short-term investment	267
Other current assets	139
Restricted cash- non-current	692
Property and equipment, net	55
Deferred tax assets	71
Right of use assets	16
Goodwill	177,714
	182,846
Liabilities	
Accounts payables	1,550
Advance from customer	289
Lease liabilities, current and noncurrent	44
Accrued expenses and other current liabilities	963
	2,846
Total allocated purchase price	**180,000**

The business combination accounting is not yet final and the amounts assigned to the assets acquired and the liabilitie1s assumed are provisional. Therefore, this may result in future adjustments to the provisional amounts as new information is obtained about the facts and circumstances that existed at the acquisition date. The final purchase price allocation will be determined when the Company has completed the detailed valuations and necessary calculations. The final allocation could differ materially from the preliminary allocation used in the pro forma adjustments.

4. Pro Forma Adjustments for Acquisitions

(a) Reflects the preliminary purchase price allocation recorded, and the elimination of the acquired companies' net assets balances in accordance with the acquisition method of accounting.

5. Other Adjustments

(a) Reflects the reclassification of assets and liabilities of Haoju (Shanghai) Artificial Intelligence Technology Co., Ltd. (the "WFOE") and its subsidiaries which was dispose of in October 2023. On October 31, 2023, the Company closed the disposal of the WFOE and the WFOE's subsidiaries, and classified the as disposal of WFOE and its subsidiaries as discontinue operations.

SECRETARY'S CERTIFICATE
OF

Q&K INTERNATIONAL GROUP LIMITED
Cricket Square, Hutchins Drive
P.O. Box 2681
Grand Cayman KY1- 1111
Cayman Islands

We, Conyers Trust Company (Cayman) Limited, Secretary of **Q&K INTERNATIONAL GROUP LIMITED (the "Company") DO HEREBY CERTIFY** that the following is an extract of a Special Resolution passed by the Members of the Company at the Annual General Meeting held on 13th September 2022, and that such resolution has not been modified.

Special Resolution

1. Subject to and conditional upon the approval of the Registrar of Companies in the Cayman Islands by way of issuing a certificate of incorporation on change of name, the name of the Company be changed from "Q&K INTERNATIONAL GROUP LIMITED" to "FLJ Group Limited" with effect from the date of the certificate of incorporation on change of name issued by the Registrar of Companies of the Cayman Islands (the "Name Change"), and that any one director or the company secretary of the Company be and are hereby authorised to do all such acts and things and execute all such documents, including under seal where appropriate, which he/she may consider necessary, desirable or expedient for the purpose of, or in connection with, the implementation of and giving effect to the Name Change and to attend to any necessary registration and/or filing for and on behalf of the Company; and

/s/ Rowan Wu

Rowan Wu
for and on behalf of
Conyers Trust Company (Cayman) Limited
Secretary

Dated this 13th day of September 2022

Filed: 13-Sep-2022 10:22 EST Auth Code: K13692294659

THE COMPANIES LAW
EXEMPTED COMPANY LIMITED BY SHARES
AMENDED AND RESTATED MEMORANDUM OF ASSOCIATION
OF
Q&K International Group Limited
Adopted by special resolution of the shareholders passed on [ ] 2019
and effective immediately prior to the closing of the Company's initial public offering of Class A Ordinary Shares represented by American Depositary Shares on the Designated Stock Exchange

1. The name of the Company is **Q&K International Group Limited**.
2. The Registered Office of the Company shall be at the offices of Conyers Trust Company (Cayman) Limited, Cricket Square, Hutchins Drive, P.O. 2681, Grand Cayman KY1-1111, Cayman Islands.
3. Subject to the following provisions of this Memorandum, the objects for which the Company is established are unrestricted.
4. Subject to the following provisions of this Memorandum, the Company shall have and be capable of exercising all the functions of a natural person of full capacity irrespective of any question of corporate benefit, as provided by Section 27(2) of the Companies Law.
5. Nothing in this Memorandum shall permit the Company to carry on a business for which a licence is required under the laws of the Cayman Islands unless duly licensed.
6. The Company shall not trade in the Cayman Islands with any person, firm or corporation except in furtherance of the business of the Company carried on outside the Cayman Islands; provided that nothing in this clause shall be construed as to prevent the Company effecting and concluding contracts in the Cayman Islands, and exercising in the Cayman Islands all of its powers necessary for the carrying on of its business outside the Cayman Islands.
7. The liability of each member is limited to the amount from time to time unpaid on such member's shares.
8. The share capital of the Company is US$500,000 divided into 50,000,000,000 shares of a nominal or par value of US$0.00001 each, of which 37,500,000,000 shall be designated as Class A Ordinary Shares of a nominal or par value of US$0.00001 each, 2,500,000,000 shall be designated as Class B Ordinary Shares of a nominal or par value of US$0.00001 each and 10,000,000,000 shall be designated as Preferred Shares of a nominal or par value of US$0.00001 each.
9. The Company may exercise the power contained in the Companies Law to deregister in the Cayman Islands and be registered by way of continuation in another jurisdiction.

The Companies Law (Revised)
Company Limited by Shares

THIRD AMENDED AND RESTATED

ARTICLES OF ASSOCIATION

OF

Q&K International Group Limited

(Adopted by way of a special resolution passed on [ ] 2019 and effective immediately prior to the closing of the Company's initial public offering of Class A Ordinary Shares represented by American Depositary Shares on the Designated Stock Exchange on [ ] 2019)

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INTERPRETATION

TABLE A

1. The regulations in Table A in the Schedule to the Companies Law (Revised) do not apply to the Company.

INTERPRETATION

2. (1) In these Articles, unless the context otherwise requires, the words standing in the first column of the following table shall bear the meaning set opposite them respectively in the second column.

WORD	MEANING
"Affiliate"	shall have the meaning given to it in Rule 405 of the United States Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.
"Audit Committee"	the audit committee of the Company formed by the Board pursuant to Article 121 hereof, or any successor audit committee.
"Auditor"	the independent auditor of the Company which shall be an internationally recognized firm of independent accountants.
"Articles"	these Articles in their present form or as supplemented or amended or substituted from time to time.
"Board" or "Directors"	the board of directors of the Company or the directors present at a meeting of directors of the Company at which a quorum is present.
"capital"	the share capital from time to time of the Company.
"Class A Ordinary Shares"	class A ordinary shares of par value US$0.00001 each of the Company having the rights set out in these Articles.
"Class B Ordinary Shares"	class B ordinary shares of par value US$0.00001 each of the Company having the rights set out in these Articles.
"clear days"	in relation to the period of a notice, that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect.
"clearing house"	a clearing house recognised by the laws of the jurisdiction in which the shares of the Company (or depositary receipts therefor) are listed or quoted on a stock exchange or interdealer quotation system in such jurisdiction.

"Company"	Q&K International Group Limited
"competent regulatory authority"	a competent regulatory authority in the territory where the shares of the Company (or depositary receipts therefor) are listed or quoted on a stock exchange or interdealer quotation system in such territory.
"Conversion Date"	in respect of a Conversion Notice means the day on which that Conversion Notice is delivered.
"Conversion Notice"	a written notice delivered to the Company at its Office (and as otherwise stated therein) stating that a holder of Class B Ordinary Shares elects to convert the number of Class B Ordinary Shares specified therein pursuant to Article 9.
"Conversion Number"	in relation to any Class B Ordinary Shares, such number of Class A Ordinary Shares as may, upon exercise of the Conversion Right, be issued at the Conversion Rate.
"Conversion Rate"	means, at any time, on a 1 : 1 basis.
"Conversion Right"	in respect of a Class B Ordinary Share means the right of its holder, subject to the provisions of these Articles and to any applicable fiscal or other laws or regulations including the Law, to convert all or any of its Class B Ordinary Shares, into the Conversion Number of Class A Ordinary Shares in its discretion.
"debenture" and "debenture holder"	include debenture stock and debenture stockholder respectively.
"Designated Stock Exchange"	means The NASDSAQ for so long as the Company's Shares or ADSs are there listed and any other stock exchange on which the Company's Shares or ADSs are listed for trading.
"dollars" and "$"	dollars, the legal currency of the United States of America.
"Exchange Act"	the Securities Exchange Act of 1934, as amended.
"head office"	such office of the Company as the Directors may from time to time determine to be the principal office of the Company.
"Law"	The Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands.
"Member"	a duly registered holder from time to time of the shares in the capital of the Company.
"month"	a calendar month.
"Notice"	written notice unless otherwise specifically stated and as further defined in these Articles.

"Office"	the registered office of the Company for the time being.
"ordinary resolution"	a resolution shall be an ordinary resolution when it has been passed by a simple majority of votes cast by such Members as, being entitled so to do, vote in person or, in the case of any Member being a corporation, by its duly authorised representative or, where proxies are allowed, by proxy at a general meeting of which not less than ten (10) clear days' Notice has been duly given;
"Ordinary Shares"	Class A Ordinary Shares and Class B Ordinary Shares collectively.
"paid up"	paid up or credited as paid up.
"Register"	the principal register and where applicable, any branch register of Members of the Company to be maintained at such place within or outside the Cayman Islands as the Board shall determine from time to time.
"Registration Office"	in respect of any class of share capital such place as the Board may from time to time determine to keep a branch register of Members in respect of that class of share capital and where (except in cases where the Board otherwise directs) the transfers or other documents of title for such class of share capital are to be lodged for registration and are to be registered.
"SEC"	the United States Securities and Exchange Commission.
"Seal"	common seal or any one or more duplicate seals of the Company (including a securities seal) for use in the Cayman Islands or in any place outside the Cayman Islands.
"Secretary"	any person, firm or corporation appointed by the Board to perform any of the duties of secretary of the Company and includes any assistant, deputy, temporary or acting secretary.
"special resolution"	a resolution shall be a special resolution when it has been passed by a majority of not less than two-thirds of votes cast by such Members as, being entitled so to do, vote in person or, in the case of such Members as are corporations, by their respective duly authorised representative or, where proxies are allowed, by proxy at a general meeting of which not less than ten (10) clear days' Notice, specifying (without prejudice to the power contained in these Articles to amend the same) the intention to propose the resolution as a special resolution, has been duly given, provided that, except in the case of an annual general meeting, if it is so agreed by a majority in number of the Members having the right to attend and vote at any such meeting, being a majority together holding not less than ninety-five (95) per cent. in nominal value of the shares giving that right and in the case of an annual general meeting, if it is so agreed by all Members entitled to attend and vote thereat, a resolution may be proposed and passed as a special resolution at a meeting of which less than ten (10) clear days' Notice has been given;

	a special resolution shall be effective for any purpose for which an ordinary resolution is expressed to be required under any provision of these Articles or the Statutes.
"Statutes"	the Law and every other law of the Legislature of the Cayman Islands for the time being in force applying to or affecting the Company, its Memorandum of Association and/or these Articles.
"year"	a calendar year.

(2) In these Articles, unless there be something within the subject or context inconsistent with such construction:

(a) words importing the singular include the plural and vice versa;

(b) words importing a gender include both gender and the neuter;

(c) words importing persons include companies, associations and bodies of persons whether corporate or not;

(d) the words:

(i) "may" shall be construed as permissive;

(ii) "shall" or "will" shall be construed as imperative;

(e) expressions referring to writing shall, unless the contrary intention appears, be construed as including printing, lithography, photography and other modes of representing words or figures in a visible form, and including where the representation takes the form of electronic display, *provided* that both the mode of service of the relevant document or notice and the Member's election comply with all applicable Statutes, rules and regulations;

(f) references to any law, ordinance, statute or statutory provision shall be interpreted as relating to any statutory modification or re-enactment thereof for the time being in force;

(g) save as aforesaid words and expressions defined in the Statutes shall bear the same meanings in these Articles if not inconsistent with the subject in the context;

(h) references to a document being executed include references to it being executed under hand or under seal or by electronic signature or by any other method and references to a notice or document include a notice or document recorded or stored in any digital, electronic, electrical, magnetic or other retrievable form or medium and information in visible form whether having physical substance or not;

(i) Section 8 and Section 19 of the Electronic Transactions Law (2003) of the Cayman Islands, as amended from time to time, shall not apply to these Articles to the extent it imposes obligations or requirements in addition to those set out in these Articles.

SHARE CAPITAL

3. (1) The share capital of the Company at the date on which these Articles come into effect shall be US$500,000 divided into 50,000,000,000 shares of a nominal or par value of US$0.00001 each, of which 37,500,000,000 shall be designated as Class A Ordinary Shares of a nominal or par value of US$0.00001 each, 2,500,000,000 shall be designated as Class B Ordinary Shares of a nominal or par value of US$0.00001 each and 10,000,000,000 shall be designated as Preferred Shares of a nominal or par value of US$0.00001 each of such class or classes (however designated) as the Board may determine in accordance with Article 12.

(2) Subject to the Law, the Company's Memorandum and Articles of Association and, where applicable, the rules of the Designated Stock Exchange and/or any competent regulatory authority, the Company shall have the power to purchase or otherwise acquire its own shares and such power shall be exercisable by the Board in such manner, upon such terms and subject to such conditions as it in its absolute discretion thinks fit and any determination by the Board of the manner of purchase shall be deemed authorised by these Articles for purposes of the Law. The Company is hereby authorised to make payments in respect of the purchase of its shares out of capital or out of any other account or fund which can be authorised for this purpose in accordance with the Law.

(3) Subject to compliance with the rules and regulations of the Designated Stock Exchange and any other competent regulatory authority, the Company may give financial assistance for the purpose of or in connection with a purchase made or to be made by any person of any shares in the Company.

(4) The Board may accept the surrender for no consideration of any fully paid share.

(5) No share shall be issued to bearer.

ALTERATION OF CAPITAL

4. (1) The Company may from time to time by ordinary resolution in accordance with the Law alter the conditions of its Memorandum of Association to:

(a) increase its capital by such sum, to be divided into shares of such amounts, as the resolution shall prescribe;

(b) consolidate and divide all or any of its capital into shares of larger amount than its existing shares;

(c) without prejudice to the powers of the Board under Article 12, divide its shares into several classes and without prejudice to any special rights previously conferred on the holders of existing shares attach thereto respectively any preferential, deferred, qualified or special rights, privileges, conditions or such restrictions which in the absence of any such determination by the Company in general meeting, as the Board may determine *provided* always that, for the avoidance of doubt, where a class of shares has been authorized by the Members no resolution of the Members in general meeting is required for the issuance of shares of that class and the Board may issue shares of that class and determine such rights, privileges, conditions or restrictions attaching thereto as aforesaid, and further *provided* that where the Company issues shares which do not carry voting rights, the words "non-voting" shall appear in the designation of such shares and where the equity capital includes shares with different voting rights, the designation of each class of shares, other than those with the most favourable voting rights, must include the words "restricted voting" or "limited voting";

(d) sub-divide its shares, or any of them, into shares of smaller amount than is fixed by the Memorandum of Association (subject, nevertheless, to the Law), and may by such resolution determine that, as between the holders of the shares resulting from such sub-division, one or more of the shares may have any such preferred, deferred or other rights or be subject to any such restrictions as compared with the other or others as the Company has power to attach to unissued or new shares;

(e) cancel any shares which, at the date of the passing of the resolution, have not been taken, or agreed to be taken, by any person, and diminish the amount of its capital by the amount of the shares so cancelled or, in the case of shares, without par value, diminish the number of shares into which its capital is divided.

(2) No alteration may be made of the kind contemplated by Article 4(1), or otherwise, to the par value of the Class A Ordinary Shares or the Class B Ordinary Shares unless an identical alteration is made to the par value of the Class B Ordinary Shares or the Class A Ordinary Shares, as the case may be.

5. The Board may settle as it considers expedient any difficulty which arises in relation to any consolidation and division under Article 4 and in particular but without prejudice to the generality of the foregoing may issue certificates in respect of fractions of shares or arrange for the sale of the shares representing fractions and the distribution of the net proceeds of sale (after deduction of the expenses of such sale) in due proportion amongst the Members who would have been entitled to the fractions, and for this purpose the Board may authorise some persons to transfer the shares representing fractions to their purchaser or resolve that such net proceeds be paid to the Company for the Company's benefit. Such purchaser will not be bound to see to the application of the purchase money nor will his title to the shares be affected by any irregularity or invalidity in the proceedings relating to the sale.

6. The Company may from time to time by special resolution, subject to any confirmation or consent required by the Law, reduce its share capital or any capital redemption reserve in any manner permitted by the Law.

7. Except so far as otherwise provided by the conditions of issue, or by these Articles, any capital raised by the creation of new shares shall be treated as if it formed part of the original capital of the Company, and such shares shall be subject to the provisions contained in these Articles with reference to the payment of calls and instalments, transfer and transmission, forfeiture, lien, cancellation, surrender, voting and otherwise.

SHARE RIGHTS

8. (1) Subject to the provisions of the Law, the rules of the Designated Stock Exchange and the Memorandum and Articles of Association and to any special rights conferred on the holders of any shares or class of shares, and without prejudice to Article 12 hereof, any share in the Company (whether forming part of the present capital or not) may be issued with or have attached thereto such rights or restrictions whether in regard to dividend, voting, return of capital or otherwise as the Board may determine, including without limitation on terms that they may be, or at the option of the Company or the holder are, liable to be redeemed on such terms and in such manner, including out of capital, as the Board may deem fit.

(2) Subject to the Law and the rules of the Designated Stock Exchange, any preferred shares may be issued or converted into shares that, at a designated date or at the option of the Company or the holder if so authorised by its Memorandum of Association, are liable to be redeemed on such terms and in such manner as the Members before the issue or conversion may by ordinary resolution of the Members determine. Where the Company purchases for redemption a redeemable share, purchases not made through the market or by tender shall be limited to a maximum price as may from time to time be determined by the Board, either generally or with regard to specific purchases. If purchases are by tender, tenders shall comply with applicable laws and the rules of the Designated Stock Exchange.

9. Subject to Article 8(1), the Memorandum of Association and any resolution of the Members to the contrary and without prejudice to any special rights conferred thereby on the holders of any other shares or class of shares, the share capital of the Company shall be divided into shares of two classes, Class A Ordinary Shares and Class B Ordinary Shares. Class A Ordinary Shares and Class B Ordinary Shares shall carry equal rights and rank pari passu with one another other than as set out below.

(a) *As regards conversion*

(i) Subject to the provisions hereof and to compliance with all fiscal and other laws and regulations applicable thereto, including the Law, a holder of Class B Ordinary Shares shall have the Conversion Right in respect of each Class B Ordinary Share. For the avoidance of doubt, a holder of Class A Ordinary Shares shall have no rights to convert Class A Ordinary Shares into Class B Ordinary Shares under any circumstances.

(ii) Each Class B Ordinary Share shall be converted at the option of the holder, at any time after issue and without the payment of any additional sum, into one fully paid Class A Ordinary Share calculated at the Conversion Rate. Such conversion shall take effect on the Conversion Date. A Conversion Notice shall not be effective if it is not accompanied by the share certificates in respect of the relevant Class B Ordinary Shares and such other evidence (if any) as the Directors may reasonably require to prove the title of the person exercising such right (or, if such certificates have been lost or destroyed, such evidence of title and such indemnity as the Directors may reasonably require). Any and all taxes and stamp, issue and registration duties (if any) arising on conversion shall be borne by the holder of Class B Ordinary Shares requesting conversion.

(iii) On the Conversion Date, every Class B Ordinary Share to be converted shall automatically be re-designated and re-classified as a Class A Ordinary Share with such rights and restrictions attached thereto and shall rank pari passu in all respects with the Class A Ordinary Shares then in issue and the Company shall enter or procure the entry of the name of the relevant holder of Class B Ordinary Shares as the holder of the same number of Class A Ordinary Shares resulting from the conversion of the Class B Ordinary Shares in, and make any other necessary and consequential changes to, the Register of Members and shall procure that certificates in respect of the relevant Class A Ordinary Shares, together with a new certificate for any unconverted Class B Ordinary Shares comprised in the certificate(s) surrendered by the holder of the Class B Ordinary Shares, are issued to the holders thereof.

(iv) Until such time as the Class B Ordinary Shares have been converted into Class A Ordinary Shares, the Company shall:

(1) at all times keep available for issue and free of all liens, charges, options, mortgages, pledges, claims, equities, encumbrances and other third-party rights of any nature, and not subject to any pre-emptive rights out of its authorised but unissued share capital, such number of authorised but unissued Class A Ordinary Shares as would enable all Class B Ordinary Shares to be converted into Class A Ordinary Shares and any other rights of conversion into, subscription for or exchange into Class A Ordinary Shares to be satisfied in full; and

(2) not make any issue, grant or distribution or take any other action if the effect would be that on the conversion of the Class B Ordinary Shares to Class A Ordinary Shares it would be required to issue Class A Ordinary Shares at a price lower than the par value thereof.

(b) *As regards Voting Rights*

Holders of Ordinary Shares have the right to receive notice of, attend, speak and vote at general meetings of the Company. Holders of shares of Class A Ordinary Shares and Class B Ordinary Shares shall, at all times (other than in respect of separate general meetings of the holders of a class or series of shares held in accordance with Article 10(a) below), vote together as one class on all matters submitted to a vote for Members' consent. Each Class A Ordinary Share shall be entitled to one (1) vote on all matters subject to the vote at general meetings of the Company, and each Class B Ordinary Share shall be entitled to ten (10) votes on all matters subject to the vote at general meetings of the Company.

(c) *As regards Transfer*

Upon any sale, transfer, assignment or disposition of Class B Ordinary Shares by a holder thereof to any person or entity which is not (i) an Affiliate of such holder or (ii) a trust whose beneficiary is an Affiliate of such holder, such Class B Ordinary Shares validly transferred to the new holder shall be automatically and immediately converted into an equal number of Class A Ordinary Shares.

For the avoidance of doubt, (i) no automatic conversion as outlined above shall occur on any sale, transfer, assignment or disposition of Class B Ordinary Shares by a holder thereof to any person or entity which is an Affiliate of such holder or a trust whose beneficiary is an Affiliate of such holder; (ii) a sale, transfer, assignment or disposition shall be effective upon the Company's registration of such sale, transfer, assignment or disposition in the Company's Register of Members; and (ii) the creation of any pledge, charge, encumbrance or other third party right of whatever description on any of Class B Ordinary Shares to secure a holder's contractual or legal obligations shall not be deemed as a sale, transfer, assignment or disposition unless and until any such pledge, charge, encumbrance or other third party right is enforced and results in the third party holding legal title to the related Class B Ordinary Shares, in which case all the related Class B Ordinary Shares shall be automatically converted into the same number of Class A Ordinary Shares upon the Company's registration of the third party or its designee as a Member holding that number of Class A Ordinary Shares in the Register of Members.

VARIATION OF RIGHTS

10. Subject to the Law and without prejudice to Article 8, all or any of the special rights for the time being attached to the shares or any class of shares may, unless otherwise provided by the terms of issue of the shares of that class, from time to time (whether or not the Company is being wound up) be varied, modified or abrogated with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of that class. To every such separate general meeting all the provisions of these Articles relating to general meetings of the Company shall, *mutatis mutandis*, apply, but so that:

    (a) separate general meetings of the holders of a class or series of shares may be called only by (i) the Chairman of the Board, or (ii) a majority of the Board (unless otherwise specifically provided by the terms of issue of the shares of such class or series). Nothing in this Article 10 shall be deemed to give any Member or Members the right to call a class or series meeting;

    (b) the necessary quorum (whether at a separate general meeting or at its adjourned meeting) shall be a person or persons (or in the case of a Member being a corporation, its duly authorized representative) together holding or representing by proxy not less than one-third of the voting power of the issued shares of that class;

    (c) every holder of shares of the class shall be entitled on a poll to one vote for every such share held by him; and

    (d) any holder of shares of the class present in person or by proxy or authorised representative may demand a poll.

11. The special rights conferred upon the holders of any shares or class of shares shall not, unless otherwise expressly provided in the rights attaching to or the terms of issue of such shares, be deemed to be varied, modified or abrogated by the creation or issue of further shares ranking *pari passu* therewith.

12. (1) Subject to the Law, these Articles and, where applicable, the rules of the Designated Stock Exchange and without prejudice to any special rights or restrictions for the time being attached to any shares or any class of shares, the unissued shares of the Company (whether forming part of the original or any increased capital) shall be at the disposal of the Board, which may offer, allot, grant options over or otherwise dispose of them to such persons, at such times and for such consideration and upon such terms and conditions as the Board may in its absolute discretion determine but so that no shares shall be issued at a discount to par value. In particular and without prejudice to the generality of the foregoing, the Board is hereby empowered to authorize by resolution or resolutions from time to time the issuance of one or more classes or series of preferred shares and to fix the designations, powers, preferences and relative, participating, optional and other rights, if any, and the qualifications, limitations and restrictions thereof, if any, including, without limitation, the number of shares constituting each such class or series, dividend rights, conversion rights, redemption privileges, voting powers, full or limited or no voting powers, and liquidation preferences, and to increase or decrease the size of any such class or series (but not below the number of shares of any class or series of preferred shares then outstanding) to the extent permitted by the Law. Without limiting the generality of the foregoing, the resolution or resolutions providing for the establishment of any class or series of preferred shares may, to the extent permitted by the Law, provide that such class or series shall be superior to, rank equally with or be junior to the preferred shares of any other class or series.

(2) Neither the Company nor the Board shall be obliged, when making or granting any allotment of, offer of, option over or disposal of shares, to make, or make available, any such allotment, offer, option or shares to Members or others with registered addresses in any particular territory or territories being a territory or territories where, in the absence of a registration statement or other special formalities, this would or might, in the opinion of the Board, be unlawful or impracticable. Members affected as a result of the foregoing sentence shall not be, or be deemed to be, a separate class of members for any purpose whatsoever. Except as otherwise expressly provided in the resolution or resolutions providing for the establishment of any class or series of preferred shares, no vote of the holders of preferred shares or ordinary shares shall be a prerequisite to the issuance of any shares of any class or series of the preferred shares authorized by and complying with the conditions of the Memorandum and Articles of Association.

(3) The Board may issue options, warrants or convertible securities or securities of similar nature conferring the right upon the holders thereof to subscribe for, purchase or receive any class of shares or securities in the capital of the Company on such terms as it may from time to time determine.

13. The Company may in connection with the issue of any shares exercise all powers of paying commission and brokerage conferred or permitted by the Law. Subject to the Law, the commission may be satisfied by the payment of cash or by the allotment of fully or partly paid shares or partly in one and partly in the other.

14. Except as required by the Law, no person shall be recognised by the Company as holding any share upon any trust and the Company shall not be bound by or required in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share or any fractional part of a share or (except only as otherwise provided by these Articles or by the Law) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.

15. Subject to the Law and these Articles, the Board may at any time after the allotment of shares but before any person has been entered in the Register as the Member, recognise a renunciation thereof by the allottee in favour of some other person and may accord to any allottee of a share a right to effect such renunciation upon and subject to such terms and conditions as the Board considers fit to impose.

SHARE CERTIFICATES

16. A share certificate may be issued under the Seal or a facsimile thereof and shall specify the number and class and distinguishing numbers (if any) of the shares to which it relates, and the amount paid up thereon and may otherwise be in such form as the Board may from time to time determine. No certificate shall be issued representing shares of more than one class. The Board may by resolution determine, either generally or in any particular case or cases, that any signatures on any such certificates (or certificates in respect of other securities) need not be autographic but may be affixed to such certificates by some mechanical means or may be printed thereon.

17. (1) In the case of a share held jointly by several persons, the Company shall not be bound to issue more than one certificate therefor and delivery of a certificate to one of several joint holders shall be sufficient delivery to all such holders.

    (2) Where a share stands in the names of two or more persons, the person first named in the Register shall as regards service of notices and, subject to the provisions of these Articles, all or any other matters connected with the Company, except the transfer of the shares, be deemed the sole holder thereof.

18. Every person whose name is entered, upon an allotment of shares, as a Member in the Register shall be entitled, without payment, to receive one certificate for all such shares of any one class or several certificates each for one or more of such shares of such class upon payment for every certificate after the payment of such reasonable out-of-pocket expenses as the Board from time to time determines, provided however, the Company is not obligated to issue a share certificate to a Members unless the Member requests it from the Company..

19. Upon request by a Member, a share certificates shall be issued within the relevant time limit as prescribed by the Law or as the Designated Stock Exchange may from time to time determine, whichever is the shorter, after allotment or, except in the case of a transfer which the Company is for the time being entitled to refuse to register and does not register, after lodgment of a transfer with the Company.

20. (1) Upon every transfer of shares the certificate held by the transferor shall be given up to be cancelled, and shall forthwith be cancelled accordingly, and a new certificate may be issued to the transferee in respect of the shares transferred to him at such fee as is provided in paragraph (2) of this Article 20. If any of the shares included in the certificate so given up shall be retained by the transferor a new certificate for the balance may be issued to him at the aforesaid fee payable by the transferor to the Company in respect thereof.

(2) The fee referred to in paragraph (1) above shall be an amount not exceeding the relevant maximum amount as the Designated Stock Exchange may from time to time determine *provided* that the Board may at any time determine a lower amount for such fee.

21. If a share certificate shall be damaged or defaced or alleged to have been lost, stolen or destroyed a new certificate representing the same shares may be issued to the relevant Member upon request and on payment of such fee as the Board may determine and, subject to compliance with such terms (if any) as to evidence and indemnity and to payment of the costs and reasonable out-of-pocket expenses of the Company in investigating such evidence and preparing such indemnity as the Board may think fit and, in case of damage or defacement, on delivery of the old certificate to the Company *provided* always that where share warrants have been issued, no new share warrant shall be issued to replace one that has been lost unless the Board has determined that the original has been destroyed.

LIEN

22. The Company shall have a first and paramount lien on every share that is not a fully paid share, for all moneys (whether presently payable or not) called or payable at a fixed time in respect of that share. The Company shall also have a first and paramount lien on every share that is not a fully paid share registered in the name of a Member (whether or not jointly with other Members) for all amounts of money presently payable by such Member or his estate to the Company whether the same shall have been incurred before or after notice to the Company of any equitable or other interest of any person other than such member, and whether the payment or discharge of the same shall have actually become due or not, and notwithstanding that the same are joint debts or liabilities of such Member or his estate and any other person, whether a Member of the Company or not. The Company's lien on a share shall extend to all dividends or other moneys payable thereon or in respect thereof. The Board may at any time, generally or in any particular case, waive any lien that has arisen or declare any share exempt in whole or in part, from the provisions of this Article 22.

23. Subject to these Articles, the Company may sell in such manner as the Board determines any share on which the Company has a lien, but no sale shall be made unless some sum in respect of which the lien exists is presently payable, or the liability or engagement in respect of which such lien exists is liable to be presently fulfilled or discharged nor until the expiration of fourteen (14) clear days after a Notice, stating and demanding payment of the sum presently payable, or specifying the liability or engagement and demanding fulfilment or discharge thereof and giving notice of the intention to sell in default, has been served on the registered holder for the time being of the share or the person entitled thereto by reason of his death or bankruptcy.

24. The net proceeds of the sale shall be received by the Company and applied in or towards payment or discharge of the debt or liability in respect of which the lien exists, so far as the same is presently payable, and any residue shall, subject to a like lien for debts or liabilities not presently payable as existed upon the share prior to the sale, be paid to the person entitled to the share at the time of the sale. To give effect to any such sale the Board may authorise some person to transfer the shares sold to the purchaser thereof. The purchaser shall be registered as the holder of the shares so transferred and he shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings relating to the sale.

CALLS ON SHARES

25. Subject to these Articles and to the terms of allotment, the Board may from time to time make calls upon the Members in respect of any moneys unpaid on their shares (whether on account of the nominal value of the shares or by way of premium), and each Member shall (subject to being given at least fourteen (14) clear days' Notice specifying the time and place of payment) pay to the Company as required by such notice the amount called on his shares. A call may be extended, postponed or revoked in whole or in part as the Board determines but no Member shall be entitled to any such extension, postponement or revocation except as a matter of grace and favour.

26. A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be made payable either in one lump sum or by instalments.

27. A person upon whom a call is made shall remain liable for calls made upon him notwithstanding the subsequent transfer of the shares in respect of which the call was made. The joint holders of a share shall be jointly and severally liable to pay all calls and instalments due in respect thereof or other moneys due in respect thereof.

28. If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest on the amount unpaid from the day appointed for payment thereof to the time of actual payment at such rate (not exceeding twenty per cent. (20%) per annum) as the Board may determine, but the Board may in its absolute discretion waive payment of such interest in whole or in part.

29. No Member shall be entitled to receive any dividend or bonus or to be present and vote (save as proxy for another Member) at any general meeting either personally or by proxy, or be reckoned in a quorum, or exercise any other privilege as a Member until all calls or instalments due by him to the Company, whether alone or jointly with any other person, together with interest and expenses (if any) shall have been paid.

30. On the trial or hearing of any action or other proceedings for the recovery of any money due for any call, it shall be sufficient to prove that the name of the Member sued is entered in the Register as the holder, or one of the holders, of the shares in respect of which such debt accrued, that the resolution making the call is duly recorded in the minute book, and that notice of such call was duly given to the Member sued, in pursuance of these Articles; and it shall not be necessary to prove the appointment of the Directors who made such call, nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.

31. Any amount payable in respect of a share upon allotment or at any fixed date, whether in respect of nominal value or premium or as an instalment of a call, shall be deemed to be a call duly made and payable on the date fixed for payment and if it is not paid the provisions of these Articles shall apply as if that amount had become due and payable by virtue of a call duly made and notified.

32. On the issue of shares the Board may differentiate between the allottees or holders as to the amount of calls to be paid and the times of payment.

33. The Board may, if it thinks fit, receive from any Member willing to advance the same, and either in money or money's worth, all or any part of the moneys uncalled and unpaid or instalments payable upon any shares held by him and upon all or any of the moneys so advanced (until the same would, but for such advance, become presently payable) pay interest at such rate (if any) as the Board may decide. The Board may at any time repay the amount so advanced upon giving to such Member not less than one month's Notice of its intention in that behalf, unless before the expiration of such notice the amount so advanced shall have been called up on the shares in respect of which it was advanced. Such payment in advance shall not entitle the holder of such share or shares to participate in respect thereof in a dividend subsequently declared.

FORFEITURE OF SHARES

34. (1) If a call remains unpaid after it has become due and payable the Board may give to the person from whom it is due not less than fourteen (14) clear days' Notice:

(a) requiring payment of the amount unpaid together with any interest which may have accrued and which may still accrue up to the date of actual payment; and

(b) stating that if the Notice is not complied with the shares on which the call was made will be liable to be forfeited.

(2) If the requirements of any such notice are not complied with, any share in respect of which such notice has been given may at any time thereafter, before payment of all calls and interest due in respect thereof has been made, be forfeited by a resolution of the Board to that effect, and such forfeiture shall include all dividends and bonuses declared in respect of the forfeited share but not actually paid before the forfeiture.

35. When any share has been forfeited, notice of the forfeiture shall be served upon the person who was before forfeiture the holder of the share. No forfeiture shall be invalidated by any omission or neglect to give such notice.

36. The Board may accept the surrender of any share liable to be forfeited hereunder and, in such case, references in these Articles to forfeiture will include surrender.

37. Any share so forfeited shall be deemed the property of the Company and may be sold, re-allotted or otherwise disposed of to such person, upon such terms and in such manner as the Board determines, and at any time before a sale, re-allotment or disposition the forfeiture may be annulled by the Board on such terms as the Board determines.

38. A person whose shares have been forfeited shall cease to be a Member in respect of the forfeited shares but nevertheless shall remain liable to pay the Company all moneys which at the date of forfeiture were presently payable by him to the Company in respect of the shares, with, if the Board shall in its discretion so requires, interest thereon from the date of forfeiture until payment at such rate (not exceeding twenty per cent. (20%) per annum) as the Board determines. The Board may enforce payment thereof if it thinks fit, and without any deduction or allowance for the value of the forfeited shares, at the date of forfeiture, but his liability shall cease if and when the Company shall have received payment in full of all such moneys in respect of the shares. For the purposes of this Article 38 any sum which, by the terms of issue of a share, is payable thereon at a fixed time which is subsequent to the date of forfeiture, whether on account of the nominal value of the share or by way of premium, shall notwithstanding that time has not yet arrived be deemed to be payable at the date of forfeiture, and the same shall become due and payable immediately upon the forfeiture, but interest thereon shall only be payable in respect of any period between the said fixed time and the date of actual payment.

39. A declaration by a Director or the Secretary that a share has been forfeited on a specified date shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share, and such declaration shall (subject to the execution of an instrument of transfer by the Company if necessary) constitute a good title to the share, and the person to whom the share is disposed of shall be registered as the holder of the share and shall not be bound to see to the application of the consideration (if any), nor shall his title to the share be affected by any irregularity in or invalidity of the proceedings in reference to the forfeiture, sale or disposal of the share. When any share shall have been forfeited, notice of the declaration shall be given to the Member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof, shall forthwith be made in the Register, but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or make any such entry.

40. Notwithstanding any such forfeiture as aforesaid the Board may at any time, before any shares so forfeited shall have been sold, re-allotted or otherwise disposed of, permit the shares forfeited to be bought back upon the terms of payment of all calls and interest due upon and expenses incurred in respect of the share, and upon such further terms (if any) as it thinks fit.

41. The forfeiture of a share shall not prejudice the right of the Company to any call already made or instalment payable thereon.

42. The provisions of these Articles as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

REGISTER OF MEMBERS

43. (1) The Company shall keep in one or more books a Register of its Members and shall enter therein the following particulars, that is to say:

(a) the name and address of each Member, the number and class of shares held by him and the amount paid or agreed to be considered as paid on such shares;

(b) the date on which each person was entered in the Register; and

(c) the date on which any person ceased to be a Member.

(2) The Company may keep an overseas or local or other branch register of Members resident in any place, and the Board may make and vary such regulations as it determines in respect of the keeping of any such register and maintaining a Registration Office in connection therewith.

44. The Register and branch register of Members, as the case may be, shall be open to inspection for such times and on such days as the Board shall determine by Members without charge or by any other person, upon a maximum payment of $2.50 or such other sum specified by the Board, at the Office or Registration Office or such other place at which the Register is kept in accordance with the Law. The Register including any overseas or local or other branch register of Members may, after compliance with any notice requirement of the Designated Stock Exchange, be closed at such times or for such periods not exceeding in the whole thirty (30) days in each year as the Board may determine and either generally or in respect of any class of shares.

RECORD DATES

45. For the purpose of determining the Members entitled to notice of or to vote at any general meeting, or any adjournment thereof, or entitled to receive payment of any dividend or other distribution or allotment of any rights, or entitled to exercise any rights in respect of any change, conversion or exchange of shares or for the purpose of any other lawful action, the Board may fix, in advance, a date as the record date for any such determination of the Members, which date shall not be more than forty (40) days nor less than ten (10) days before the date of such meeting, nor more than forty (40) days prior to any other such action.

If the Board does not fix a record date for any general meeting, the record date for determining the Members entitled to a notice of or to vote at such meeting shall be at the close of business on the day next preceding the day on which notice is given, or, if in accordance with these Articles notice is waived, at the close of business on the day next preceding the day on which the meeting is held. The record date for determining the Members for any other purpose shall be at the close of business on the day on which the Board adopts the resolution relating thereto.

A determination of the Members of record entitled to notice of or to vote at a meeting of the Members shall apply to any adjournment of the meeting; *provided*, *however*, that the Board may fix a new record date for the adjourned meeting.

TRANSFER OF SHARES

46. (1) Subject to these Articles including, without limitation, in the case of Class B Ordinary Shares, Article 9(c), any Member may transfer all or any of his shares by an instrument of transfer in the usual or common form or in a form prescribed by the Designated Stock Exchange or in any other form approved by the Board and may be under hand or, if the transferor or transferee is a clearing house or a central depository house or its nominee(s), by hand or by machine imprinted signature or by such other manner of execution as the Board may approve from time to time.

(2) Notwithstanding the provisions of subparagraph (1) above, for so long as any shares are listed on the Designated Stock Exchange, titles to such listed shares may be evidenced and transferred in accordance with the laws applicable to and the rules and regulations of the Designated Stock Exchange that are or shall be applicable to such listed shares. The register of members of the Company in respect of its listed shares (whether the Register or a branch register) may be kept by recording the particulars required by Section 40 of the Law in a form otherwise than legible if such recording otherwise complies with the laws applicable to and the rules and regulations of the Designated Stock Exchange that are or shall be applicable to such listed shares.

47. The instrument of transfer shall be executed by or on behalf of the transferor and the transferee *provided* that the Board may dispense with the execution of the instrument of transfer by the transferee in any case which it thinks fit in its discretion to do so. Without prejudice to Article 46, the Board may also resolve, either generally or in any particular case, upon request by either the transferor or transferee, to accept mechanically executed transfers. The transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the Register in respect thereof. Nothing in these Articles shall preclude the Board from recognising a renunciation of the allotment or provisional allotment of any share by the allottee in favour of some other person.

48. (1) The Board may, in its absolute discretion, and without giving any reason therefor, refuse to register a transfer of any share that is not a fully paid up share to a person of whom it does not approve, or any share issued under any share incentive scheme for employees upon which a restriction on transfer imposed thereby still subsists, and it may also, without prejudice to the foregoing generality, refuse to register a transfer of any share to more than four joint holders or a transfer of any share that is not a fully paid up share on which the Company has a lien.

(2) The Board in so far as permitted by any applicable law may, in its absolute discretion, at any time and from time to time transfer any share upon the Register to any branch register or any share on any branch register to the Register or any other branch register. In the event of any such transfer, the Member requesting such transfer shall bear the cost of effecting the transfer unless the Board otherwise determines.

(3) Unless the Board otherwise agrees (which agreement may be on such terms and subject to such conditions as the Board in its absolute discretion may from time to time determine, and which agreement the Board shall, without giving any reason therefore, be entitled in its absolute discretion to give or withhold), no shares upon the Register shall be transferred to any branch register nor shall shares on any branch register be transferred to the Register or any other branch register and all transfers and other documents of title shall be lodged for registration, and registered, in the case of any shares on a branch register, at the relevant Registration Office, and, in the case of any shares on the Register, at the Office or such other place at which the Register is kept in accordance with the Law.

49. Without limiting the generality of Article 48, the Board may decline to recognise any instrument of transfer unless:-

(a) a fee of such maximum sum as the Designated Stock Exchange may determine to be payable or such lesser sum as the Board may from time to time require is paid to the Company in respect thereof;

(b) the instrument of transfer is in respect of only one class of share;

(c) the instrument of transfer is lodged at the Office or such other place at which the Register is kept in accordance with the Law or the Registration Office (as the case may be) accompanied by the relevant share certificate(s) and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer (and, if the instrument of transfer is executed by some other person on his behalf, the authority of that person so to do); and

(d) if applicable, the instrument of transfer is duly and properly stamped.

50. If the Board refuses to register a transfer of any share, it shall, within three months after the date on which the transfer was lodged with the Company, send to each of the transferor and transferee notice of the refusal.

51. The registration of transfers of shares or of any class of shares may, after compliance with any notice requirement of the Designated Stock Exchange, be suspended at such times and for such periods (not exceeding in the whole thirty (30) days in any year) as the Board may determine.

TRANSMISSION OF SHARES

52. If a Member dies, the survivor or survivors where the deceased was a joint holder, and his legal personal representatives where he was a sole or only surviving holder, will be the only persons recognised by the Company as having any title to his interest in the shares; but nothing in this Article will release the estate of a deceased Member (whether sole or joint) from any liability in respect of any share which had been solely or jointly held by him.

53. Any person becoming entitled to a share in consequence of the death or bankruptcy or winding-up of a Member may, upon such evidence as to his title being produced as may be required by the Board, elect either to become the holder of the share or to have some person nominated by him registered as the transferee thereof. If he elects to become the holder he shall notify the Company in writing either at the Registration Office or the Office, as the case may be, to that effect. If he elects to have another person registered he shall execute a transfer of the share in favour of that person. The provisions of these Articles relating to the transfer and registration of transfers of shares shall apply to such notice or transfer as aforesaid as if the death or bankruptcy of the Member had not occurred and the notice or transfer were a transfer signed by such Member.

54. A person becoming entitled to a share by reason of the death or bankruptcy or winding-up of a Member shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share. However, the Board may, if it thinks fit, withhold the payment of any dividend payable or other advantages in respect of such share until such person shall become the registered holder of the share or shall have effectually transferred such share, but, subject to the requirements of Article 75(2) being met, such a person may vote at meetings.

UNTRACEABLE MEMBERS

55. (1) Without prejudice to the rights of the Company under paragraph (2) of this Article 55, the Company may cease sending cheques for dividend entitlements or dividend warrants by post if such cheques or warrants have been left uncashed on two consecutive occasions. However, the Company may exercise the power to cease sending cheques for dividend entitlements or dividend warrants after the first occasion on which such a cheque or warrant is returned undelivered.

(2) The Company shall have the power to sell, in such manner as the Board thinks fit, any shares of a Member who is untraceable, but no such sale shall be made unless:

(a) all cheques or warrants in respect of dividends of the shares in question, being not less than three in total number, for any sum payable in cash to the holder of such shares sent during the relevant period in the manner authorised by these Articles have remained uncashed;

(b) so far as it is aware at the end of the relevant period, the Company has not at any time during the relevant period received any indication of the existence of the Member who is the holder of such shares or of a person entitled to such shares by death, bankruptcy or operation of law; and

(c) the Company, if so required by the rules governing the listing of shares on the Designated Stock Exchange, has given notice to, and caused advertisement in newspapers to be made in accordance with the requirements of the Designated Stock Exchange of its intention to sell such shares in the manner required by the Designated Stock Exchange, and a period of three months or such shorter period as may be allowed by the Designated Stock Exchange has elapsed since the date of such advertisement.

For the purpose of the foregoing, the "relevant period" means the period commencing twelve (12) years before the date of publication of the advertisement referred to in paragraph (c) of this Article and ending at the expiry of the period referred to in that paragraph.

(3) To give effect to any such sale the Board may authorise some person to transfer the said shares and an instrument of transfer signed or otherwise executed by or on behalf of such person shall be as effective as if it had been executed by the registered holder or the person entitled by transmission to such shares, and the purchaser shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings relating to the sale. The net proceeds of the sale will belong to the Company and upon receipt by the Company of such net proceeds it shall become indebted to the former Member for an amount equal to such net proceeds. No trust shall be created in respect of such debt and no interest shall be payable in respect of it and the Company shall not be required to account for any money earned from the net proceeds which may be employed in the business of the Company or as it thinks fit. Any sale under this Article 55 shall be valid and effective notwithstanding that the Member holding the shares sold is dead, bankrupt or otherwise under any legal disability or incapacity.

GENERAL MEETINGS

56. The Company may (but shall not be obliged to, unless as required by applicable law or rules of the Designated Stock Exchange) hold an annual general meeting and shall specify the meeting as such in the notices calling it. An annual general meeting of the Company shall be held at such time and place as may be determined by the Board.

57. Each general meeting, other than an annual general meeting, shall be called an extraordinary general meeting. General meetings may be held at such times and in any location in the world as may be determined by the Board.

58. (1) (i) A majority of the Board, or (ii) the Chairman of the Board, or (iii) any Director, where required to give effect to a requisition received under Article 58(2), may call extraordinary general meetings, which extraordinary general meetings shall be held at such times and locations (as permitted hereby) as such person or persons shall determine.

(2) Any one or more Members holding at the date of deposit of the requisition not less than two-thirds of the voting power of the Company's share capital in issue carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board or the Secretary of the Company, to require an extraordinary general meeting to be called by the Board for the transaction of any business permitted by the Law or these Articles (subject to the provisions of Article 58(3)) as specified in such requisition; and such meeting shall be held within two (2) months after the deposit of such requisition. If within twenty-one (21) days of such deposit the Board fails to proceed to convene such meeting the requisitionist(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.

(3) A meeting requisitioned under Article 58(2) shall not be permitted to consider or vote upon (A) any resolutions with respect to the election, appointment or removal of Directors or with respect to the size of the Board, unless such proposal is first approved by the Nomination Committee of the Board; or (B) other than a special resolution in respect of the appointment or removal of any Director, any special resolution or any matters required to be passed by way of special resolution pursuant to these Articles or the Law.

(4) Other than by way of requisition under Article 58(2), Members have no right to propose resolutions or other business to be considered and voted upon at any general meeting of the Company.

NOTICE OF GENERAL MEETINGS

59. (1) An annual general meeting and any extraordinary general meeting may be called by not less than ten (10) clear days' Notice but a general meeting may be called by shorter notice, subject to the Law, if it is so agreed:

(a) in the case of a meeting called as an annual general meeting, by all the Members entitled to attend and vote thereat; and

(b) in the case of any other meeting, by a majority in number of the Members having the right to attend and vote at the meeting, being a majority together holding not less than ninety-five per cent. (95%) in nominal value of the issued shares giving that right.

(2) The notice shall specify the time and place of the meeting and the general nature of the business. The notice convening an annual general meeting shall specify the meeting as such. Notice of every general meeting shall be given to all Members other than to such Members as, under the provisions of these Articles or the terms of issue of the shares they hold, are not entitled to receive such notices from the Company, to all persons entitled to a share in consequence of the death or bankruptcy or winding-up of a Member and to each of the Directors.

60. The accidental omission to give Notice of a meeting or (in cases where instruments of proxy are sent out with the notice) to send such instrument of proxy to, or the non-receipt of such notice or such instrument of proxy by, any person entitled to receive such notice shall not invalidate any resolution passed or the proceedings at that meeting.

PROCEEDINGS AT GENERAL MEETINGS

61. (1) No business other than the appointment of a chairman of a meeting shall be transacted at any general meeting unless a quorum is present at the commencement of the business. At any general meeting of the Company, one or more Members entitled to vote and present in person or by proxy or (in the case of a Member being a corporation) by its duly authorised representative representing not less than one-third of all voting power of the Company's share capital in issue throughout the meeting shall form a quorum for all purposes.

(2) If within thirty (30) minutes (or such longer time not exceeding one hour as the chairman of the meeting may determine to wait) after the time appointed for the meeting a quorum is not present, the meeting shall stand adjourned to the same day in the next week at the same time and place or to such time and place as the Board may determine. If at such adjourned meeting a quorum is not present within half an hour from the time appointed for holding the meeting, the meeting shall be dissolved.

62. The Chairman of the Board shall preside as chairman at every general meeting. If at any meeting the chairman is not present within thirty (30) minutes after the time appointed for holding the meeting, or is not willing to act as chairman, the Directors present shall choose one of their number to act, or if one Director only is present he shall preside as chairman if willing to act. If no Director is present, or if each of the Directors present declines to take the chair, or if the chairman chosen shall retire from the chair, the Members present in person or by proxy and entitled to vote shall elect one of their members to be chairman.

63. The chairman may adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business which might lawfully have been transacted at the meeting had the adjournment not taken place. When a meeting is adjourned for fourteen (14) days or more, at least seven (7) clear days' notice of the adjourned meeting shall be given specifying the time and place of the adjourned meeting but it shall not be necessary to specify in such notice the nature of the business to be transacted at the adjourned meeting and the general nature of the business to be transacted. Save as aforesaid, it shall be unnecessary to give notice of an adjournment.

64. If an amendment is proposed to any resolution under consideration but is in good faith ruled out of order by the chairman of the meeting, the proceedings on the substantive resolution shall not be invalidated by any error in such ruling. In the case of a resolution duly proposed as a special resolution, no amendment thereto (other than a mere clerical amendment to correct a patent error) may in any event be considered or voted upon.

NO ACTION BY WRITTEN RESOLUTIONS OF MEMBERS

65. Any action required or permitted to be taken at any annual or extraordinary general meetings of the Company may be taken only upon the vote of the Members at an annual or extraordinary general meeting duly noticed and convened in accordance with these Articles and the Law and may not be taken by written resolution of Members without a meeting.

VOTING

66. (1) Holders of Ordinary Shares have the right to receive notice of, attend, speak and vote at general meetings of the Company. Except as required by applicable law and subject to these Articles (including without limitation Article 10(a)), holders of Class A Ordinary Shares and Class B Ordinary Shares shall at all times vote together as one class on all matters submitted to a vote of the Shareholders.

(2) Subject to any special rights or restrictions as to voting for the time being attached to any shares by or in accordance with these Articles, at any general meeting on a poll:

(a) every Member holding Class A Ordinary Shares present in person or by proxy or, in the case of a Member being a corporation, by its duly authorised representative shall have one (1) vote for every fully paid Class A Ordinary Share of which he is the holder; and

(b) every Member holding Class B Ordinary Shares present in person or by proxy or, in the case of a Member being a corporation, by its duly authorised representative shall have ten (10) votes for every fully paid Class B Ordinary Share of which he is the holder.

(3) No amount paid up or credited as paid up on a share in advance of calls or instalments is treated for the foregoing purposes as paid up on the share.

(4) A resolution put to the vote of a meeting shall be decided by way of a poll save that the chairman of the meeting may in good faith, allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands in which case (i) every Member holding Class A Shares present in person (or being a corporation, is present by a duly authorized representative), or by proxy(ies) shall have one (1) vote, and (ii) every Member holding Class B Shares present in person (or being a corporation, is present by a duly authorized representative), or by proxy(ies) shall have ten (10) votes, provided that, notwithstanding anything contained in these Articles, where more than one proxy is appointed by a Member which is a clearing house or a central depository house (or its nominee(s)), each such proxy shall have one vote on a show of hands. For the purposes of these Articles, procedural and administrative matters are those that (i) are not on the agenda of the general meeting or in any supplementary circular that may be issued by the Company to its Members; and (ii) relate to the chairman's duties to maintain the orderly conduct of the meeting and/or allow the business of the meeting to be properly and effectively dealt with, whilst allowing all Members a reasonable opportunity to express their views.

67. Where a show of hands is allowed pursuant to these Articles, before or on the declaration of the result of the show of hands, a poll may be demanded:

(a) by at least three Members present in person or in the case of a Member being a corporation by its duly authorised representative or by proxy for the time being entitled to vote at the meeting; or

(b) by a Member or Members present in person or in the case of a Member being a corporation by its duly authorised representative or by proxy and representing not less than one-tenth of the total voting rights of all Members having the right to vote at the meeting; or

(c) by a Member or Members present in person or in the case of a Member being a corporation by its duly authorised representative or by proxy and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all shares conferring that right.

A demand by a person as proxy for a Member or in the case of a Member being a corporation by its duly authorised representative shall be deemed to be the same as a demand by the Member.

68. Where a resolution is voted on by a show of hands, a declaration by the chairman that a resolution has been carried, or carried unanimously, or by a particular majority, or not carried by a particular majority, or lost, and an entry to that effect made in the minute book of the Company, shall be conclusive evidence of the facts without proof of the number or proportion of the votes recorded for or against the resolution.

69. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. There shall be no requirement for the chairman to disclose the voting figures on a poll.

70. The demand for a poll shall not prevent the continuance of a meeting or the transaction of any business other than the question on which the poll has been demanded, and, with the consent of the chairman, it may be withdrawn at any time before the close of the meeting or the taking of the poll, whichever is the earlier.

71. On a poll votes may be given either personally or by proxy.

72. A person entitled to more than one vote on a poll need not use all his votes or cast all the votes he uses in the same way.

73. All questions submitted to a meeting shall be decided by a simple majority of votes cast by such Members as, being entitled to do so, vote in person or, by proxy or, in the case of a Member being a corporation, by its duly authorised representative except where a greater majority is required by these Articles or by the Law.

74. Where there are joint holders of any share any one of such joint holder may vote, either in person or by proxy, in respect of such share as if he were solely entitled thereto, but if more than one of such joint holders be present at any meeting the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the Register in respect of the joint holding. Several executors or administrators of a deceased Member in whose name any share stands shall for the purposes of this Article be deemed joint holders thereof.

75. (1) A Member who is a patient for any purpose relating to mental health or in respect of whom an order has been made by any court having jurisdiction for the protection or management of the affairs of persons incapable of managing their own affairs may vote, by his receiver, committee, curator bonis or other person in the nature of a receiver, committee or curator bonis appointed by such court, and such receiver, committee, curator bonis or other person may vote on a poll by proxy, and may otherwise act and be treated as if he were the registered holder of such shares for the purposes of general meetings, *provided* that such evidence as the Board may require of the authority of the person claiming to vote shall have been deposited at the Office, head office or Registration Office, as appropriate, not less than forty-eight (48) hours before the time appointed for holding the meeting, or adjourned meeting or poll, as the case may be.

(2) Any person entitled under Article 53 to be registered as the holder of any shares may vote at any general meeting in respect thereof in the same manner as if he were the registered holder of such shares, *provided* that forty-eight (48) hours at least before the time of the holding of the meeting or adjourned meeting, as the case may be, at which he proposes to vote, he shall satisfy the Board of his entitlement to such shares, or the Board shall have previously admitted his right to vote at such meeting in respect thereof.

76. No Member shall, unless the Board otherwise determines, be entitled to attend and vote and to be reckoned in a quorum at any general meeting unless he is duly registered and all calls or other sums presently payable by him in respect of shares in the Company have been paid.

77. If:

(a) any objection shall be raised to the qualification of any voter; or

(b) any votes have been counted which ought not to have been counted or which might have been rejected; or

(c) any votes are not counted which ought to have been counted;

the objection or error shall not vitiate the decision of the meeting or adjourned meeting on any resolution unless the same is raised or pointed out at the meeting or, as the case may be, the adjourned meeting at which the vote objected to is given or tendered or at which the error occurs. Any objection or error shall be referred to the chairman of the meeting and shall only vitiate the decision of the meeting on any resolution if the chairman decides that the same may have affected the decision of the meeting. The decision of the chairman on such matters shall be final and conclusive.

PROXIES

78. Any Member entitled to attend and vote at a general meeting of the Company shall be entitled to appoint another person as his proxy to attend and vote instead of him. A Member who is the holder of two or more shares may appoint more than one proxy to represent him and vote on his behalf at a general meeting of the Company or at a class meeting. A proxy need not be a Member. In addition, a proxy or proxies representing either a Member who is an individual or a Member which is a corporation shall be entitled to exercise the same powers on behalf of the Member which he or they represent as such Member could exercise.

79. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under its seal or under the hand of an officer, attorney or other person authorised to sign the same. In the case of an instrument of proxy purporting to be signed on behalf of a corporation by an officer thereof it shall be assumed, unless the contrary appears, that such officer was duly authorised to sign such instrument of proxy on behalf of the corporation without further evidence of the facts.

80. The instrument appointing a proxy and, if required by the Board, the power of attorney or other authority, if any, under which it is signed, or a certified copy of such power or authority, shall be delivered to such place or one of such places, if any, as may be specified for that purpose in or by way of note to or in any document accompanying the notice convening the meeting or, if no place is so specified at the Registration Office or the Office, as may be appropriate, not less than forty-eight (48) hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote or, in the case of a poll taken subsequently to the date of a meeting or adjourned meeting, not less than twenty-four (24) hours before the time appointed for the taking of the poll and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of twelve (12) months from the date named in it as the date of its execution, except at an adjourned meeting or on a poll demanded at a meeting or an adjourned meeting in cases where the meeting was originally held within twelve (12) months from such date. Delivery of an instrument appointing a proxy shall not preclude a Member from attending and voting in person at the meeting convened and in such event, the instrument appointing a proxy shall be deemed to be revoked.

81. Instruments of proxy shall be in any common form or in such other form as the Board may approve (*provided* that this shall not preclude the use of the two-way form) and the Board may, if it thinks fit, send out with the notice of any meeting forms of instrument of proxy for use at the meeting. The instrument of proxy shall be deemed to confer authority to demand or join in demanding a poll and to vote on any amendment of a resolution put to the meeting for which it is given as the proxy thinks fit. The instrument of proxy shall, unless the contrary is stated therein, be valid as well for any adjournment of the meeting as for the meeting to which it relates.

82. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal, or revocation of the instrument of proxy or of the authority under which it was executed, *provided* that no intimation in writing of such death, insanity or revocation shall have been received by the Company at the Office or the Registration Office (or such other place as may be specified for the delivery of instruments of proxy in the notice convening the meeting or other document sent therewith) two (2) hours at least before the commencement of the meeting or adjourned meeting, or the taking of the poll, at which the instrument of proxy is used.

83. Anything which under these Articles a Member may do by proxy he may likewise do by his duly appointed attorney and the provisions of these Articles relating to proxies and instruments appointing proxies shall apply *mutatis mutandis* in relation to any such attorney and the instrument under which such attorney is appointed.

CORPORATIONS ACTING BY REPRESENTATIVES

84. (1) Any corporation which is a Member may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the Company or at any meeting of any class of Members. The person so authorised shall be entitled to exercise the same powers on behalf of such corporation as the corporation could exercise if it were an individual Member and such corporation shall for the purposes of these Articles be deemed to be present in person at any such meeting if a person so authorised is present thereat.

(2) If a clearing house (or its nominee(s)) or a central depository entity, being a corporation, is a Member, it may authorise such persons as it thinks fit to act as its representatives at any meeting of the Company or at any meeting of any class of Members *provided* that the authorisation shall specify the number and class of shares in respect of which each such representative is so authorised. Each person so authorised under the provisions of this Article shall be deemed to have been duly authorised without further evidence of the facts and be entitled to exercise the same rights and powers on behalf of the clearing house or central depository entity (or its nominee(s)) as if such person was the registered holder of the shares of the Company held by the clearing house or a central depository entity (or its nominee(s)) including the right to vote individually on a show of hands.

(3) Any reference in these Articles to a duly authorised representative of a Member being a corporation shall mean a representative authorised under the provisions of this Article.

BOARD OF DIRECTORS

85. (1) The number of Directors shall not be less than three (3). The Directors shall be elected or appointed in accordance with this Article 85.

(2) No person may be nominated for, or appointed as, a Director, nor removed from any such appointment as a Director, unless such nomination, appointment or removal has been approved by the Nomination Committee of the Company prior to such nomination, appointment or removal.

(3) Subject to Article 85(11), (i) any person appointed as a Director as of the date (the "**IPO Date**") of the closing of the Company's initial public offering of Class A Ordinary Shares represented by American Depositary Shares on the Designated Stock Exchange shall hold office for a period of three years from the IPO Date, or such other term as may be approved in the resolution appointing them; and (ii) any person appointed as a Director after the IPO Date shall hold office for a period of three years from the date of such appointment, or such other term as may be approved in the resolution appointing them. Each Director shall hold office until the expiration of his term, or his resignation, removal or retirement from the Board, or his disqualification as a Director.

(4) Subject to the Articles and the Law, the Members may by ordinary resolution elect any person to be a Director either to fill a casual vacancy or as an addition to the existing Board.

(5) The Directors shall have the power from time to time and at any time, by the affirmative vote of a majority of the Directors present and voting at a Board meeting, to appoint any person as a Director to fill a casual vacancy on the Board or as an addition to the existing Board.

(6) No Director shall be required to hold any shares of the Company by way of qualification and a Director who is not a Member shall be entitled to receive notice of and to attend and speak at any general meeting of the Company and of all classes of shares of the Company.

(7) Subject to any provision to the contrary in these Articles, a Director may, at any time before the expiration of his period of office (notwithstanding anything in these Articles or in any agreement between the Company and such Director (but without prejudice to any claim for damages under any such agreement)) be removed by way of either:

(i) a special resolution of the Members; or

(ii) the affirmative vote of two-thirds of the other Directors present and voting at a Board meeting; or

(iii) a resolution in writing (which complies with the requirements of the provisos contained in Article 119) signed by all the Directors other than the Director being removed.

(8) A vacancy on the Board created by the removal of a Director under the provisions of subparagraph (7) above may be filled by the election or appointment by way of either:

(i) an ordinary resolution of the Members at the meeting at which such Director is removed; or,

(ii) the affirmative vote of a majority of the remaining Directors present and voting at a Board meeting; or

(iii) a resolution in writing (which complies with the requirements of the provisos contained in Article 119) signed by all the Directors other than the Director so removed.

(9) The Members may from time to time in general meeting by ordinary resolution increase or reduce the number of Directors but so that the number of Directors shall never be less than three (3).

(10) A retiring Director shall be eligible for re-election from the date commencing six (6) months prior to the date of expiry of his term of office, and shall continue to act as a Director throughout the meeting at which his re-election is considered.

(11) Where the retirement of any Director would cause the number of Directors to fall below the minimum number required pursuant to these Articles, then such Director shall continue to act as a Director until the appointment of such additional Director(s) as would not result in the Director's retirement causing the number of Directors to fall below the minimum number required pursuant to these Articles, at which time they shall retire.

DISQUALIFICATION OF DIRECTORS

86. The office of a Director shall be vacated if the Director:

(1) resigns his office by Notice delivered to the Company at the Office or tendered at a meeting of the Board;

(2) becomes of unsound mind or dies;

(3) without special leave of absence from the Board, is absent from meetings of the Board for three (3) consecutive times, unless the Board resolves that his office not be vacated; or

(4) becomes bankrupt or has a receiving order made against him or suspends payment or compounds with his creditors;

(5) is prohibited by law from being a Director;

(6) ceases to be a Director by virtue of any provision of the Statutes or is removed from office pursuant to these Articles;

(7) for any Director that is not an Independent Director, without special leave of absence from the Board, is absent from more than fifty per cent. (50%) of the weekly management meetings of the Company in any financial year, unless the Board resolves that his office not be vacated; or

(8) for any Director that is not an Independent Director, without special leave of absence from the Board, is present at the premises of the Company, or any of its subsidiaries, for less than 60 Business Days in any financial year, unless the Board resolves that his office not be vacated.

EXECUTIVE DIRECTORS

87. The Board may from time to time appoint any one or more of its body to be a managing director, joint managing director or deputy managing director or to hold any other employment or executive office with the Company for such period (subject to their continuance as Directors) and upon such terms as the Board may determine and the Board may revoke or terminate any of such appointments. Any such revocation or termination as aforesaid shall be without prejudice to any claim for damages that such Director may have against the Company or the Company may have against such Director. A Director appointed to an office under this Article 87 shall be subject to the same provisions as to removal as the other Directors of the Company, and he shall (subject to the provisions of any contract between him and the Company) ipso facto and immediately cease to hold such office if he shall cease to hold the office of Director for any cause.

88. Notwithstanding Articles 93, 94, 95 and 96, an executive director appointed to an office under Article 87 hereof shall receive such remuneration (whether by way of salary, commission, participation in profits or otherwise or by all or any of those modes) and such other benefits (including pension and/or gratuity and/or other benefits on retirement) and allowances as the Board may from time to time determine, and either in addition to or in lieu of his remuneration as a Director.

ALTERNATE DIRECTORS

89. (1) Each Director shall use his or her best efforts to attend all meetings of the Board.

(2) Any Director may at any time appoint another Director to be his alternate Director. Any such appointment shall be in respect of a specific meeting of Directors only and such appointment shall automatically cease upon termination of such meeting. An alternate Director may also be removed as an alternate Director at any time by the Director who appointed him.

(3) Any appointment or removal of an alternate Director shall be effected by Notice signed by the appointor and delivered to the Chairman of the Board at the Company's principal executive offices in the People's Republic of China from time to time. Any notice appointing an alternate Director shall be delivered to, and received by, Chairman of the Board not less than three (3) days prior to the date of the relevant meeting of the Board for which such alternate shall been appointed. Any notice removing an alternate Director may be delivered to, and received by, Chairman of the Board at any time prior to the date of the relevant meeting of the Board for which such alternate has been appointed.

(4) Any person so appointed shall have all the rights and powers of the Director for whom such person is appointed in the alternative (in addition to being counted in a quorum as a Director).

(5) An alternate Director shall not act as alternate to more than one Director. An alternate Director shall be entitled to receive notices of meetings of the Board or of committees of the Board to the same extent as, but in lieu of, the Director appointing him and shall be entitled to such extent to attend and vote as a Director at any such meeting at which the Director appointing him is not personally present and generally at such meeting to exercise and discharge all the functions, powers and duties of his appointor as a Director and for the purposes of the proceedings at such meeting the provisions of these Articles shall apply as if he were a Director.

90. An alternate Director shall only be a Director for the purposes of the Law and shall only be subject to the provisions of the Law insofar as they relate to the duties and obligations of a Director when performing the functions of the Director for whom he is appointed in the alternative and shall alone be responsible to the Company for his acts and defaults and shall not be deemed to be the agent of or for the Director appointing him. An alternate Director shall be entitled to contract and be interested in and benefit from contracts or arrangements or transactions and to be repaid expenses and to be indemnified by the Company to the same extent *mutatis mutandis* as if he were a Director but he shall not be entitled to receive from the Company any fee in his capacity as an alternate Director except only such part, if any, of the remuneration otherwise payable to his appointor as such appointor may by Notice to the Company from time to time direct.

91. Every person acting as an alternate Director shall have one vote for each Director for whom he acts as alternate (in addition to his own vote as a Director).

92. An alternate Director shall ipso facto cease to be an alternate Director if his appointor ceases for any reason to be a Director, however, such alternate Director or any other person may be re-appointed by the Directors to serve as an alternate Director *provided* always that, if at any meeting any Director retires but is re-elected at the same meeting, any appointment of such alternate Director pursuant to these Articles which was in force immediately before his retirement shall remain in force as though he had not retired.

DIRECTORS' FEES AND EXPENSES

93. The Directors shall receive such remuneration as the Board may from time to time determine.

94. Each Director shall be entitled to be repaid or prepaid all travelling, hotel and incidental expenses reasonably incurred or expected to be incurred by him in attending meetings of the Board or committees of the Board or general meetings or separate meetings of any class of shares or of debentures of the Company or otherwise in connection with the discharge of his duties as a Director.

95. Any Director who, by request, goes or resides abroad for any purpose of the Company or who performs services which in the opinion of the Board go beyond the ordinary duties of a Director may be paid such extra remuneration (whether by way of salary, commission, participation in profits or otherwise) as the Board may determine and such extra remuneration shall be in addition to or in substitution for any ordinary remuneration provided for by or pursuant to any other Article.

96. The Board shall determine any payment to any Director or past Director of the Company by way of compensation for loss of office, or as consideration for or in connection with his retirement from office (not being payment to which the Director is contractually entitled).

DIRECTORS' INTERESTS

97. A Director may:

(a) hold any other office or place of profit with the Company (except that of Auditor) in conjunction with his office of Director for such period and upon such terms as the Board may determine. Any remuneration (whether by way of salary, commission, participation in profits or otherwise) paid to any Director in respect of any such other office or place of profit shall be in addition to any remuneration provided for by or pursuant to any other Article;

(b) act by himself or his firm in a professional capacity for the Company (otherwise than as Auditor) and he or his firm may be remunerated for professional services as if he were not a Director;

(c) continue to be or become a director, managing director, joint managing director, deputy managing director, executive director, manager or other officer or member of any other company promoted by the Company or in which the Company may be interested as a vendor, shareholder or otherwise and, unless otherwise agreed, no such Director shall be accountable for any remuneration, profits or other benefits received by him as a director, managing director, joint managing director, deputy managing director, executive director, manager or other officer or member of or from his interests in any such other company. Subject as otherwise provided by these Articles the Directors may exercise or cause to be exercised the voting powers conferred by the shares in any other company held or owned by the Company, or exercisable by them as Directors of such other company in such manner in all respects as they think fit (including the exercise thereof in favour of any resolution appointing themselves or any of them directors, managing directors, joint managing directors, deputy managing directors, executive directors, managers or other officers of such company) or voting or providing for the payment of remuneration to the director, managing director, joint managing director, deputy managing director, executive director, manager or other officers of such other company and any Director may vote in favour of the exercise of such voting rights in manner aforesaid notwithstanding that he may be, or about to be, appointed a director, managing director, joint managing director, deputy managing director, executive director, manager or other officer of such other company, and that as such he is or may become interested in the exercise of such voting rights in manner aforesaid.

Notwithstanding the foregoing, no "Independent Director" as defined in the rules of the Designated Stock Exchange or in Rule 10A-3 under the Exchange Act, and with respect of whom the Board has determined constitutes an "Independent Director" for purposes of compliance with applicable law or the rules of the Designated Stock Exchange, shall take any of the foregoing actions or any other action that would reasonably be likely to affect such Director's status as an "Independent Director" of the Company without the consent of the Audit Committee.

98. Subject to the Law and to these Articles, no Director or proposed or intending Director shall be disqualified by his office from contracting with the Company, either with regard to his tenure of any office or place of profit or as vendor, purchaser or in any other manner whatever, nor shall any such contract or any other contract or arrangement in which any Director is in any way interested be liable to be avoided, nor shall any Director so contracting or being so interested be liable to account to the Company or the Members for any remuneration, profit or other benefits realised by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relationship thereby established *provided* that such Director shall disclose the nature of his interest in any contract or arrangement in which he is interested in accordance with Article 99 herein. Any such transaction that would reasonably be likely to affect a Director's status as an "Independent Director", or that would constitute a "related party transaction", as defined under applicable law or the rules of the Designated Stock Exchange, shall require the approval of the Audit Committee pursuant to the applicable law or the rules of the Designated Stock Exchange.

99. A Director who to his knowledge is in any way, whether directly or indirectly, interested in a contract or arrangement or proposed contract or arrangement with the Company shall declare the nature of his interest at the meeting of the Board at which the question of entering into the contract or arrangement is first considered, if he knows his interest then exists, or in any other case at the first meeting of the Board after he knows that he is or has become so interested. For the purposes of this Article, a general Notice to the Board by a Director to the effect that:

(a) he is a member or officer of a specified company or firm and is to be regarded as interested in any contract or arrangement which may after the date of the Notice be made with that company or firm; or

(b) he is to be regarded as interested in any contract or arrangement which may after the date of the Notice be made with a specified person who is connected with him;

shall be deemed to be a sufficient declaration of interest under this Article in relation to any such contract or arrangement, *provided* that no such notice shall be effective unless either it is given at a meeting of the Board or the Director takes reasonable steps to secure that it is brought up and read at the next Board meeting after it is given.

100. Following a declaration being made pursuant to the last preceding two Articles, subject to any separate requirement for Audit Committee approval under applicable law or the listing rules of the Company's Designated Stock Exchange, and unless disqualified by the chairman of the relevant Board meeting, a Director may vote in respect of any contract or proposed contract or arrangement in which such Director is interested and may be counted in the quorum at such meeting.

GENERAL POWERS OF THE DIRECTORS

101. (1) The business of the Company shall be managed and conducted by the Board, which may pay all expenses incurred in forming and registering the Company and may exercise all powers of the Company (whether relating to the management of the business of the Company or otherwise) which are not by the Statutes or by these Articles required to be exercised by the Members in a general meeting, subject nevertheless to the provisions of the Statutes and of these Articles and to such regulations being not inconsistent with such provisions, as may be prescribed by the Members in a general meeting, but no regulations made by the Members in a general meeting shall invalidate any prior act of the Board which would have been valid if such regulations had not been made. The general powers given by this Article shall not be limited or restricted by any special authority or power given to the Board by any other Article.

(2) Any person contracting or dealing with the Company in the ordinary course of business shall be entitled to rely on any written or oral contract or agreement or deed, document or instrument entered into or executed as the case may be by any two of the Directors acting jointly on behalf of the Company and the same shall be deemed to be validly entered into or executed by the Company as the case may be and shall, subject to any rule of law, be binding on the Company.

(3) Without prejudice to the general powers conferred by these Articles it is hereby expressly declared that the Board shall have the following powers:

(a) To give to any person the right or option of requiring at a future date that an allotment shall be made to him of any share at par or at such premium as may be agreed.

(b) To give to any Directors, officers or employees of the Company an interest in any particular business or transaction or participation in the profits thereof or in the general profits of the Company either in addition to or in substitution for a salary or other remuneration.

(c) To resolve that the Company be deregistered in the Cayman Islands and continued in a named jurisdiction outside the Cayman Islands subject to the provisions of the Law.

102. The Board may establish any regional or local boards or agencies for managing any of the affairs of the Company in any place, and may appoint any persons to be members of such local boards, or any managers or agents, and may fix their remuneration (either by way of salary or by commission or by conferring the right to participation in the profits of the Company or by a combination of two or more of these modes) and pay the working expenses of any staff employed by them upon the business of the Company. The Board may delegate to any regional or local board, manager or agent any of the powers, authorities and discretions vested in or exercisable by the Board (other than its powers to make calls and forfeit shares), with power to sub-delegate, and may authorise the members of any of them to fill any vacancies therein and to act notwithstanding vacancies. Any such appointment or delegation may be made upon such terms and subject to such conditions as the Board may think fit, and the Board may remove any person appointed as aforesaid, and may revoke or vary such delegation, but no person dealing in good faith and without notice of any such revocation or variation shall be affected thereby.

103. The Board may by power of attorney appoint any company, firm or person or any fluctuating body of persons, whether nominated directly or indirectly by the Board, to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these Articles) and for such period and subject to such conditions as it may think fit, and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Board may think fit, and may also authorise any such attorney to sub-delegate all or any of the powers, authorities and discretions vested in him. Such attorney or attorneys may, if so authorised under the Seal of the Company, execute any deed or instrument under their personal seal with the same effect as the affixation of the Company's Seal.

104. The Board may entrust to and confer upon a managing director, joint managing director, deputy managing director, an executive director or any Director any of the powers exercisable by it upon such terms and conditions and with such restrictions as it thinks fit, and either collaterally with, or to the exclusion of, its own powers, and may from time to time revoke or vary all or any of such powers but no person dealing in good faith and without notice of such revocation or variation shall be affected thereby.

105. All cheques, promissory notes, drafts, bills of exchange and other instruments, whether negotiable or transferable or not, and all receipts for moneys paid to the Company shall be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, in such manner as the Board shall from time to time by resolution determine. The Company's banking accounts shall be kept with such banker or bankers as the Board shall from time to time determine.

106. (1) The Board may establish or concur or join with other companies (being subsidiary companies of the Company or companies with which it is associated in business) in establishing and making contributions out of the Company's moneys to any schemes or funds for providing pensions, sickness or compassionate allowances, life assurance or other benefits for employees (which expression as used in this and the following paragraph shall include any Director or ex-Director who may hold or have held any executive office or any office of profit under the Company or any of its subsidiary companies) and ex-employees of the Company and their dependants or any class or classes of such person.

(2) The Board may pay, enter into agreements to pay or make grants of revocable or irrevocable pensions or other benefits to employees and ex-employees and their dependants, or to any of such persons, including pensions or benefits additional to those, if any, to which such employees or ex-employees or their dependants are or may become entitled under any such scheme or fund as mentioned in the last preceding paragraph. Any such pension or benefit may, as the Board considers desirable, be granted to an employee either before and in anticipation of or upon or at any time after his actual retirement, and may be subject or not subject to any terms or conditions as the Board may determine.

BORROWING POWERS

107. The Board may exercise all the powers of the Company to raise or borrow money and to mortgage or charge all or any part of the undertaking, property and assets (present and future) and uncalled capital of the Company and, subject to the Law, to issue debentures, bonds and other securities, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.

108. Debentures, bonds and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.

109. Any debentures, bonds or other securities may be issued at a discount (other than shares), premium or otherwise and with any special privileges as to redemption, surrender, drawings, allotment of shares, attending and voting at general meetings of the Members, appointment of Directors and otherwise.

110. (1) Where any uncalled capital of the Company is charged, all persons taking any subsequent charge thereon shall take the same subject to such prior charge, and shall not be entitled, by notice to the Members or otherwise, to obtain priority over such prior charge.

(2) The Board shall cause a proper register to be kept, in accordance with the provisions of the Law, of all charges specifically affecting the property of the Company and of any series of debentures issued by the Company and shall duly comply with the requirements of the Law in regard to the registration of charges and debentures therein specified and otherwise.

PROCEEDINGS OF THE DIRECTORS

111. The Board may meet for the despatch of business, adjourn and otherwise regulate its meetings as it considers appropriate. Questions arising at any meeting shall be determined by a majority of votes, other than (i) any removal of any person as a Director, or (ii) any appointment or removal of any person as the Chairman of the Board, or (iii) any removal of any person as chairman or other member of any committee of the Board which, in each case, shall be determined by a resolution passed by a majority of not less than two-thirds of votes cast by such Directors as, being entitled so to do, vote at a meeting of the Board. In the case of any equality of votes the chairman of the meeting shall have an additional or casting vote.

112. (1) A meeting of the Board may be convened by (i) the Chairman of the Board, or (ii) a majority of the Directors. The Secretary shall convene a meeting of the Board whenever so required to do by the Chairman of the Board or a majority of the Directors by notice in writing to each Director.

(2) A meeting of the Board may be called by not less than two (2) clear days' notice. A meeting of the Board may be called by shorter notice if it is so agreed by all the Directors entitled to attend and vote at such a meeting.

(3) Any notice of a meeting of the Board shall (i) specify the time and place of the meeting, and (ii) set out in reasonable detail the nature of the business to be discussed at the meeting. Notice may be given in writing or by telephone or in such other manner as the Board may from time to time determine.

113. (1) The quorum necessary for the transaction of the business of the Board may be fixed by the Board and, unless so fixed at any other number, shall be not less than half of the number of the Directors then in office, and shall always include the Chairman of the Board. An alternate Director shall be counted in a quorum in the case of the absence of a Director for whom he is the alternate (in addition to being counted in a quorum as a Director).

(2) Directors may participate in any meeting of the Board by means of a conference telephone, electronic or other communications equipment through which all persons participating in the meeting can communicate with each other simultaneously and instantaneously and, for the purpose of counting a quorum, such participation shall constitute presence at a meeting as if those participating were present in person.

(3) Any Director who ceases to be a Director at a Board meeting may continue to be present and to act as a Director and be counted in the quorum until the termination of such Board meeting if no other Director objects and if otherwise a quorum of Directors would not be present.

(4) No business other than that set out in the notice of the relevant meeting shall be discussed, or any resolutions passed in respect of such business, unless unanimously agreed by all the Directors present at such meeting.

114. The continuing Directors or a sole continuing Director may act notwithstanding any vacancy in the Board but, if and so long as the number of Directors is reduced below the minimum number fixed by or in accordance with these Articles as the quorum, the continuing Directors or Director, notwithstanding that the number of Directors is below the number fixed by or in accordance with these Articles as the quorum or that there is only one continuing Director, may act for the purpose of filling vacancies in the Board or of summoning general meetings of the Company but not for any other purpose.

115. The Chairman of the Board shall be the chairman of all meetings of the Board. If the Chairman of the Board is not present at any meeting within thirty (30) minutes after the time appointed for holding the same, the Directors present may choose one of their number to be chairman of the meeting.

116. A meeting of the Board at which a quorum is present shall be competent to exercise all the powers, authorities and discretions for the time being vested in or exercisable by the Board.

117. (1) The Board may delegate any of its powers, authorities and discretions to committees (including, without limitation, the Audit Committee), consisting of such Director or Directors and other persons as it thinks fit, and they may, from time to time, revoke such delegation or revoke the appointment of and discharge any such committees either wholly or in part, and either as to persons or purposes. Any committee so formed shall, in the exercise of the powers, authorities and discretions so delegated, conform to any regulations which may be imposed on it by the Board.

(2) All acts done by any such committee in conformity with such regulations, and in fulfilment of the purposes for which it was appointed, but not otherwise, shall have like force and effect as if done by the Board, and the Board (or if the Board delegates such power, the committee) shall have power to remunerate the members of any such committee, and charge such remuneration to the current expenses of the Company.

118. The meetings and proceedings of any committee consisting of two or more members shall be governed by the provisions contained in these Articles for regulating the meetings and proceedings of the Board so far as the same are applicable and are not superseded by any regulations imposed by the Board under the last preceding Article, indicating, without limitation, any committee charter adopted by the Board for purposes or in respect of any such committee.

119. A resolution in writing signed by all the Directors (other than in the circumstances set out in Article 85) except such as are temporarily unable to act due to ill-health or disability shall (*provided* that (i) the circulation of such resolutions has the prior approval of, and is initiated by, the Chairman of the Board, (ii) such number of signatories includes the Chairman of the Board and is sufficient to constitute a quorum, and (iii) further *provided* that a copy of such resolution has been given or the contents thereof communicated to all the Directors for the time being entitled to receive notices of Board meetings in the same manner as notices of meetings are required to be given by these Articles) be as valid and effectual as if a resolution had been passed at a meeting of the Board duly convened and held. Such resolution may be contained in one document or in several documents in like form each signed by one or more of the Directors and for this purpose a facsimile signature of a Director shall be treated as valid.

120. All acts bona fide done by the Board or by any committee or by any person acting as a Director or members of a committee, shall, notwithstanding that it is afterwards discovered that there was some defect in the appointment of any member of the Board or such committee or person acting as aforesaid or that they or any of them were disqualified or had vacated office, be as valid as if every such person had been duly appointed and was qualified and had continued to be a Director or member of such committee.

COMMITTEES

121. Without prejudice to the freedom of the Directors to establish any other committees, and subject to the provisions of Article 111(iii), for so long as the shares of the Company (or depositary receipts therefor) are listed or quoted on the Designated Stock Exchange, the Board shall establish and maintain an Audit Committee as a committee of the Board.

122. The composition and responsibilities of the Audit Committee shall comply with the rules of the Designated Stock Exchange and the rules and regulations of the SEC.

123. For so long as the shares of the Company (or depositary receipts therefor) are listed or quoted on the Designated Stock Exchange, the Company shall conduct an appropriate review of all related party transactions on an ongoing basis and shall utilize the Audit Committee for the review and approval of potential conflicts of interest pursuant to the applicable laws and rules of the Designated Stock Exchange.

OFFICERS

124. (1) The officers of the Company shall consist of the Chairman of the Board, the Directors and such additional officers (who may or may not be Directors) as the Board may from time to time determine, all of whom shall be deemed to be officers for the purposes of the Law and these Articles. In addition to the officers of the Company, the Board may also from time to time determine and appoint managers and delegate to the same such powers and duties as are prescribed by the Board.

(2) The Directors shall elect the Chairman of the Board from amongst the Directors then in office. Such election shall be by way of a resolution passed by not less than two-thirds of votes cast by such Directors as, being entitled so to do, vote at a meeting of the Board.

(3) The officers shall receive such remuneration as the Directors may from time to time determine.

125. (1) The Secretary and additional officers, if any, shall be appointed by the Board and shall hold office on such terms and for such period as the Board may determine. If thought fit, two or more persons may be appointed as joint Secretaries. The Board may also appoint from time to time on such terms as it thinks fit one or more assistant or deputy Secretaries.

(2) The Secretary shall attend all meetings of the Members and shall keep correct minutes of such meetings and enter the same in the proper books provided for the purpose. He shall perform such other duties as are prescribed by the Law or these Articles or as may be prescribed by the Board.

126. The officers of the Company shall have such powers and perform such duties in the management, business and affairs of the Company as may be delegated to them by the Directors from time to time.

127. A provision of the Law or of these Articles requiring or authorising a thing to be done by or to a Director and the Secretary shall not be satisfied by its being done by or to the same person acting both as Director and as or in place of the Secretary.

REGISTER OF DIRECTORS AND OFFICERS

128. The Company shall cause to be kept in one or more books at its Office a Register of Directors and Officers in which there shall be entered the full names and addresses of the Directors and Officers and such other particulars as required by the Law or as the Directors may determine. The Company shall send to the Registrar of Companies in the Cayman Islands a copy of such register, and shall from time to time notify to the said Registrar of any change that takes place in relation to such Directors and Officers as required by the Law.

MINUTES

129. (1) The Board shall cause minutes to be duly entered in books provided for the purpose:

(a) of all elections and appointments of officers;

(b) of the names of the Directors present at each meeting of the Directors and of any committee of the Directors;

(c) of all resolutions and proceedings of each general meeting of the Members, meetings of the Board and meetings of committees of the Board and where there are managers, of all proceedings of meetings of the managers.

(2) Minutes shall be kept by the Secretary at the Office for a period of not less than ten (10) years from the date of the relevant meeting, or for any longer period as may be required by the Statutes.

(3) Minutes shall be signed by the chairman of the relevant meeting.

SEAL

130. (1) The Company shall have one or more Seals, as the Board may determine. For the purpose of sealing documents creating or evidencing securities issued by the Company, the Company may have a securities seal which is a facsimile of the Seal of the Company with the addition of the word "Securities" on its face or in such other form as the Board may approve. The Board shall provide for the custody of each Seal and no Seal shall be used without the authority of the Board or of a committee of the Board authorised by the Board in that behalf. Subject as otherwise provided in these Articles, any instrument to which a Seal is affixed shall be signed autographically by one Director and the Secretary or by two Directors or by such other person (including a Director) or persons as the Board may appoint, either generally or in any particular case, save that as regards any certificates for shares or debentures or other securities of the Company the Board may by resolution determine that such signatures or either of them shall be dispensed with or affixed by some method or system of mechanical signature. Every instrument executed in manner provided by this Article 130 shall be deemed to be sealed and executed with the authority of the Board previously given.

(2) Where the Company has a Seal for use abroad, the Board may by writing under the Seal appoint any agent or committee abroad to be the duly authorised agent of the Company for the purpose of affixing and using such Seal and the Board may impose restrictions on the use thereof as may be thought fit. Wherever in these Articles reference is made to the Seal, the reference shall, when and so far as may be applicable, be deemed to include any such other Seal as aforesaid.

AUTHENTICATION OF DOCUMENTS

131. Any Director or the Secretary or any person appointed by the Board for the purpose may authenticate any documents affecting the constitution of the Company and any resolution passed by the Company or the Board or any committee, and any books, records, documents and accounts relating to the business of the Company, and to certify copies thereof or extracts therefrom as true copies or extracts, and if any books, records, documents or accounts are elsewhere than at the Office or the head office the local manager or other officer of the Company having the custody thereof shall be deemed to be a person so appointed by the Board. A document purporting to be a copy of a resolution, or an extract from the minutes of a meeting, of the Company or of the Board or any committee thereof which is so certified shall be conclusive evidence in favour of all persons dealing with the Company upon the faith thereof that such resolution has been duly passed or, as the case may be, that such minutes or extract is a true and accurate record of proceedings at a duly constituted meeting.

DESTRUCTION OF DOCUMENTS

132. (1) The Company shall be entitled to destroy the following documents at the following times:

(a) any share certificate which has been cancelled at any time after the expiry of one (1) year from the date of such cancellation;

(b) any dividend mandate or any variation or cancellation thereof or any notification of change of name or address at any time after the expiry of two (2) years from the date such mandate variation cancellation or notification was recorded by the Company;

(c) any instrument of transfer of shares which has been registered at any time after the expiry of seven (7) years from the date of registration;

(d) any allotment letters after the expiry of seven (7) years from the date of issue thereof; and

(e) copies of powers of attorney, grants of probate and letters of administration at any time after the expiry of seven (7) years after the account to which the relevant power of attorney, grant of probate or letters of administration related has been closed;

and it shall conclusively be presumed in favour of the Company that every entry in the Register purporting to be made on the basis of any such documents so destroyed was duly and properly made and every share certificate so destroyed was a valid certificate duly and properly cancelled and that every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered and that every other document destroyed hereunder was a valid and effective document in accordance with the recorded particulars thereof in the books or records of the Company. *Provided* always that: (1) the foregoing provisions of this Article 132 shall apply only to the destruction of a document in good faith and without express notice to the Company that the preservation of such document was relevant to a claim; (2) nothing contained in this Article 132 shall be construed as imposing upon the Company any liability in respect of the destruction of any such document earlier than as aforesaid or in any case where the conditions of proviso (1) above are not fulfilled; and (3) references in this Article to the destruction of any document include references to its disposal in any manner.

(2) Notwithstanding any provision contained in these Articles, the Directors may, if permitted by applicable law, authorise the destruction of documents set out in sub-paragraphs (a) to (e) of paragraph (1) of this Article 132 and any other documents in relation to share registration which have been microfilmed or electronically stored by the Company or by the share registrar on its behalf *provided* always that this Article shall apply only to the destruction of a document in good faith and without express notice to the Company and its share registrar that the preservation of such document was relevant to a claim.

DIVIDENDS AND OTHER PAYMENTS

133. Subject to the Law and any rights and restrictions for the time being attached to any class or classes of shares and these Articles, the Board may from time to time declare dividends in any currency to be paid to the Members and other distributions on shares in issue and authorise payment of the same out of the funds of the Company lawfully available therefor. At any and every time the Board declares dividends, Class A Ordinary Shares and Class B Ordinary Shares shall have identical rights in the dividends so declared.

134. Dividends may be declared and paid out of the profits of the Company, realised or unrealised, or from any reserve set aside from profits which the Directors determine is no longer needed. The Board may also declare and pay dividends out of share premium account or any other fund or account which can be authorised for this purpose in accordance with the Law.

135. Except in so far as the rights attaching to, or the terms of issue of, any share otherwise provide,

    (a) all dividends shall be declared and paid according to the amounts paid up on the shares in respect of which the dividend is paid, but no amount paid up on a share in advance of calls shall be treated for the purposes of this Article as paid up on the share; and

    (b) all dividends shall be apportioned and paid pro rata according to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid.

136. The Board may from time to time pay to the Members such interim dividends as appear to the Board to be justified by the profits of the Company and in particular (but without prejudice to the generality of the foregoing) if at any time the share capital of the Company is divided into different classes, the Board may pay such interim dividends in respect of those shares in the capital of the Company which confer on the holders thereof deferred or non-preferential rights as well as in respect of those shares which confer on the holders thereof preferential rights with regard to dividend and may also pay any fixed dividend which is payable on any shares of the Company half-yearly or on any other dates, whenever such profits, in the opinion of the Board, justifies such payment. The Board shall not incur any responsibility to the holders of shares conferring any preference for any damage that they may suffer by reason of the payment of an interim dividend on any shares having deferred or non-preferential rights

137. The Board may deduct from any dividend or other moneys payable to a Member by the Company on or in respect of any shares all sums of money (if any) presently payable by him to the Company on account of calls or otherwise.

138. No dividend or other moneys payable by the Company on or in respect of any share shall bear interest against the Company.

139. Any dividend, interest or other sum payable in cash to the holder of shares may be paid by cheque or warrant sent through the post addressed to the holder at his registered address or, in the case of joint holders, addressed to the holder whose name stands first in the Register in respect of the shares at his address as appearing in the Register or addressed to such person and at such address as the holder or joint holders may in writing direct. Every such cheque or warrant shall, unless the holder or joint holders otherwise direct, be made payable to the order of the holder or, in the case of joint holders, to the order of the holder whose name stands first on the Register in respect of such shares, and shall be sent at his or their risk and payment of the cheque or warrant by the bank on which it is drawn shall constitute a good discharge to the Company notwithstanding that it may subsequently appear that the same has been stolen or that any endorsement thereon has been forged. Any one of two or more joint holders may give effectual receipts for any dividends or other moneys payable or property distributable in respect of the shares held by such joint holders.

140. All dividends or bonuses unclaimed for one (1) year after having been declared may be invested or otherwise made use of by the Board for the benefit of the Company until claimed. Any dividend or bonuses unclaimed after a period of six (6) years from the date of declaration shall be forfeited and shall revert to the Company. The payment by the Board of any unclaimed dividend or other sums payable on or in respect of a share into a separate account shall not constitute the Company a trustee in respect thereof.

141. Whenever the Board has resolved that a dividend be paid or declared, the Board may further resolve that such dividend be satisfied wholly or in part by the distribution of specific assets of any kind and in particular of paid up shares, debentures or warrants to subscribe securities of the Company or any other company, or in any one or more of such ways, and where any difficulty arises in regard to the distribution the Board may settle the same as it thinks expedient, and in particular may issue certificates in respect of fractions of shares, disregard fractional entitlements or round the same up or down, and may fix the value for distribution of such specific assets, or any part thereof, and may determine that cash payments shall be made to any Members upon the basis of the value so fixed in order to adjust the rights of all parties, and may vest any such specific assets in trustees as may seem expedient to the Board and may appoint any person to sign any requisite instruments of transfer and other documents on behalf of the persons entitled to the dividend, and such appointment shall be effective and binding on the Members. The Board may resolve that no such assets shall be made available to Members with registered addresses in any particular territory or territories where, in the absence of a registration statement or other special formalities, such distribution of assets would or might, in the opinion of the Board, be unlawful or impracticable and in such event the only entitlement of the Members aforesaid shall be to receive cash payments as aforesaid. Members affected as a result of the foregoing sentence shall not be or be deemed to be a separate class of Members for any purpose whatsoever.

142. (1) Whenever the Board has resolved that a dividend be paid or declared on any class of the share capital of the Company, the Board may further resolve either:

(a) that such dividend be satisfied wholly or in part in the form of an allotment of shares credited as fully paid up, *provided* that the Members entitled thereto will be entitled to elect to receive such dividend (or part thereof if the Board so determines) in cash in lieu of such allotment. In such case, the following provisions shall apply:

(i) the basis of any such allotment shall be determined by the Board;

(ii) the Board, after determining the basis of allotment, shall give not less than ten (10) days' Notice to the holders of the relevant shares of the right of election accorded to them and shall send with such notice forms of election and specify the procedure to be followed and the place at which and the latest date and time by which duly completed forms of election must be lodged in order to be effective;

(iii) the right of election may be exercised in respect of the whole or part of that portion of the dividend in respect of which the right of election has been accorded; and

(iv) the dividend (or that part of the dividend to be satisfied by the allotment of shares as aforesaid) shall not be payable in cash on shares in respect whereof the cash election has not been duly exercised ("the non-elected shares") and in satisfaction thereof shares of the relevant class shall be allotted credited as fully paid up to the holders of the non-elected shares on the basis of allotment determined as aforesaid and for such purpose the Board shall capitalise and apply out of any part of the undivided profits of the Company (including profits carried and standing to the credit of any reserves or other special account, share premium account, capital redemption reserve other than the Subscription Rights Reserve) as the Board may determine, such sum as may be required to pay up in full the appropriate number of shares of the relevant class for allotment and distribution to and amongst the holders of the non-elected shares on such basis; or

(b) that the Members entitled to such dividend shall be entitled to elect to receive an allotment of shares credited as fully paid up in lieu of the whole or such part of the dividend as the Board may think fit. In such case, the following provisions shall apply:

(i) the basis of any such allotment shall be determined by the Board;

(ii) the Board, after determining the basis of allotment, shall give not less than ten (10) days' Notice to the holders of the relevant shares of the right of election accorded to them and shall send with such notice forms of election and specify the procedure to be followed and the place at which and the latest date and time by which duly completed forms of election must be lodged in order to be effective;

(iii) the right of election may be exercised in respect of the whole or part of that portion of the dividend in respect of which the right of election has been accorded; and

(iv) the dividend (or that part of the dividend in respect of which a right of election has been accorded) shall not be payable in cash on shares in respect whereof the share election has been duly exercised ("the elected shares") and in satisifaction thereof shares of the relevant class shall be allotted credited as fully paid up to the holders of the elected shares on the basis of allotment determined as aforesaid and for such purpose the Board shall capitalise and apply out of any part of the undivided profits of the Company (including profits carried and standing to the credit of any reserves or other special account, share premium account, capital redemption reserve other than the Subscription Rights Reserve) as the Board may determine, such sum as may be required to pay up in full the appropriate number of shares of the relevant class for allotment and distribution to and amongst the holders of the elected shares on such basis.

(2) (a) The shares allotted pursuant to the provisions of paragraph (1) of this Article 142 shall rank *pari passu* in all respects with shares of the same class (if any) then in issue save only as regards participation in the relevant dividend or in any other distributions, bonuses or rights paid, made, declared or announced prior to or contemporaneously with the payment or declaration of the relevant dividend unless, contemporaneously with the announcement by the Board of their proposal to apply the provisions of sub-paragraph (a) or (b) of paragraph (2) of this Article 142 in relation to the relevant dividend or contemporaneously with their announcement of the distribution, bonus or rights in question, the Board shall specify that the shares to be allotted pursuant to the provisions of paragraph (1) of this Article shall rank for participation in such distribution, bonus or rights.

(b) The Board may do all acts and things considered necessary or expedient to give effect to any capitalisation pursuant to the provisions of paragraph (1) of this Article 142 , with full power to the Board to make such provisions as it thinks fit in the case of shares becoming distributable in fractions (including provisions whereby, in whole or in part, fractional entitlements are aggregated and sold and the net proceeds distributed to those entitled, or are disregarded or rounded up or down or whereby the benefit of fractional entitlements accrues to the Company rather than to the Members concerned). The Board may authorise any person to enter into on behalf of all Members interested, an agreement with the Company providing for such capitalisation and matters incidental thereto and any agreement made pursuant to such authority shall be effective and binding on all concerned.

(3) The Board may resolve in respect of any one particular dividend of the Company that notwithstanding the provisions of paragraph (1) of this Article 142 a dividend may be satisfied wholly in the form of an allotment of shares credited as fully paid up without offering any right to shareholders to elect to receive such dividend in cash in lieu of such allotment.

(4) The Board may on any occasion determine that rights of election and the allotment of shares under paragraph (1) of this Article 142 shall not be made available or made to any shareholders with registered addresses in any territory where, in the absence of a registration statement or other special formalities, the circulation of an offer of such rights of election or the allotment of shares would or might, in the opinion of the Board, be unlawful or impracticable, and in such event the provisions aforesaid shall be read and construed subject to such determination. Members affected as a result of the foregoing sentence shall not be or be deemed to be a separate class of Members for any purpose whatsoever.

(5) Any resolution declaring a dividend on shares of any class may specify that the same shall be payable or distributable to the persons registered as the holders of such shares at the close of business on a particular date, notwithstanding that it may be a date prior to that on which the resolution is passed, and thereupon the dividend shall be payable or distributable to them in accordance with their respective holdings so registered, but without prejudice to the rights inter se in respect of such dividend of transferors and transferees of any such shares. The provisions of this Article shall *mutatis mutandis* apply to bonuses, capitalisation issues, distributions of realised capital profits or offers or grants made by the Company to the Members.

RESERVES

143. (1)The Board shall establish an account to be called the share premium account and shall carry to the credit of such account from time to time a sum equal to the amount or value of the premium paid on the issue of any share in the Company. Unless otherwise provided by the provisions of these Articles, the Board may apply the share premium account in any manner permitted by the Law. The Company shall at all times comply with the provisions of the Law in relation to the share premium account.

(2) Before recommending any dividend, the Board may set aside out of the profits of the Company such sums as it determines as reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied and pending such application may, also at such discretion, either be employed in the business of the Company or be invested in such investments as the Board may from time to time think fit and so that it shall not be necessary to keep any investments constituting the reserve or reserves separate or distinct from any other investments of the Company. The Board may also without placing the same to reserve carry forward any profits which it may think prudent not to distribute.

144. (1) The Company may, upon the recommendation of the Board, at any time and from time to time pass an ordinary resolution to the effect that it is desirable to capitalise all or any part of any amount for the time being standing to the credit of any reserve or fund (including a share premium account and capital redemption reserve and the profit and loss account) whether or not the same is available for distribution and accordingly that such amount be set free for distribution among the Members or any class of Members who would be entitled thereto if it were distributed by way of dividend and in the same proportions, on the basis that the same is not paid in cash but is applied either in or towards paying up the amounts for the time being unpaid on any shares in the Company held by such Members respectively or in paying up in full unissued shares, debentures or other obligations of the Company, to be allotted and distributed credited as fully paid up among such Members, or partly in one way and partly in the other, and the Board shall give effect to such resolution *provided* that, for the purposes of this Article 144, a share premium account and any capital redemption reserve or fund representing unrealised profits, may be applied only in paying up in full unissued shares of the Company to be allotted to such Members credited as fully paid.

(2) Notwithstanding any provisions in these Articles, the Board may resolve to capitalise all or any part of any amount for the time being standing to the credit of any reserve or fund (including a share premium account and the profit and loss account) whether or not the same is available for distribution by applying such sum in paying up unissued shares to be allotted to (i) employees (including directors) of the Company and/or its affiliates (meaning any individual, corporation, partnership, association, joint-stock company, trust, unincorporated association or other entity (other than the Company) that directly, or indirectly through one or more intermediaries, controls, is controlled by or is under common control with, the Company) upon exercise or vesting of any options or awards granted under any share incentive scheme or employee benefit scheme or other arrangement which relates to such persons that has been adopted or approved by the Members at a general meeting, or (ii) any trustee of any trust to whom shares are to be allotted and issued by the Company in connection with the operation of any share incentive scheme or employee benefit scheme or other arrangement which relates to such persons that has been adopted or approved by the Members at a general meeting.

145. The Board may settle, as it considers appropriate, any difficulty arising in regard to any distribution under Article 144 and in particular may issue certificates in respect of fractions of shares or authorise any person to sell and transfer any fractions or may resolve that the distribution should be as nearly as may be practicable in the correct proportion but not exactly so or may ignore fractions altogether, and may determine that cash payments shall be made to any Members in order to adjust the rights of all parties, as may seem expedient to the Board. The Board may appoint any person to sign on behalf of the persons entitled to participate in the distribution any contract necessary or desirable for giving effect thereto and such appointment shall be effective and binding upon the Members.

146. The following provisions shall have effect to the extent that they are not prohibited by and are in compliance with the Law:

(1) If, so long as any of the rights attached to any warrants issued by the Company to subscribe for shares of the Company shall remain exercisable, the Company does any act or engages in any transaction which, as a result of any adjustments to the subscription price in accordance with the provisions of the conditions of the warrants, would reduce the subscription price to below the par value of a share, then the following provisions shall apply:

(a) as from the date of such act or transaction the Company shall establish and thereafter (subject as provided in this Article 146) maintain in accordance with the provisions of this Article 146 a reserve (the "Subscription Rights Reserve") the amount of which shall at no time be less than the sum which for the time being would be required to be capitalised and applied in paying up in full the nominal

amount of the additional shares required to be issued and allotted credited as fully paid pursuant to sub-paragraph (c) below on the exercise in full of all the subscription rights outstanding and shall apply the Subscription Rights Reserve in paying up such additional shares in full as and when the same are allotted;

(b) the Subscription Rights Reserve shall not be used for any purpose other than that specified above unless all other reserves of the Company (other than share premium account) have been extinguished and will then only be used to make good losses of the Company if and so far as is required by the Law;

(c) upon the exercise of all or any of the subscription rights represented by any warrant, the relevant subscription rights shall be exercisable in respect of a nominal amount of shares equal to the amount in cash which the holder of such warrant is required to pay on exercise of the subscription rights represented thereby (or, as the case may be the relevant portion thereof in the event of a partial exercise of the subscription rights) and, in addition, there shall be allotted in respect of such subscription rights to the exercising warrantholder, credited as fully paid, such additional nominal amount of shares as is equal to the difference between:

(i) the said amount in cash which the holder of such warrant is required to pay on exercise of the subscription rights represented thereby (or, as the case may be, the relevant portion thereof in the event of a partial exercise of the subscription rights); and

(ii) the nominal amount of shares in respect of which such subscription rights would have been exercisable having regard to the provisions of the conditions of the warrants, had it been possible for such subscription rights to represent the right to subscribe for shares at less than par and immediately upon such exercise so much of the sum standing to the credit of the Subscription Rights Reserve as is required to pay up in full such additional nominal amount of shares shall be capitalised and applied in paying up in full such additional nominal amount of shares which shall forthwith be allotted credited as fully paid to the exercising warrantholders; and

(d) if, upon the exercise of the subscription rights represented by any warrant, the amount standing to the credit of the Subscription Rights Reserve is not sufficient to pay up in full such additional nominal amount of shares equal to such difference as aforesaid to which the exercising warrantholder is entitled, the Board shall apply any profits or reserves then or thereafter becoming available (including, to the extent permitted by the Law, share premium account) for such purpose until such additional nominal amount of shares is paid up and allotted as aforesaid and until then no dividend or other distribution shall be paid or made on the fully paid shares of the Company then in issue. Pending such payment and allotment, the exercising warrantholder shall be issued by the Company with a certificate evidencing his right to the allotment of such additional nominal amount of shares. The rights represented by any such certificate shall be in registered form and shall be transferable in whole or in part in units of one share in the like manner as the shares for the time being are transferable, and the Company shall make such arrangements in relation to the maintenance of a register therefor and other matters in relation thereto as the Board may think fit and adequate particulars thereof shall be made known to each relevant exercising warrantholder upon the issue of such certificate.

(2) Shares allotted pursuant to the provisions of this Article shall rank *pari passu* in all respects with the other shares allotted on the relevant exercise of the subscription rights represented by the warrant concerned. Notwithstanding anything contained in paragraph (1) of this Article, no fraction of any share shall be allotted on exercise of the subscription rights.

(3) The provision of this Article as to the establishment and maintenance of the Subscription Rights Reserve shall not be altered or added to in any way which would vary or abrogate, or which would have the effect of varying or abrogating the provisions for the benefit of any warrantholder or class of warrantholders under this Article without the sanction of a special resolution of such warrantholders or class of warrantholders.

(4) A certificate or report by the auditors for the time being of the Company as to whether or not the Subscription Rights Reserve is required to be established and maintained and if so the amount thereof so required to be established and maintained, as to the purposes for which the Subscription Rights Reserve has been used, as to the extent to which it has been used to make good losses of the Company, as to the additional nominal amount of shares required to be allotted to exercising warrantholders credited as fully paid, and as to any other matter concerning the Subscription Rights Reserve shall (in the absence of manifest error) be conclusive and binding upon the Company and all warrantholders and shareholders.

ACCOUNTING RECORDS

147. The Board shall cause true accounts to be kept of the sums of money received and expended by the Company, and the matters in respect of which such receipt and expenditure take place, and of the property, assets, credits and liabilities of the Company and of all other matters required by the Law or necessary to give a true and fair view of the Company's affairs and to explain its transactions.

148. The accounting records shall be kept at the Office or, at such other place or places as the Board decides and shall always be open to inspection by the Directors. No Member (other than a Director) shall have any right of inspecting any accounting record or book or document of the Company except as conferred by the Law or authorised by the Board or the Members in general meeting.

149. Subject to Article 150, a printed copy of the Directors' report, accompanied by the balance sheet and profit and loss account, including every document required by the Law to be annexed thereto, made up to the end of the applicable financial year and containing a summary of the assets and liabilities of the Company under convenient heads and a statement of income and expenditure, together with a copy of the Auditors' report, shall be sent to each person entitled thereto at least ten (10) days before the date of the general meeting and laid before the Company at the annual general meeting held in accordance with Article 56 *provided* that this Article 150 shall not require a copy of those documents to be sent to any person whose address the Company is not aware or to more than one of the joint holders of any shares or debentures.

150. Subject to due compliance with all applicable Statutes, rules and regulations, including, without limitation, the rules of the Designated Stock Exchange, and to obtaining all necessary consents, if any, required thereunder, the requirements of Article 149 shall be deemed satisfied in relation to any person by sending to the person in any manner not prohibited by the Statutes, a summary financial statement derived from the Company's annual accounts and the directors' report which shall be in the form and containing the information required by applicable laws and regulations, *provided* that any person who is otherwise entitled to the annual financial statements of the Company and the directors' report thereon may, if he so requires by Notice served on the Company, demand that the Company sends to him, in addition to a summary financial statement, a complete printed copy of the Company's annual financial statement and the directors' report thereon.

151. The requirement to send to a person referred to in Article 149 the documents referred to in that article or a summary financial report in accordance with Article 150 shall be deemed satisfied where, in accordance with all applicable Statutes, rules and regulations, including, without limitation, the rules of the Designated Stock Exchange, the Company publishes copies of the documents referred to in Article 149 and, if applicable, a summary financial report complying with Article 150, on the Company's computer network or in any other permitted manner (including by sending any form of electronic communication), and that person has agreed or is deemed to have agreed to treat the publication or receipt of such documents in such manner as discharging the Company's obligation to send to him a copy of such documents.

AUDIT

152. Subject to applicable law and rules of the Designated Stock Exchange, the Board may appoint an Auditor, who shall hold office until removed from office by a resolution of the Board, to audit the accounts of the Company. Such auditor may be a Member but no Director or officer or employee of the Company shall, during his continuance in office, be eligible to act as an auditor of the Company.

153. Subject to the Law the accounts of the Company shall be audited at least once in every year.

154. The remuneration of the Auditor shall be determined by the Audit Committee or, in the absence of such an Audit Committee, by the Board.

155. If the office of auditor becomes vacant by the resignation or death of the Auditor, or by his becoming incapable of acting by reason of illness or other disability at a time when his services are required, the Directors shall fill the vacancy and determine the remuneration of such Auditor.

156. The Auditor shall at all reasonable times have access to all books kept by the Company and to all accounts and vouchers relating thereto; and he may call on the Directors or officers of the Company for any information in their possession relating to the books or affairs of the Company.

157. The statement of income and expenditure and the balance sheet provided for by these Articles shall be examined by the Auditor and compared by him with the books, accounts and vouchers relating thereto; and he shall make a written report thereon stating whether such statement and balance sheet are drawn up so as to present fairly the financial position of the Company and the results of its operations for the period under review and, in case information shall have been called for from Directors or officers of the Company, whether the same has been furnished and has been satisfactory. The financial statements of the Company shall be audited by the Auditor in accordance with generally accepted auditing standards. The Auditor shall make a written report thereon in accordance with generally accepted auditing standards and the report of the Auditor shall be submitted to the Audit Committee. The generally accepted auditing standards referred to herein may be those of a country or jurisdiction other than the Cayman Islands. If so, the financial statements and the report of the Auditor should disclose this fact and name such country or jurisdiction.

NOTICES

158. Any Notice or document, whether or not, to be given or issued under these Articles from the Company to a Member shall be in writing or by cable, telex or facsimile transmission message or other form of electronic transmission or communication and any such notice and document may be served or delivered by the Company on or to any Member either personally or by sending it through the post in a prepaid envelope addressed to such Member at his registered address as appearing in the Register or at any other address supplied by him to the Company for the purpose or, as the case may be, by transmitting it to any such address or transmitting it to any telex or facsimile transmission number or electronic number or address or website supplied by him to the Company for the giving of notice to him or which the person transmitting the notice reasonably and bona fide believes at the relevant time will result in the Notice being duly received by the Member or may also be served by advertisement in appropriate newspapers in accordance with the requirements of the Designated Stock Exchange or, to the extent permitted by the applicable laws and the requirements of the Designated Stock Exchange, by placing it on the Company's website. In the case of joint holders of a share all notices shall be given to that one of the joint holders whose name stands first in the Register and notice so given shall be deemed a sufficient service on or delivery to all the joint holders.

159. Any Notice or other document:

(a) if served or delivered by post, shall where appropriate be sent by airmail and shall be deemed to have been served or delivered on the day following that on which the envelope containing the same, properly prepaid and addressed, is put into the post; in proving such service or delivery it shall be sufficient to prove that the envelope or wrapper containing the notice or document was properly addressed and put into the post and a certificate in writing signed by the Secretary or other officer of the Company or other person appointed by the Board that the envelope or wrapper containing the notice or other document was so addressed and put into the post shall be conclusive evidence thereof;

(b) if sent by electronic communication, shall be deemed to be given on the day on which it is transmitted from the server of the Company or its agent. A notice placed on the Company's website is deemed given by the Company to a Member on the day following that on which a notice of availability is deemed served on the Member;

(c) if served or delivered in any other manner contemplated by these Articles, shall be deemed to have been served or delivered at the time of personal service or delivery or, as the case may be, at the time of the relevant despatch or transmission; and in proving such service or delivery a certificate in writing signed by the Secretary or other officer of the Company or other person appointed by the Board as to the act and time of such service, delivery, despatch or transmission shall be conclusive evidence thereof; and

(d) may be given to a Member in the English language or such other language as may be approved by the Directors, subject to due compliance with all applicable Statutes, rules and regulations.

160. (1) Any Notice or other document delivered or sent by post to or left at the registered address of any Member in pursuance of these Articles shall, notwithstanding that such Member is then dead or bankrupt or that any other event has occurred, and whether or not the Company has notice of the death or bankruptcy or other event, be deemed to have been duly served or delivered in respect of any share registered in the name of such Member as sole or joint holder unless his name shall, at the time of the service or delivery of the notice or document, have been removed from the Register as the holder of the share, and such service or delivery shall for all purposes be deemed a sufficient service or delivery of such Notice or document on all persons interested (whether jointly with or as claiming through or under him) in the share.

(2) A notice may be given by the Company to the person entitled to a share in consequence of the death, mental disorder or bankruptcy of a Member by sending it through the post in a prepaid letter, envelope or wrapper addressed to him by name, or by the title of representative of the deceased, or trustee of the bankrupt, or by any like description, at the address, if any, supplied for the purpose by the person claiming to be so entitled, or (until such an address has been so supplied) by giving the notice in any manner in which the same might have been given if the death, mental disorder or bankruptcy had not occurred.

(3) Any person who by operation of law, transfer or other means whatsoever shall become entitled to any share shall be bound by every notice in respect of such share which prior to his name and address being entered on the Register shall have been duly given to the person from whom he derives his title to such share.

SIGNATURES

161. For the purposes of these Articles, a cable or telex or facsimile or electronic transmission message purporting to come from a holder of shares or, as the case may be, a Director, or, in the case of a corporation which is a holder of shares from a director or the secretary thereof or a duly appointed attorney or duly authorised representative thereof for it and on its behalf, shall in the absence of express evidence to the contrary available to the person relying thereon at the relevant time be deemed to be a document or instrument in writing signed by such holder or Director in the terms in which it is received.

WINDING UP

162. (1) The Board shall have power in the name and on behalf of the Company to present a petition to the court for the Company to be wound up.

(2) A resolution that the Company be wound up by the court or be wound up voluntarily shall be a special resolution.

163. (1) Subject to any special rights, privileges or restrictions as to the distribution of available surplus assets on liquidation for the time being attached to any class or classes of shares (i) if the Company shall be wound up and the assets available for distribution amongst the Members of the Company shall be more than sufficient to repay the whole of the capital paid up at the commencement of the winding up, the excess shall be distributed *pari passu* amongst such members in proportion to the amount paid up on the shares held by them respectively and (ii) if the Company shall be wound up and the assets available for distribution amongst the Members as such shall be insufficient to repay the whole of the paid-up capital such assets shall be distributed so that, a nearly as may be, the losses shall be borne by the Members in proportion to the capital paid up, or which ought to have been paid up, at the commencement of the winding up on the shares held by them respectively.

(2) If the Company shall be wound up (whether the liquidation is voluntary or by the court) the liquidator may, with the authority of a special resolution and any other sanction required by the Law, divide among the Members in specie or kind the whole or any part of the assets of the Company and whether or not the assets shall consist of properties of one kind or shall consist of properties to be divided as aforesaid of different kinds, and may for such purpose set such value as he deems fair upon any one or more class or classes of property and may determine how such division shall be carried out as between the Members or different classes of Members. The liquidator may, with the like authority, vest any part of the assets in trustees upon such trusts for the benefit of the Members as the liquidator with the like authority shall think fit, and the liquidation of the Company may be closed and the Company dissolved, but so that no contributory shall be compelled to accept any shares or other property in respect of which there is a liability.

INDEMNITY

164. (1) The Directors, Secretary and other officers and every Auditor of the Company at any time, whether at present or in the past, and the liquidator or trustees (if any) acting or who have acted in relation to any of the affairs of the Company and every one of them, and every one of their heirs, executors and administrators, shall be indemnified and secured harmless out of the assets and profits of the Company from and against all actions, costs, charges, losses, damages and expenses which they or any of them, their or any of their heirs, executors or administrators, shall or may incur or sustain by or by reason of any act done, concurred in or omitted in or about the execution of their duty, or supposed duty, in their respective offices or trusts; and none of them shall be answerable for the acts, receipts, neglects or defaults of the other or others of them or for joining in any receipts for the sake of conformity, or for any bankers or other persons with whom any moneys or effects belonging to the Company shall or may be lodged or deposited for safe custody, or for insufficiency or deficiency of any security upon which any moneys of or belonging to the Company shall be placed out on or invested, or for any other loss, misfortune or damage which may happen in the execution of their respective offices or trusts, or in relation thereto, *provided* that this indemnity shall not extend to any matter in respect of any fraud or dishonesty which may attach to any of said persons.

(2) Each Member agrees to waive any claim or right of action he might have, whether individually or by or in the right of the Company, against any Director on account of any action taken by such Director, or the failure of such Director to take any action in the performance of his duties with or for the Company, *provided* that such waiver shall not extend to any matter in respect of any fraud or dishonesty which may attach to such Director.

AMENDMENT TO MEMORANDUM AND ARTICLES OF ASSOCIATION AND NAME OF COMPANY

165. No Article shall be rescinded, altered or amended and no new Article shall be made until the same has been approved by a special resolution of the Members. A special resolution shall be required to alter the provisions of the Memorandum of Association or to change the name of the Company.

INFORMATION

166. No Member shall be entitled to require discovery of or any information respecting any detail of the Company's trading or any matter which is or may be in the nature of a trade secret or secret process which may relate to the conduct of the business of the Company and which in the opinion of the Directors it will be inexpedient in the interests of the members of the Company to communicate to the public.

Exhibit 2.1

File No. 333-234252

Note: This revised form of American Depositary Receipt is being filed to reflect that the ratio of Shares per American Depositary Share has changed from 15,000 shares to 600,000 shares, effective December 7, 2023.

AMERICAN DEPOSITARY SHARES
(Each American Depositary Share represents
600,000 deposited Shares)

THE BANK OF NEW YORK MELLON
AMERICAN DEPOSITARY RECEIPT
FOR CLASS A ORDINARY SHARES OF
FLJ GROUP LIMITED
(INCORPORATED UNDER THE LAWS OF THE CAYMAN ISLANDS)

The Bank of New York Mellon, as depositary (hereinafter called the "Depositary"), hereby certifies that_____, or registered assigns IS THE OWNER OF _____

AMERICAN DEPOSITARY SHARES

representing deposited Class A ordinary shares (herein called "Shares") of FLJ Group Limited, incorporated under the laws of the Cayman Islands (herein called the "Company"). At the date hereof, each American Depositary Share represents 600,000 Shares deposited or subject to deposit under the Deposit Agreement (as such term is hereinafter defined) with a custodian for the Depositary (herein called the "Custodian") that, as of the date of the Deposit Agreement, was The Hongkong and Shanghai Banking Corporation Limited, located in Hong Kong. The Depositary's Office and its principal executive office are located at 240 Greenwich Street, New York, N.Y. 10286.

THE DEPOSITARY'S OFFICE ADDRESS IS
240 GREENWICH STREET, NEW YORK, N.Y. 10286

1. THE DEPOSIT AGREEMENT.

This American Depositary Receipt is one of an issue (herein called "Receipts"), all issued and to be issued upon the terms and conditions set forth in the Deposit Agreement dated as of November 4, 2019 (herein called the "Deposit Agreement") among the Company, the Depositary, and all Owners and Holders from time to time of American Depositary Shares issued thereunder, each of whom by accepting American Depositary Shares agrees to become a party thereto and become bound by all the terms and conditions thereof. The Deposit Agreement sets forth the rights of Owners and Holders and the rights and duties of the Depositary in respect of the Shares deposited thereunder and any and all other securities, property and cash from time to time received in respect of those Shares and held thereunder (those Shares, securities, property, and cash are herein called "Deposited Securities"). Copies of the Deposit Agreement are on file at the Depositary's Office in New York City and at the office of the Custodian.

The statements made on the face and reverse of this Receipt are summaries of certain provisions of the Deposit Agreement and are qualified by and subject to the detailed provisions of the Deposit Agreement, to which reference is hereby made. Capitalized terms defined in the Deposit Agreement and not defined herein shall have the meanings set forth in the Deposit Agreement.

2. SURRENDER OF AMERICAN DEPOSITARY SHARES AND WITHDRAWAL OF SHARES.

Upon surrender of American Depositary Shares for the purpose of withdrawal of the Deposited Securities represented thereby and payment of the fee of the Depositary for the surrender of American Depositary Shares as provided in Section 5.9 of the Deposit Agreement and payment of all taxes and governmental charges payable in connection with that surrender and withdrawal of the Deposited Securities, and subject to the terms and conditions of the Deposit Agreement, the Owner of those American Depositary Shares shall be entitled to delivery (to the extent delivery can then be lawfully and practicably made), to or as instructed by that Owner, of the amount of Deposited Securities at the time represented by those American Depositary Shares, but not any money or other property as to which a record date for distribution to Owners has passed (since money or other property of that kind will be delivered or paid on the scheduled payment date to the Owner as of that record date), and except that the Depositary shall not be required to accept surrender of American Depositary Shares for the purpose of withdrawal to the extent it would require delivery of a fraction of a Deposited Security. The Depositary shall direct the Custodian with respect to delivery of Deposited Securities and may charge the surrendering Owner a fee and its expenses for giving that direction by cable (including SWIFT) or facsimile transmission. If Deposited Securities are delivered physically upon surrender of American Depositary Shares for the purpose of withdrawal, that delivery will be made at the Custodian's office, except that, at the request, risk and expense of the surrendering Owner, and for the account of that Owner, the Depositary shall direct the Custodian to forward any cash or other property comprising, and forward a certificate or certificates, if applicable, and other proper documents of title, if any, for, the Deposited Securities represented by the surrendered American Depositary Shares to the Depositary for delivery at the Depositary's Office or to another address specified in the order received from the surrendering Owner.

3. REGISTRATION OF TRANSFER OF AMERICAN DEPOSITARY SHARES; COMBINATION AND SPLIT-UP OF RECEIPTS; INTERCHANGE OF CERTIFICATED AND UNCERTIFICATED AMERICAN DEPOSITARY SHARES.

The Depositary, subject to the terms and conditions of the Deposit Agreement, shall register a transfer of American Depositary Shares on its transfer books upon (i) in the case of certificated American Depositary Shares, surrender of the Receipt evidencing those American Depositary Shares, by the Owner or by a duly authorized attorney, properly endorsed or accompanied by proper instruments of transfer or (ii) in the case of uncertificated American Depositary Shares, receipt from the Owner of a proper instruction (including, for the avoidance of doubt, instructions through DRS and Profile as provided in Section 2.9 of that Agreement), and, in either case, duly stamped as may be required by the laws of the State of New York and of the United States of America. Upon registration of a transfer, the Depositary shall deliver the transferred American Depositary Shares to or upon the order of the person entitled thereto.

The Depositary, subject to the terms and conditions of the Deposit Agreement, shall upon surrender of a Receipt or Receipts for the purpose of effecting a split-up or combination of such Receipt or Receipts, execute and deliver a new Receipt or Receipts for any authorized number of American Depositary Shares requested, evidencing the same aggregate number of American Depositary Shares as the Receipt or Receipts surrendered.

The Depositary, upon surrender of certificated American Depositary Shares for the purpose of exchanging for uncertificated American Depositary Shares, shall cancel the Receipt evidencing those certificated American Depositary Shares and send the Owner a statement confirming that the Owner is the owner of the same number of uncertificated American Depositary Shares. The Depositary, upon receipt of a proper instruction (including, for the avoidance of doubt, instructions through DRS and Profile as provided in Section 2.9 of the Deposit Agreement) from the Owner of uncertificated American Depositary Shares for the purpose of exchanging for certificated American Depositary Shares, shall cancel those uncertificated American Depositary Shares and register and deliver to the Owner a Receipt evidencing the same number of certificated American Depositary Shares.

As a condition precedent to the delivery, registration of transfer, or surrender of any American Depositary Shares or split-up or combination of any Receipt or withdrawal of any Deposited Securities, the Depositary, the Custodian, or Registrar may require payment from the depositor of the Shares or the presenter of the Receipt or instruction for registration of transfer or surrender of American Depositary Shares not evidenced by a Receipt of a sum sufficient to reimburse it for any tax or other governmental charge and any stock transfer or registration fee with respect thereto (including any such tax or charge and fee with respect to Shares being deposited or withdrawn) and payment of any applicable fees as provided in the Deposit Agreement, may require the production of proof satisfactory to it as to the identity and genuineness of any signature and may also require compliance with any regulations the Depositary may establish consistent with the provisions of the Deposit Agreement.

The Depositary may refuse to accept deposits of Shares for delivery of American Depositary Shares or to register transfers of American Depositary Shares in particular instances, or may suspend deposits of Shares or registration of transfer generally, whenever it or the Company considers it necessary or advisable to do so. The Depositary may refuse surrenders of American Depositary Shares for the purpose of withdrawal of Deposited Securities in particular instances, or may suspend surrenders for the purpose of withdrawal generally, but, notwithstanding anything to the contrary in the Deposit Agreement, only for (i) temporary delays caused by closing of the Depositary's register or the register of holders of Shares maintained by the Company or the Foreign Registrar, or the deposit of Shares, in connection with voting at a shareholders' meeting or the payment of dividends, (ii) the payment of fees, taxes and similar charges, (iii) compliance with any U.S. or foreign laws or governmental regulations relating to the American Depositary Shares or to the withdrawal of the Deposited Securities or (iv) any other reason that, at the time, is permitted under paragraph I(A)(1) of the General Instructions to Form F-6 under the Securities Act of 1993 or any successor to that provision.

The Depositary shall not knowingly accept for deposit under the Deposit Agreement any Shares that, at the time of deposit, are Restricted Securities.

4. LIABILITY OF OWNER FOR TAXES.

If any tax or other governmental charge shall become payable by the Custodian or the Depositary with respect to or in connection with any American Depositary Shares or any Deposited Securities represented by any American Depositary Shares or in connection with a transaction to which Section 4.8 of the Deposit Agreement applies, that tax or other governmental charge shall be payable by the Owner of those American Depositary Shares to the Depositary. The Depositary may refuse to register any transfer of those American Depositary Shares or any withdrawal of Deposited Securities represented by those American Depositary Shares until that payment is made, and may withhold any dividends or other distributions or the proceeds thereof, or may sell for the account of the Owner any part or all of the Deposited Securities represented by those American Depositary Shares, and may apply those dividends or other distributions or the net proceeds of any sale of that kind in payment of that tax or other governmental charge but, even after a sale of that kind, the Owner shall remain liable for any deficiency. The Depositary shall distribute any net proceeds of a sale made under Section 3.2 of the Deposit Agreement that are not used to pay taxes or governmental charges to the Owners entitled to them in accordance with Section 4.1 of the Deposit Agreement. If the number of Shares represented by each American Depositary Share decreases as a result of a sale of Deposited Securities under Section 3.2 of the Deposit Agreement, the Depositary may call for surrender of the American Depositary Shares to be exchanged on a mandatory basis for a lesser number of American Depositary Shares and may sell American Depositary Shares to the extent necessary to avoid distributing fractions of American Depositary Shares in that exchange and distribute the net proceeds of that sale to the Owners entitled to them.

5. WARRANTIES ON DEPOSIT OF SHARES.

Every person depositing Shares under the Deposit Agreement shall be deemed thereby to represent and warrant that those Shares and each certificate therefor, if applicable, are validly issued, fully paid and nonassessable and were not issued in violation of any preemptive or similar rights of the holders of outstanding securities of the Company and that the person making that deposit is duly authorized so to do. Every depositing person shall also be deemed to represent that the Shares, at the time of deposit, are not Restricted Securities. All representations and warranties deemed made under Section 3.3 of the Deposit Agreement shall survive the deposit of Shares and delivery of American Depositary Shares.

6. FILING PROOFS, CERTIFICATES, AND OTHER INFORMATION.

Any person presenting Shares for deposit or any Owner or Holder may be required from time to time to file with the Depositary or the Custodian such proof of citizenship or residence, exchange control approval, or such information relating to the registration on the books of the Company or the Foreign Registrar, if applicable, to execute such certificates and to make such representations and warranties, as the Depositary may deem necessary or proper, or as the Company may reasonably require by written request to the Depositary. The Depositary may withhold the delivery or registration of transfer of any American Depositary Shares, the distribution of any dividend or other distribution or of the proceeds thereof or the delivery of any Deposited Securities until that proof or other information is filed or those certificates are executed or those representations and warranties are made. As conditions of accepting Shares for deposit, the Depositary may require (i) any certification required by the Depositary or the Custodian in accordance with the provisions of the Deposit Agreement, (ii) a written order directing the Depositary to deliver to, or upon the written order of, the person or persons stated in that order, the number of American Depositary Shares representing those Deposited Shares, (iii) evidence satisfactory to the Depositary that those Shares have been re-registered in the books of the Company or the Foreign Registrar in the name of the Depositary, a Custodian or a nominee of the Depositary or a Custodian, (iv) evidence satisfactory to the Depositary that any necessary approval has been granted by any governmental body in each applicable jurisdiction and (v) an agreement or assignment, or other instrument satisfactory to the Depositary, that provides for the prompt transfer to the Custodian of any dividend, or right to subscribe for additional Shares or to receive other property, that any person in whose name those Shares are or have been recorded may thereafter receive upon or in respect of those Shares, or, in lieu thereof, such agreement of indemnity or other agreement as shall be satisfactory to the Depositary. The Depositary shall refuse, and shall instruct the Custodian to refuse, to accept Shares for deposit if the Depositary has received a notice from the Company that the Company has restricted transfer of those Shares under the Company's articles of association or any applicable laws or that the deposit would result in any violation of the Company's articles of association or any applicable laws.

7. CHARGES OF DEPOSITARY.

The following charges shall be incurred by any party depositing or withdrawing Shares or by any party surrendering American Depositary Shares or to whom American Depositary Shares are issued (including, without limitation, issuance pursuant to a stock dividend or stock split declared by the Company or an exchange of stock regarding the American Depositary Shares or Deposited Securities or a delivery of American Depositary Shares pursuant to Section 4.3 of the Deposit Agreement), or by Owners, as applicable: (1) taxes and other governmental charges, (2) such registration fees as may from time to time be in effect for the registration of transfers of Shares generally on the Share register of the Company or Foreign Registrar and applicable to transfers of Shares to or from the name of the Depositary or its nominee or the Custodian or its nominee on the making of deposits or withdrawals hereunder, (3) such cable (including SWIFT) and facsimile transmission fees and expenses as are expressly provided in the Deposit Agreement, (4) such expenses as are incurred by the Depositary in the conversion of foreign currency pursuant to Section 4.5 of the Deposit Agreement, (5) a fee of $5.00 or less per 100 American Depositary Shares (or portion thereof) for the delivery of American Depositary Shares pursuant to Section 2.3, 4.3 or 4.4 of the Deposit Agreement and the surrender of American Depositary Shares pursuant to Section 2.5 or 6.2 of the Deposit Agreement, (6) a fee of $.05 or less per American Depositary Share (or portion thereof) for any cash distribution made pursuant to the Deposit Agreement, including, but not limited to Sections 4.1 through 4.4 and 4.8 of the Deposit Agreement, (7) a fee for the distribution of securities pursuant to Section 4.2 of the Deposit Agreement or of rights pursuant to Section 4.4 of that Agreement (where the Depositary will not exercise or sell those rights on behalf of Owners), such fee being in an amount equal to the fee for the execution and delivery of American Depositary Shares referred to above which would have been charged as a result of the deposit of such securities under the Deposit Agreement (for purposes of this item 7 treating all such securities as if they were Shares) but which securities are instead distributed by the Depositary to Owners, (8) in addition to any fee charged under item 6, a fee of $.05 or less per American Depositary Share (or portion thereof) per annum for depositary services, which will be payable as provided in item 9 below, and (9) any other charges payable by the Depositary or the Custodian, any of the Depositary's or Custodian's agents or the agents of the Depositary's or Custodian's agents, in connection with the servicing of Shares or other Deposited Securities (which charges shall be assessed against Owners as of the date or dates set by the Depositary in accordance with Section 4.6 of the Deposit Agreement and shall be payable at the sole discretion of the Depositary by billing those Owners for those charges or by deducting those charges from one or more cash dividends or other cash distributions).

The Depositary may collect any of its fees by deduction from any cash distribution payable, or by selling a portion of any securities to be distributed, to Owners that are obligated to pay those fees.

The Depositary may own and deal in any class of securities of the Company and its affiliates and in American Depositary Shares.

From time to time, the Depositary may make payments to the Company to reimburse the Company for costs and expenses generally arising out of establishment and maintenance of the American Depositary Shares program, waive fees and expenses for services provided by the Depositary or share revenue from the fees collected from Owners or Holders. In performing its duties under the Deposit Agreement, the Depositary may use brokers, dealers, foreign currency dealers or other service providers that are owned by or affiliated with the Depositary and that may earn or share fees, spreads or commissions.

8. DISCLOSURE OF INTERESTS.

When required in order to comply with applicable laws and regulations or the articles of association or similar document of the Company, the Company may from time to time request each Owner and Holder to provide to the Depositary information relating to: (a) the capacity in which it holds American Depositary Shares, (b) the identity of any Holders or other persons or entities then or previously interested in those American Depositary Shares and the nature of those interests and (c) any other matter where disclosure of such matter is required for that compliance. Each Owner and Holder agrees to provide all information known to it in response to a request made pursuant to Section 3.4 of the Deposit Agreement. Each Holder consents to the disclosure by the Depositary and the Owner or other Holder through which it holds American Depositary Shares, directly or indirectly, of all information responsive to a request made pursuant to that Section relating to that Holder that is known to that Owner or other Holder.

9. TITLE TO AMERICAN DEPOSITARY SHARES.

It is a condition of the American Depositary Shares, and every successive Owner and Holder of American Depositary Shares, by accepting or holding the same, consents and agrees that American Depositary Shares evidenced by a Receipt, when the Receipt is properly endorsed or accompanied by proper instruments of transfer, shall be transferable as certificated registered securities under the laws of the State of New York, and that American Depositary Shares not evidenced by Receipts shall be transferable as uncertificated registered securities under the laws of the State of New York. The Depositary, notwithstanding any notice to the contrary, may treat the Owner of American Depositary Shares as the absolute owner thereof for the purpose of determining the person entitled to distribution of dividends or other distributions or to any notice provided for in the Deposit Agreement and for all other purposes, and neither the Depositary nor the Company shall have any obligation or be subject to any liability under the Deposit Agreement to any Holder of American Depositary Shares, but only to the Owner.

10. VALIDITY OF RECEIPT.

This Receipt shall not be entitled to any benefits under the Deposit Agreement or be valid or obligatory for any purpose, unless this Receipt shall have been (i) executed by the Depositary by the manual signature of a duly authorized officer of the Depositary or (ii) executed by the facsimile signature of a duly authorized officer of the Depositary and countersigned by the manual signature of a duly authorized signatory of the Depositary or the Registrar or a co-registrar.

11. REPORTS; INSPECTION OF TRANSFER BOOKS.

The Company is subject to the periodic reporting requirements of the Securities Exchange Act of 1934 and, accordingly, files certain reports with the Securities and Exchange Commission. Those reports will be available for inspection and copying through the Commission's EDGAR system or at public reference facilities maintained by the Commission in Washington, D.C.

The Depositary will make available for inspection by Owners at its Office any reports, notices and other communications, including any proxy soliciting material, received from the Company which are both (a) received by the Depositary as the holder of the Deposited Securities and (b) made generally available to the holders of those Deposited Securities by the Company. The Company shall furnish reports and communications, including any proxy soliciting material to which Section 4.9 of the Deposit Agreement applies, to the Depositary in English, to the extent such materials are required to be translated into English pursuant to any regulations of the Commission.

The Depositary will maintain a register of American Depositary Shares and transfers of American Depositary Shares, which shall be open for inspection by the Owners at the Depositary's Office during regular business hours, but only for the purpose of communicating with Owners regarding the business of the Company or a matter related to this Deposit Agreement or the American Depositary Shares.

12. DIVIDENDS AND DISTRIBUTIONS.

Whenever the Depositary receives any cash dividend or other cash distribution on Deposited Securities, the Depositary will, if at the time of receipt thereof any amounts received in a foreign currency can in the judgment of the Depositary be converted on a reasonable basis into Dollars transferable to the United States, and subject to the Deposit

Agreement, convert that dividend or other cash distribution into Dollars and distribute the amount thus received (net of the fees and expenses of the Depositary as provided in Article 7 hereof and Section 5.9 of the Deposit Agreement) to the Owners entitled thereto; provided, however, that if the Custodian or the Depositary is required to withhold and does withhold from that cash dividend or other cash distribution an amount on account of taxes or other governmental charges, the amount distributed to the Owners of the American Depositary Shares representing those Deposited Securities shall be reduced accordingly. If a cash distribution would represent a return of all or substantially all the value of the Deposited Securities underlying American Depositary Shares, the Depositary may require surrender of those American Depositary Shares and may require payment of or deduct the fee for surrender of American Depositary Shares (whether or not it is also requiring surrender of American Depositary Shares) as a condition of making that cash distribution. A distribution of that kind shall be a Termination Option Event.

Subject to the provisions of Section 4.11 and 5.9 of the Deposit Agreement, whenever the Depositary receives any distribution other than a distribution described in Section 4.1, 4.3 or 4.4 of the Deposit Agreement on Deposited Securities (but not in exchange for or in conversion or in lieu of Deposited Securities), the Depositary will cause the securities or property received by it to be distributed to the Owners entitled thereto, after deduction or upon payment of any fees and expenses of the Depositary and any taxes or other governmental charges, in any manner that the Depositary deems equitable and practicable for accomplishing that distribution (which may be a distribution of depositary shares representing the securities received); provided, however, that if in the opinion of the Depositary such distribution cannot be made proportionately among the Owners entitled thereto, or if for any other reason the Depositary deems such distribution not to be lawful and feasible, after consultation with the Company to the extent practicable, the Depositary may adopt such other method as it may deem equitable and practicable for the purpose of effecting such distribution, including, but not limited to, the public or private sale of the securities or property thus received, or any part thereof, and distribution of the net proceeds of any such sale (net of the fees and expenses of the Depositary as provided in Article 7 hereof and Section 5.9 of the Deposit Agreement) to the Owners entitled thereto all in the manner and subject to the conditions set forth in Section 4.1 of the Deposit Agreement. The Depositary may withhold any distribution of securities under Section 4.2 of the Deposit Agreement if it has not received satisfactory assurances from the Company that the distribution does not require registration under the Securities Act of 1933. The Depositary may sell, by public or private sale, an amount of securities or other property it would otherwise distribute under this Article that is sufficient to pay its fees and expenses in respect of that distribution. If a distribution under Section 4.2 of the Deposit Agreement would represent a return of all of substantially all the value of the Deposited Securities underlying American Depositary Shares, the Depositary may require surrender of those American Depositary Shares and may require payment of or deduct the fee for surrender of American Depositary Shares (whether or not it is also requiring surrender of American Depositary Shares) as a condition of making that distribution. A distribution of that kind shall be a Termination Option Event.

Whenever the Depositary receives any distribution consisting of a dividend in, or free distribution of, Shares, the Depositary may, and if the Company so requests in writing, shall, deliver to the Owners entitled thereto, an aggregate number of American Depositary Shares representing the amount of Shares received as that dividend or free distribution, subject to the terms and conditions of the Deposit Agreement with respect to the deposit of Shares and issuance of American Depositary Shares, including the withholding of any tax or other governmental charge as provided in Section 4.11 of the Deposit Agreement and the payment of the fees and expenses of the Depositary as provided in Article 7 hereof and Section 5.9 of the Deposit Agreement (and the Depositary may sell, by public or private sale, an amount of Shares received (or American Depositary Shares representing those Shares) sufficient to pay its fees and expenses in respect of that distribution). In lieu of delivering fractional American Depositary Shares, the Depositary may sell the amount of Shares represented by the aggregate of those fractions (or American Depositary Shares representing those Shares) and distribute the net proceeds, all in the manner and subject to the conditions described in Section 4.1of the Deposit Agreement. If and to the extent that additional American Depositary Shares are not delivered and Shares or American Depositary Shares are not sold, each American Depositary Share shall thenceforth also represent the additional Shares distributed on the Deposited Securities represented thereby.

If the Company declares a distribution in which holders of Deposited Securities have a right to elect whether to receive cash, Shares or other securities or a combination of those things, or a right to elect to have a distribution sold on their behalf, the Depositary may, after consultation with the Company, make that right of election available for exercise by Owners in any manner the Depositary considers to be lawful and practical. As a condition of making a distribution election right available to Owners, the Depositary may require satisfactory assurances from the Company that doing so does not require registration of any securities under the Securities Act of 1933.

If the Depositary determines that any distribution received or to be made by the Depositary (including Shares and rights to subscribe therefor) is subject to any tax or other governmental charge that the Depositary is obligated to withhold, the Depositary may sell, by public or private sale, all or a portion of the distributed property (including Shares and rights to subscribe therefor) in the amounts and manner the Depositary deems necessary and practicable to pay those taxes or charges, and the Depositary shall distribute the net proceeds of that sale, after deduction of those taxes or charges, to the Owners entitled thereto in proportion to the number of American Depositary Shares held by them respectively.

Each Owner and Holder agrees to indemnify the Company, the Depositary, the Custodian and their respective directors, employees, agents and affiliates for, and hold each of them harmless against, any claim by any governmental authority with respect to taxes, additions to tax, penalties or interest arising out of any refund of taxes, reduced withholding at source or other tax benefit received by it. Services for Owners and Holders that may permit them to obtain reduced rates of tax withholding at source or reclaim excess tax withheld, and the fees and costs associated with using services of that kind, are not provided under, and are outside the scope of, the Deposit Agreement.

13. RIGHTS.

(a) If rights are granted to the Depositary in respect of deposited Shares to purchase additional Shares or other securities, the Company and the Depositary shall endeavor to consult as to the actions, if any, the Depositary should take in connection with that grant of rights. The Depositary may, to the extent deemed by it to be lawful and practical (i) if requested in writing by the Company, grant to all or certain Owners rights to instruct the Depositary to purchase the securities to which the rights relate and deliver those securities or American Depositary Shares representing those securities to Owners, (ii) if requested in writing by the Company, deliver the rights to or to the order of certain Owners, or (iii) sell the rights to the extent practicable and distribute the net proceeds of that sale to Owners entitled to those proceeds. To the extent rights are not exercised, delivered or disposed of under (i), (ii) or (iii) above, the Depositary shall permit the rights to lapse unexercised.

(b) If the Depositary will act under (a)(i) above, the Company and the Depositary will enter into a separate agreement setting forth the conditions and procedures applicable to the particular offering. Upon instruction from an applicable Owner in the form the Depositary specified and upon payment by that Owner to the Depositary of an amount equal to the purchase price of the securities to be received upon the exercise of the rights, the Depositary shall, on behalf of that Owner, exercise the rights and purchase the securities. The purchased securities shall be delivered to, or as instructed by, the Depositary. The Depositary shall (i) deposit the purchased Shares under the Deposit Agreement and deliver American Depositary Shares representing those Shares to that Owner or (ii) deliver or cause the purchased Shares or other securities to be delivered to or to the order of that Owner. The Depositary will not act under (a)(i) above unless the offer and sale of the securities to which the rights relate are registered under the Securities Act of 1933 or the Depositary has received an opinion of United States counsel that is satisfactory to it to the effect that those securities may be sold and delivered to the applicable Owners without registration under the Securities Act of 1933.

(c) If the Depositary will act under (a)(ii) above, the Company and the Depositary will enter into a separate agreement setting forth the conditions and procedures applicable to the particular offering. Upon (i) the request of an applicable Owner to deliver the rights allocable to the American Depositary Shares of that Owner to an account specified by that Owner to which the rights can be delivered and (ii) receipt of such documents as the Company and the Depositary agreed to require to comply with applicable law, the Depositary will deliver those rights as requested by that Owner.

(d) If the Depositary will act under (a)(iii) above, the Depositary will use reasonable efforts to sell the rights in proportion to the number of American Depositary Shares held by the applicable Owners and pay the net proceeds to the Owners otherwise entitled to the rights that were sold, upon an averaged or other practical basis without regard to any distinctions among such Owners because of exchange restrictions or the date of delivery of any American Depositary Shares or otherwise.

(e) Payment or deduction of the fees of the Depositary as provided in Section 5.9 of the Deposit Agreement and payment or deduction of the expenses of the Depositary and any applicable taxes or other governmental charges shall be conditions of any delivery of securities or payment of cash proceeds under Section 4.4 of that Agreement.

(f) The Depositary shall not be responsible for any failure to determine that it may be lawful or feasible to make rights available to or exercise rights on behalf of Owners in general or any Owner in particular , or to sell rights.

14. CONVERSION OF FOREIGN CURRENCY.

Whenever the Depositary or the Custodian receives foreign currency, by way of dividends or other distributions or the net proceeds from the sale of securities, property or rights, and if at the time of the receipt thereof the foreign currency so received can in the judgment of the Depositary be converted on a reasonable basis into Dollars and the resulting Dollars transferred to the United States, the Depositary shall convert or cause to be converted, by sale or in any other manner that it may determine, that foreign currency into Dollars, and those Dollars shall be distributed to the Owners entitled thereto as promptly as practicable. A cash distribution may be made upon an averaged or other practicable basis without regard to any distinctions among Owners based on exchange restrictions, the date of delivery of any American Depositary Shares or otherwise and shall be net of any expenses of conversion into Dollars incurred by the Depositary as provided in Section 5.9 of the Deposit Agreement.

If a conversion of foreign currency or the repatriation or distribution of Dollars can be effected only with the approval or license of any government or agency thereof, the Depositary may, but will not be required to, file an application for that approval or license.

If the Depositary determines that in its judgment any foreign currency received by the Depositary or the Custodian is not convertible on a reasonable basis into Dollars transferable to the United States, or if any approval or license of any government or agency thereof that is required for such conversion is not filed or sought by the Depositary or is not obtained within a reasonable period as determined by the Depositary, the Depositary may distribute the foreign currency received by the Depositary to, or in its discretion may hold such foreign currency uninvested and without liability for interest thereon for the respective accounts of, the Owners entitled to receive the same.

If any conversion of foreign currency, in whole or in part, cannot be effected for distribution to some of the Owners entitled thereto, the Depositary may in its discretion make that conversion and distribution in Dollars to the extent practicable and permissible to the Owners entitled thereto and may distribute the balance of the foreign currency received by the Depositary to, or hold that balance uninvested and without liability for interest thereon for the account of, the Owners entitled thereto.

The Depositary may convert currency itself or through any of its affiliates and, in those cases, acts as principal for its own account and not as agent, advisor, broker or fiduciary on behalf of any other person and earns revenue, including, without limitation, transaction spreads, that it will retain for its own account. The revenue is based on, among other things, the difference between the exchange rate assigned to the currency conversion made under the Deposit Agreement and the rate that the Depositary or its affiliate receives when buying or selling foreign currency for its own account. The Depositary makes no representation that the exchange rate used or obtained in any currency conversion under the Deposit Agreement will be the most favorable rate that could be obtained at the time or that the method by which that rate will be determined will be the most favorable to Owners, subject to the Depositary's obligations under Section 5.3 of that Agreement. The methodology used to determine exchange rates used in currency conversions is available upon request.

15. RECORD DATES.

Whenever a cash dividend, cash distribution or any other distribution is made on Deposited Securities or rights to purchase Shares or other securities are issued with respect to Deposited Securities (which rights will be delivered to or exercised or sold on behalf of Owners in accordance with Section 4.4 of the Deposit Agreement) or the Depositary receives notice that a distribution or issuance of that kind will be made, or whenever the Depositary receives notice that a meeting of holders of Shares will be held in respect of which the Company has requested the Depositary to send a notice under Section 4.7 of the Deposit Agreement, or whenever the Depositary will assess a fee or charge against the Owners, or whenever the Depositary causes a change in the number of Shares that are represented by each American Depositary Share, or whenever the Depositary otherwise finds it necessary or convenient, the Depositary shall fix a record date, which shall be the same as, or as near as practicable to, any corresponding record date set by the Company with respect to Shares, (a) for the determination of the Owners (i) who shall be entitled to receive the benefit of that dividend or other distribution or those rights, (ii) who shall be entitled to give instructions for the exercise of voting rights at that meeting, (iii) who shall be responsible for that fee or charge or (iv) for any other purpose for which the record date was set, or (b) on or after which each American Depositary Share will represent the changed number of Shares. Subject to the provisions of Sections 4.1 through 4.5 of the Deposit Agreement and to the other terms and conditions of the Deposit Agreement, the Owners on a record date fixed by the Depositary shall be entitled to receive the amount distributable by the Depositary with respect to that dividend or other distribution or those rights or the net proceeds of sale thereof in proportion to the number of American Depositary Shares held by them respectively, to give voting instructions or to act in respect of the other matter for which that record date was fixed, or be responsible for that fee or charge, as the case may be.

16. VOTING OF DEPOSITED SHARES.

(a) Upon receipt of notice of any meeting of holders of Shares at which holders of Shares will be entitled to vote, if requested in writing by the Company, the Depositary shall, as soon as practicable thereafter, Disseminate to the Owners a notice, the form of which shall be in the sole discretion of the Depositary, that shall contain (i) the information contained in the notice of meeting received by the Depositary, (ii) a statement that the Owners as of the close of business on a specified record date will be entitled, subject to any applicable provision of Cayman Islands law and of the articles of association or similar documents of the Company, to instruct the Depositary as to the exercise of the voting rights pertaining to the amount of Shares represented by their respective American Depositary Shares, (iii) a statement as to the manner in which those instructions may be given and (iv) the last date on which the Depositary will accept instructions (the "Instruction Cutoff Date").

(b) Upon the written request of an Owner of American Depositary Shares, as of the date of the request or, if a record date was specified by the Depositary, as of that record date, received on or before any Instruction Cutoff Date established by the Depositary, the Depositary may, and if the Depositary sent a notice under the preceding paragraph shall, endeavor, in so far as practicable, to vote or cause to be voted the amount of deposited Shares represented by those American Depositary Shares in accordance with the instructions set forth in that request. The Depositary shall not vote or attempt to exercise the right to vote that attaches to the deposited Shares other than in accordance with instructions given by Owners and received by the Depositary.

(c) There can be no assurance that Owners generally or any Owner in particular will receive the notice described in paragraph (a) above in time to enable Owners to give instructions to the Depositary prior to the Instruction Cutoff Date.

(d) In order to give Owners a reasonable opportunity to instruct the Depositary as to the exercise of voting rights relating to Shares, if the Company will request the Depositary to Disseminate a notice under paragraph (a) above, the Company shall give the Depositary notice of the meeting, details concerning the matters to be voted upon and copies of materials to be made available to holders of Shares in connection with the meeting not less than 30 days prior to the meeting date.

17. TENDER AND EXCHANGE OFFERS; REDEMPTION, REPLACEMENT OR CANCELLATION OF DEPOSITED SECURITIES.

(a) The Depositary shall not tender any Deposited Securities in response to any voluntary cash tender offer, exchange offer or similar offer made to holders of Deposited Securities (a "Voluntary Offer"), except when instructed in writing to do so by an Owner surrendering American Depositary Shares and subject to any conditions or procedures the Depositary may require.

(b) If the Depositary receives a written notice that Deposited Securities have been redeemed for cash or otherwise purchased for cash in a transaction that is mandatory and binding on the Depositary as a holder of those Deposited Securities (a "Redemption"), the Depositary, at the expense of the Company, shall (i) if required, surrender Deposited Securities that have been redeemed to the issuer of those securities or its agent on the redemption date, (ii) Disseminate a notice to Owners (A) notifying them of that Redemption, (B) calling for surrender of a corresponding number of American Depositary Shares and (C) notifying them that the called American Depositary Shares have been converted into a right only to receive the money received by the Depositary upon that Redemption and those net proceeds shall be the Deposited Securities to which Owners of those converted American Depositary Shares shall be entitled upon surrenders of those American Depositary Shares in accordance with Section 2.5 or 6.2 of the Deposit Agreement and (iii) distribute the money received upon that Redemption to the Owners entitled to it upon surrender by them of called American Depositary Shares in accordance with Section 2.5 of that Agreement (and, for the avoidance of doubt, Owners shall not be entitled to receive that money under Section 4.1 of that Agreement). If the Redemption affects less than all the Deposited Securities, the Depositary shall call for surrender a corresponding portion of the outstanding American Depositary Shares and only those American Depositary Shares will automatically be converted into a right to receive the net proceeds of the Redemption. The Depositary shall allocate the American Depositary Shares converted under the preceding sentence among the Owners pro-rata to their respective holdings of American Depositary Shares immediately prior to the Redemption, except that the allocations may be adjusted so that no fraction of a converted American Depositary Share is allocated to any Owner. A Redemption of all or substantially all of the Deposited Securities shall be a Termination Option Event.

(c) If the Depositary is notified of or there occurs any change in nominal value or any subdivision, combination or any other reclassification of the Deposited Securities or any recapitalization, reorganization, sale of assets substantially as an entirety, merger or consolidation affecting the issuer of the Deposited Securities or to which it is a party that is mandatory and binding on the Depositary as a holder of Deposited Securities and, as a result, securities or other property have been or will be delivered in exchange, conversion, replacement or in lieu of, Deposited Securities (a "Replacement"), the Depositary shall, if required, surrender the old Deposited Securities affected by that Replacement of Shares and hold, as new Deposited Securities under the Deposit Agreement, the new securities or other property delivered to it in that Replacement. However, the Depositary may elect to sell those new Deposited Securities if in the opinion of the Depositary it is not lawful or not practical for it to hold those new Deposited Securities under the Deposit Agreement because those new Deposited Securities may not be distributed to Owners without registration under the Securities Act of 1933 or for any other reason, at public or private sale, at such places and on such terms as it deems proper and proceed as if those new Deposited Securities had been Redeemed under paragraph (b) above. A Replacement shall be a Termination Option Event.

(d) In the case of a Replacement where the new Deposited Securities will continue to be held under the Deposit Agreement, the Depositary may call for the surrender of outstanding Receipts to be exchanged for new Receipts specifically describing the new Deposited Securities and the number of those new Deposited Securities represented by each American Depositary Share. If the number of Shares represented by each American Depositary Share decreases as a result of a Replacement, the Depositary may call for surrender of the American Depositary Shares to be exchanged on a mandatory basis for a lesser number of American Depositary Shares and may sell American Depositary Shares to the extent necessary to avoid distributing fractions of American Depositary Shares in that exchange and distribute the net proceeds of that sale to the Owners entitled to them.

(e) If there are no Deposited Securities with respect to American Depositary Shares, including if the Deposited Securities are cancelled, or the Deposited Securities with respect to American Depositary Shares become apparently worthless, the Depositary may call for surrender of those American Depositary Shares or may cancel those American Depositary Shares, upon notice to Owners, and that condition shall be a Termination Option Event.

18. LIABILITY OF THE COMPANY AND DEPOSITARY.

Neither the Depositary nor the Company nor any of their respective directors, employees, agents or affiliates shall incur any liability to any Owner or Holder:

(i) if by reason of (A) any provision of any present or future law or regulation or other act of the government of the United States, any State of the United States or any other state or jurisdiction, or of any governmental or regulatory authority or stock exchange; (B) (in the case of the Depositary only) any provision, present or future, of the articles of association or similar document of the Company, or by reason of any provision of any securities issued or distributed by the Company, or any offering or distribution thereof; or (C) any event or circumstance, whether natural or caused by a person or persons, that is beyond the ability of the Depositary or the Company, as the case may be, to prevent or counteract by reasonable care or effort (including, but not limited to earthquakes, floods, severe storms, fires, explosions, war, terrorism, civil unrest, labor disputes or criminal acts; interruptions or malfunctions of utility services, Internet or other communications lines or systems; unauthorized access to or attacks on computer systems or websites; or other failures or malfunctions of computer hardware or software or other systems or equipment), the Depositary or the Company is, directly or indirectly, prevented from, forbidden to or delayed in, or could be subject to any civil or criminal penalty on account of doing or performing and therefore does not do or perform, any act or thing that, by the terms of the Deposit Agreement or the Deposited Securities, it is provided shall be done or performed;

(ii) for any exercise of, or failure to exercise, any discretion provided for in the Deposit Agreement (including any determination by the Depositary or the Company to take, or not take, any action that the Deposit Agreement provides the Depositary or the Company, as the case may be, may take);

(iii) for the inability of any Owner or Holder to benefit from any distribution, offering, right or other benefit that is made available to holders of Deposited Securities but is not, under the terms of the Deposit Agreement, made available to Owners or Holders; or

(iv) for any special, consequential or punitive damages for any breach of the terms of the Deposit Agreement.

Where, by the terms of a distribution to which Section 4.1, 4.2 or 4.3 of the Deposit Agreement applies, or an offering to which Section 4.4 of that Agreement applies, or for any other reason, that distribution or offering may not be made available to Owners, and the Depositary may not dispose of that distribution or offering on behalf of Owners and make the net proceeds available to Owners, then the Depositary shall not make that distribution or offering available to Owners, and shall allow any rights, if applicable, to lapse.

Neither the Company nor the Depositary assumes any obligation or shall be subject to any liability under the Deposit Agreement to Owners or Holders, except that they agree to perform their obligations specifically set forth in the Deposit Agreement without negligence or bad faith. The Depositary shall not be a fiduciary or have any fiduciary duty to Owners or Holders. The Depositary shall not be subject to any liability with respect to the validity or worth of the Deposited Securities. Neither the Depositary nor the Company shall be under any obligation to appear in, prosecute or defend any action, suit, or other proceeding in respect of any Deposited Securities or in respect of the American Depositary Shares, on behalf of any Owner or Holder or other person. Neither the Depositary nor the Company shall be liable for any action or non-action by it in reliance upon the advice of or information from legal counsel, accountants, any person presenting Shares for deposit, any Owner or Holder, or any other person believed by it in good faith to be competent to give such advice or information. Each of the Depositary and the Company may rely, and shall be protected in relying upon, any written notice, request, direction or other document believed by it to be genuine and to have been signed or presented by the proper party or parties. The Depositary shall not be liable for any acts or omissions made by a successor depositary whether in connection with a previous act or omission of the Depositary or in connection with a matter arising wholly after the removal or resignation of the Depositary, provided that in connection with the issue out of which such potential liability arises, the Depositary performed its obligations without negligence or bad faith while it acted as Depositary. The Depositary shall not be liable for the acts or omissions of any securities depository, clearing agency or settlement system in connection with or arising out of book-entry settlement of American Depositary Shares or Deposited Securities or otherwise. In the absence of bad faith on its part, the Depositary shall not be responsible for any failure to carry out any instructions to vote any of the Deposited Securities or for the manner in which any such vote is cast or the effect of any such vote. The Depositary shall have no duty to make any determination or provide any information as to the tax status of the Company. Neither the Depositary nor the Company shall have any liability for any tax consequences that may be incurred by Owners or Holders as a result of owning or holding American Depositary Shares. Neither the Depositary nor the Company shall be liable for the inability or failure of an Owner or Holder to obtain the benefit of a foreign tax credit, reduced rate of withholding or refund of amounts withheld in respect of tax or any other tax benefit. No disclaimer of liability under the United States federal securities laws is intended by any provision of the Deposit Agreement.

19. RESIGNATION AND REMOVAL OF THE DEPOSITARY; APPOINTMENT OF SUCCESSOR CUSTODIAN.

The Depositary may at any time resign as Depositary under the Deposit Agreement by written notice of its election so to do delivered to the Company, to become effective upon the appointment of a successor depositary and its acceptance of such appointment as provided in the Deposit Agreement. The Depositary may at any time be removed by the Company by 90 days' prior written notice of that removal, to become effective upon the later of (i) the 90th day after delivery of the notice to the Depositary and (ii) the appointment of a successor depositary and its acceptance of its appointment as provided in the Deposit Agreement. The Depositary in its discretion may at any time appoint a substitute or additional custodian or custodians.

20. AMENDMENT.

The form of the Receipts and any provisions of the Deposit Agreement may at any time and from time to time be amended by agreement between the Company and the Depositary without the consent of Owners or Holders in any respect which they may deem necessary or desirable. Any amendment that would impose or increase any fees or charges (other than taxes and other governmental charges, registration fees, cable (including SWIFT) or facsimile transmission costs, delivery costs or other such expenses), or that would otherwise prejudice any substantial existing right of Owners, shall, however, not become effective as to outstanding American Depositary Shares until the expiration of 30 days after notice of that amendment has been Disseminated to the Owners of outstanding American Depositary Shares. Every Owner and Holder, at the time any amendment so becomes effective, shall be deemed, by continuing to hold American Depositary Shares or any interest therein, to consent and agree to that amendment and to be bound by the Deposit Agreement as amended thereby. Upon the effectiveness of an amendment to the form of Receipt, including a change in the number of Shares represented by each American Depositary Share, the Depositary may call for surrender of Receipts to be replaced with new Receipts in the amended form or call for surrender of American Depositary Shares to effect that change of ratio. In no event shall any amendment impair the right of the Owner to surrender American Depositary Shares and receive delivery of the Deposited Securities represented thereby, except in order to comply with mandatory provisions of applicable law.

21. TERMINATION OF DEPOSIT AGREEMENT.

(a) The Company may initiate termination of the Deposit Agreement by notice to the Depositary. The Depositary may initiate termination of the Deposit Agreement if (i) at any time 60 days shall have expired after the Depositary delivered to the Company a written resignation notice and a successor depositary has not been appointed and accepted its appointment as provided in Section 5.4 of that Agreement or (ii) a Termination Option Event has occurred. If termination of the Deposit Agreement is initiated, the Depositary shall Disseminate a notice of termination to the Owners of all American Depositary Shares then outstanding setting a date for termination (the "Termination Date"), which shall be at least 90 days after the date of that notice, and the Deposit Agreement shall terminate on that Termination Date.

(b) After the Termination Date, the Company shall be discharged from all obligations under the Deposit Agreement except for its obligations to the Depositary under Sections 5.8 and 5.9 of that Agreement.

(c) At any time after the Termination Date, the Depositary may sell the Deposited Securities then held under the Deposit Agreement and may thereafter hold uninvested the net proceeds of any such sale, together with any other cash then held by it hereunder, unsegregated and without liability for interest, for the pro rata benefit of the Owners of American Depositary Shares that remain outstanding, and those Owners will be general creditors of the Depositary with respect to those net proceeds and that other cash. After making that sale, the Depositary shall be discharged from all obligations under the Deposit Agreement, except (i) to account for the net proceeds and other cash (after deducting, in each case, the fee of the Depositary for the surrender of American Depositary Shares, any expenses for the account of the Owner of such American Depositary Shares in accordance with the terms and conditions of the Deposit Agreement and any applicable taxes or governmental charges) and (ii) for its obligations under Section 5.8 of that Agreement and (iii) to act as provided in paragraph (d) below.

(d) After the Termination Date, if any American Depositary Shares remain outstanding, the Depositary shall continue to receive dividends and other distributions pertaining to Deposited Securities (that have not been sold), may sell rights and other property as provided in the Deposit Agreement and shall deliver Deposited Securities (or sale proceeds) upon

surrender of American Depositary Shares (after payment or upon deduction, in each case, of the fee of the Depositary for the surrender of American Depositary Shares, any expenses for the account of the Owner of those American Depositary Shares in accordance with the terms and conditions of the Deposit Agreement and any applicable taxes or governmental charges). After the Termination Date, the Depositary shall not accept deposits of Shares or deliver American Depositary Shares. After the Termination Date, (i) the Depositary may refuse to accept surrenders of American Depositary Shares for the purpose of withdrawal of Deposited Securities (that have not been sold) or reverse previously accepted surrenders of that kind that have not settled if in its judgment the requested withdrawal would interfere with its efforts to sell the Deposited Securities, (ii) the Depositary will not be required to deliver cash proceeds of the sale of Deposited Securities until all Deposited Securities have been sold and (iii) the Depositary may discontinue the registration of transfers of American Depositary Shares and suspend the distribution of dividends and other distributions on Deposited Securities to the Owners and need not give any further notices or perform any further acts under the Deposit Agreement except as provided in Section 6.2 of that Agreement.

22. DTC DIRECT REGISTRATION SYSTEM AND PROFILE MODIFICATION SYSTEM.

(a) Notwithstanding the provisions of Section 2.4 of the Deposit Agreement, the parties acknowledge that DTC's Direct Registration System ("DRS") and Profile Modification System ("Profile") apply to the American Depositary Shares upon acceptance thereof to DRS by DTC. DRS is the system administered by DTC that facilitates interchange between registered holding of uncertificated securities and holding of security entitlements in those securities through DTC and a DTC participant. Profile is a required feature of DRS that allows a DTC participant, claiming to act on behalf of an Owner of American Depositary Shares, to direct the Depositary to register a transfer of those American Depositary Shares to DTC or its nominee and to deliver those American Depositary Shares to the DTC account of that DTC participant without receipt by the Depositary of prior authorization from the Owner to register that transfer.

(b) In connection with DRS/Profile, the parties acknowledge that the Depositary will not determine whether the DTC participant that is claiming to be acting on behalf of an Owner in requesting registration of transfer and delivery as described in paragraph (a) above has the actual authority to act on behalf of that Owner (notwithstanding any requirements under the Uniform Commercial Code). For the avoidance of doubt, the provisions of Sections 5.3 and 5.8 of the Deposit Agreement apply to the matters arising from the use of the DRS/Profile. The parties agree that the Depositary's reliance on and compliance with instructions received by the Depositary through the DRS/Profile system and otherwise in accordance with the Deposit Agreement, shall not constitute negligence or bad faith on the part of the Depositary.

23. ARBITRATION; SETTLEMENT OF DISPUTES.

Any controversy, claim or cause of action brought by any party hereto against the Company arising out of or relating to the Shares or other Deposited Securities, the American Depositary Shares, the Receipts or the Deposit Agreement, or the breach hereof or thereof, if so elected by the claimant, shall be settled by arbitration in accordance with the International Arbitration Rules of the American Arbitration Association, and judgment upon the award rendered by the arbitrators may be entered in any court having jurisdiction thereof.

The place of the arbitration shall be The City of New York, State of New York, United States of America, and the language of the arbitration shall be English.

The number of arbitrators shall be three, each of whom shall be disinterested in the dispute or controversy, shall have no connection with any party thereto, and shall be an attorney experienced in international securities transactions. Each party shall appoint one arbitrator and the two arbitrators shall select a third arbitrator who shall serve as chairperson of the tribunal. If a dispute, controversy or cause of action shall involve more than two parties, the parties shall attempt to align themselves in two sides (i.e., claimant(s) and respondent(s)), each of which shall appoint one arbitrator as if there were only two parties to such dispute, controversy or cause of action. If such alignment and appointment shall not have occurred within thirty (30) calendar days after the initiating party serves the arbitration demand, the American Arbitration Association shall appoint the three arbitrators, each of whom shall have the qualifications described above. The parties and the American Arbitration Association may appoint from among the nationals of any country, whether or not a party is a national of that country.

The arbitral tribunal shall have no authority to award any consequential, special or punitive damages or other damages not measured by the prevailing party's actual damages and may not, in any event, make any ruling, finding or award that does not conform to the terms and conditions of the Deposit Agreement.

24. APPOINTMENT OF AGENT FOR SERVICE OF PROCESS; SUBMISSION TO JURISDICTION; JURY TRIAL WAIVER; WAIVER OF IMMUNITIES.

The Company has (i) appointed Cogency Global Inc., located at 10 East 40th Street, 10th Floor, New York, NY 10016, as the Company's authorized agent in the United States upon which process may be served in any suit or proceeding (including any arbitration proceeding) arising out of or relating to the Shares or Deposited Securities, the American Depositary Shares, the Receipts or this Agreement, (ii) consented and submitted to the jurisdiction of any state or federal court in the State of New York in which any such suit or proceeding may be instituted, and (iii) agreed that service of process upon said authorized agent shall be deemed in every respect effective service of process upon the Company in any such suit or proceeding.

EACH PARTY TO THE DEPOSIT AGREEMENT (INCLUDING, FOR AVOIDANCE OF DOUBT, EACH OWNER AND HOLDER) THEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY SUIT, ACTION OR PROCEEDING AGAINST THE COMPANY AND/OR THE DEPOSITARY DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THE SHARES OR OTHER DEPOSITED SECURITIES, THE AMERICAN DEPOSITARY SHARES OR THE RECEIPTS, THE DEPOSIT AGREEMENT OR ANY TRANSACTION CONTEMPLATED HEREIN OR THEREIN, OR THE BREACH HEREOF OR THEREOF, INCLUDING, WITHOUT LIMITATION, ANY QUESTION REGARDING EXISTENCE, VALIDITY OR TERMINATION (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY).

To the extent that the Company or any of its properties, assets or revenues may have or hereafter become entitled to, or have attributed to it, any right of immunity, on the grounds of sovereignty or otherwise, from any legal action, suit or proceeding, from the giving of any relief in any respect thereof, from setoff or counterclaim, from the jurisdiction of any court, from service of process, from attachment upon or prior to judgment, from attachment in aid of execution or judgment, or other legal process or proceeding for the giving of any relief or for the enforcement of any judgment, in any jurisdiction in which proceedings may at any time be commenced, with respect to its obligations, liabilities or any other matter under or arising out of or in connection with the Shares or Deposited Securities, the American Depositary Shares, the Receipts or the Deposit Agreement, the Company, to the fullest extent permitted by law, hereby irrevocably and unconditionally waives, and agrees not to plead or claim, any such immunity and consents to such relief and enforcement.

Incorporated in the Cayman Islands

Q&K International Group Limited

This is to certify that

is / are the registered shareholders of:

No. of Shares	Type of Share	Par Value
	Class A Ordinary Share	**USD** **0.00001**
Date of Record	Certificate Number	% Paid
		100.00

The above shares are subject to the Memorandum and Articles of Association of the Company and transferable in accordance therewith.

_____ Director

_____ Director / Secretary

Equity Acquisition Agreement

FLJ Group Limited

with

Alpha Mind Technology Limited,

and

MMTEC, INC，

Burgeon Capital Inc

November 22, 2023

Equity Acquisition Agreement

This equity acquisition agreement (this "**Agreement**") is made and entered into by and between the following parties on November 22, 2023:

Transferee (hereinafter referred to as **Party A): FLJ Group Limited**, a company incorporated under the laws of the Cayman Islands;

Transferor (**Party B or the Original Shareholders**): **MMTEC, INC**, a company incorporated under the laws of the British Virgin Islands, and **Burgeon Capital Inc**, a company incorporated under the laws of the British Virgin Islands;

Target Company: **Alpha Mind Technology Limited,** (hereinafter referred to as the **Target Company** or **Party C**), a company incorporated under the laws of the British Virgin Islands, the particulars of which is set forth in Schedule 1.

Whereas:

1. Party A proposes to acquire, and Party B proposes to sell, all of ordinary shares of Target Company owned by Party B (collectively, the "**Purchased Shares**") on the terms and conditions set forth in this Agreement.

2. Party B is the legal and beneficial owners of 100% of the issued and outstanding equity of the Target Company with MMTEC, Inc. owning 85% of the issued and outstanding equity of the Target Company and Burgeon Capital, Inc owning the remaining 15% of the issued and outstanding equity of the Target Company.

3. The following agreement is concluded upon friendly negotiation among Party A, Party B, and Party C (hereinafter collectively referred to as the Parties):

Article 1 Purchase and Sale

1.1 At Closing (as defined below), Party B agrees to transfer, sell and assign, and Party A agrees to purchase, the Purchased Shares free from all Encumbrances (except as contemplated herein in Article 3.1) and together with all rights attached or accruing to them in accordance with the terms of this Agreement. Immediately after the Closing, Party A will hold 100% of the issued and outstanding equity of Target Company on a fully diluted basis. "**Encumbrance**" means: (a) any mortgage, charge (whether legal or equitable and whether fixed or floating), lien, pledge or other encumbrance securing any obligation of any person; (b) any option, right to acquire, right of pre-emption, right of set-off or other arrangement under which money or claims to, or for the benefit of, any Person may be applied or set off so as to effect discharge of any sum owed or payable to any person; or (c) any equity, assignment, hypothecation, title retention, claim, restriction, power of sale or other type of preferential arrangement the effect of which is to give a creditor in respect of indebtedness a preferential position in relation to any asset of a Person on any insolvency proceeding of that person.

1.2 Party A shall not be obliged to complete the purchase of any of the Purchased Shares unless the purchase by it of all of the Purchased Shares is completed simultaneously.

1.3 Prior to Closing, each Original Shareholder agrees that he/she will not, and will not agree to, sell or dispose (either directly or indirectly) the legal and beneficial interest in any Purchased Shares held by him/her.

Article 2 Purchase Price

The Parties agree that the total purchase price (the "**Purchase Price**") for the Purchased Shares is USD 180,000,000 or RMB equivalent. If there is any Leakage (defined below), the Purchase Price should be adjusted downwards on a dollar-for-dollar basis.

"**Leakage**" means each and any of the following (without double counting) which occurred after the date of this agreement and before the Closing:

(a) any dividend or distribution (whether in cash or kind) declared, paid or made by Party C to any of its shareholders (including Party B) or any member of the Sellers' Group (defined below);

(b) any redemption or purchase of its own shares or other securities, any other form of return of capital (whether by reduction of capital or otherwise), or any other payment in respect of any shares or other securities, in each case by Party C to any of its shareholders (including Party B) or any member of the Seller's Group;

(c) any other payments made, or any assets, rights or other benefits transferred, by Party C to, or for the benefit of, any of its shareholders (including Party B) or any member of the Sellers' Group;

(d) any disposal of assets by Party B (other than disposal in the ordinary course of business);

(e) any indebtedness or liabilities (other than any liability incurred in the ordinary course of business) assumed, indemnified, guaranteed or incurred by Party C;

(f) the waiver by Party C of any amount owed to it by, or of any right of the Party C against, any of its shareholders (including Party B) or any member of the Sellers' Group;

(g) any Encumbrance over any of the assets of Party C other than in the ordinary course of business;

(h) any unusual or non-contractual payment by Party C of a bonus or other emolument to any director, officer or employee of Party C or any other payment to any of the foregoing in connection with the sale and purchase of the Purchased Shares contemplated by this agreement and all ancillary matters relating thereto (the "**Transaction**");

(i) any payment made, or fees or costs incurred, by the Target Company in connection with the Transaction;

(j) the payment by Party C to any of its shareholders (including Party B) or any member of the Sellers' Group of any amounts (whether principal amounts, interest payments or otherwise) under any indebtedness;

(k) any agreement or arrangement by Party C to give effect to any of the matters referred to above; or

(l) any tax paid or that will become payable by Party C in connection with any of the matters referred to above.

Article 3 Closing

3.1 Payment of Purchase Price: At Closing (defined below), Party A shall deliver:

(A) to MMTEC, Inc., a promissory note, in a form reasonably acceptable to Party B, in an amount equal to the product of: (i)(x) the Purchase Price, *minus* (y) the amount of Leakage (if any), *multiplied by* (ii) 85% (the "**MMTEC Note**"), and

(B) to Burgeon Capital Inc, a promissory note, in a form reasonably acceptable to Party B, in an amount equal to the product of (i)(x) the Purchase Price, minus (y) the amount of Leakage (if any), *multiplied by* (ii) 15% (the "**BCI Note**" and together with the MMTEC Note, the "**Notes**").

The Notes shall be secured by all of the issued and outstanding equity of the Target Company and all of the assets of the Target Company and its subsidiaries and shall have a maturity of 90 days from the Closing Date.

3.2 Closing: The consummation of the transactions contemplated hereby (the "**Closing**") shall take place electronically on the second (2nd) business day after the satisfaction or waiver of the last to be satisfied or waived of the conditions set forth in Article 3.4 (other than those conditions which are to be satisfied at the Closing, but subject to the satisfaction or waiver of such conditions) or at such time and date as Party A and Party B may designate. The date on which the Closing actually takes place is referred to in this Agreement as the "**Closing Date**".

3.3 Closing Deliverables:

At Closing, Party B shall deliver to Party A each of the following:

(a) a certificate of MMTEC, Inc. confirming that (i) it has performed and complied with, in all material respects, all covenants and obligations required to be performed or complied with by it under this Agreement on or before the Closing Date, (ii) each of the representations and warranties made by MMTEC, Inc. in this Agreement is complete, true and accurate and not misleading as at the date of this Agreement and as at the Closing Date as though restated on and as at the Closing Date with respect to facts, events and circumstances existing as at such date; and (iii) each of the conditions set forth in Article 3.4 to be performed by it have been satisfied (other than those conditions that have been waived in writing by Party A);

(b) a certificate of Burgeon Capital, Inc confirming that (i) it has performed and complied with, in all material respects, all covenants and obligations required to be performed or complied with by it under this Agreement on or before the Closing Date, (ii) each of the representations and warranties made by Burgeon Capital, Inc in this Agreement is complete, true and accurate and not misleading as at the date of this Agreement and as at the Closing Date as though restated on and as at the Closing Date with respect to facts, events and circumstances existing as at such date; and (iii) each of the conditions set forth in Article 3.4 to be performed by it have been satisfied (other than those conditions that have been waived in writing by Party A);

(c) duly executed instruments of transfers in respect of all of the Purchased Shares in favor of Party A (or such person as Party A may nominate);

(d) copies of the duly executed share certificates representing the Purchased Shares registered in the name of Party A (or such person as Party A may nominate);

(e) a certified copy of the shareholder register of the Target Company, showing that the equity proportion registered by Party A in the Target Company is 100%, there is no Encumbrance on the equity of the Target Company, and the cancellation of the Purchased Shares registered in the name of the relevant Original Shareholders, and the registration of the Purchased Shares in the name of Party A (or such person as Party A may nominate);

(f) letters of resignation in the agreed form of each of the directors and officers of the Target Company, other than the officers set out in Schedule 2 (the "Retained Management"), from his/her office as a director and/or an officer, including a waiver of all claims against the Target Company.

(g) the resolutions duly and validly adopted by the board of directors and the shareholders of the Target Company certifying that they have approved and authorized the closing of the Transactions and agreed to the investment and share transfer provided hereunder; the adoption of the amended articles of association; and the new composition of the board of directors; and

(h) duly executed copies of this Agreement, the amended articles of association and such other ancillary documents as Party A may deem to be necessary to complete the Closing.

At Closing, Party A shall deliver to Party B:

(i) The Notes duly executed by Party A;

(j) such other documents, certificates, or instruments necessary to perfect Party B's security interests in the issued and outstanding equity of the Target Company and the assets of the Target Company and its subsidiaries;

(k) a certificate of Party A confirming that (i) it has performed and complied with, in all material respects, all covenants and obligations required to be performed or complied with by it under this Agreement on or before the Closing Date, (ii) each of the representations and warranties made by Party A in this Agreement is complete, true and accurate and not misleading as at the date of this Agreement and as at the Closing Date as though restated on and as at the Closing Date with respect to facts, events and circumstances existing as at such date; and (iii) each of the conditions set forth in Article 3.4 to be performed by it have been satisfied (other than those conditions that have been waived in writing by Party B);

(l) the resolutions or minutes duly and validly adopted by the board of directors of the Party A certifying that they have approved and authorized the execution of this Agreement and the closing of the Transactions; and

(m) duly executed copies of this Agreement and such other ancillary documents as Party B may deem to be necessary to complete the Closing.

3.4 Conditions to Closing:

The obligation of Party A to complete the purchase and to pay the Purchase Price for the Purchased Shares pursuant to this Agreement is conditioned on the following conditions having been fulfilled on or prior to the Closing Date to Party A's satisfaction, or waived by Party A:

(a) Party B and Party C having performed and complied with, in all material respects, all covenants and obligations required to be performed or complied with by them under this Agreement on or before the Closing Date;

(b) each of the Warranties of Party B and Party C being complete, true and accurate and not misleading as at the date of this Agreement, as at the Closing Date and the Target Company and Party B having delivered the items contemplated to be delivered by them under Article 3.3;

(c) no proceedings having been instituted or threatened that seek to restrain, prohibit, declare illegal, or otherwise challenge or interfere or obtain relief in connection with the Transaction, nor there coming into force any law having the same result;

(d) in connection with the Transaction, (i) all requisite filings or registrations to be made by Party B and Party C have been made; and (ii) all requisite governmental authorizations to be obtained by Party B and Party C have been obtained on terms and conditions reasonably satisfactory to Party A;

(e) there has been no actual or threatened revocation, termination or suspension of existing business relationship with any of the customers or vendors of the Target Company;

(f) each Retained Management having been retained by the Target Company;

(g) there has been no Material Adverse Change and for this purpose, "**Material Adverse Change**" means any effect attributable to or resulting from an event, circumstance, occurrence or non-occurrence since the date of this Agreement that, individually or in the aggregate with other events, circumstances, occurrences or non-occurrences since that date, is or would reasonably be expected to be materially adverse to the business, assets, prospects, financial condition or results of the operations of the Target Company or to the Closing of the Transaction;

(h) completion of the audit of the consolidated financial statements of the Target Company by WWC, P.C. for fiscal years of 2021 and 2022 (the "**Accounts**"); and

(i) The delivery of unaudited consolidated financial statements of the Target Company covering the period beginning on January 1, 2023 and ending on the last day of the month immediately preceding the month in which the Closing Date occurs or otherwise as required pursuant to relevant SEC rules.

The obligation of Party B to sell the Purchased Shares pursuant to this Agreement is conditioned on the following conditions having been fulfilled on or prior to the Closing Date to Party B's satisfaction, or waived by Party B:

(j) Party A having performed and complied with, in all material respects, all covenants and obligations required to be performed or complied with by it under this Agreement on or before the Closing Date;

(k) each of the Warranties of Party A being complete, true and accurate and not misleading as at the date of this Agreement, as at the Closing Date and Party A having delivered the items contemplated to be delivered by it under Article 3.3;

(l) no proceedings having been instituted or threatened that seek to restrain, prohibit, declare illegal, or otherwise challenge or interfere or obtain relief in connection with the Transaction, nor there coming into force any law having the same result; and

(m) in connection with the Transaction, (i) all requisite filings or registrations to be made by Party A have been made; and (ii) all requisite governmental authorizations to be obtained by Party A have been obtained on terms and conditions reasonably satisfactory to Party B.

Article 4 Pre-Closing Obligations of the Original Shareholders and the Target Company

4.1 Between the date of this Agreement and the Closing Date, Party B shall cause the Target Company and its consolidated entities to:

(a) carry on its business in the ordinary and usual course;

(b) comply with all applicable laws and governmental authorizations;

(c) keep Party A informed of all material matters relating to the assets, liabilities and business of the Target Company;

(d) take all reasonable steps to preserve the goodwill of the businesses of the Target Company and encourage customers, suppliers and others having business relations with the Target Company to continue to deal with the Target Company and do nothing which damages, or would be likely to damage, such goodwill; and submit all appropriate tax-related submissions, notifications and filings to the relevant governmental entities.

4.2 Without limiting the generality of Article 4.1, between the date of this Agreement and the Closing Date, the Target Company shall not, and the Original Shareholders shall cause the Target Company and its consolidate entities not to, without Party A's prior written consent:

(a) alter any constitutional documents of the Target Company or any of its consolidated entities;

(b) alter the nature and scope of the business of the Target Company;

(c) issue any debt or equity security or other security convertible or exchange into any security of the Target Company, or reduce, redeem or repay any share or loan capital or other securities of the Target Company;

(d) declaration of, or the making or payment of, a dividend or other distribution to shareholders of the Target Company (including the Original Shareholders);

(e) pass any shareholder resolutions of the Target Company;

(f) make change to the accounting practices or policies of the Target Company;

(g) make any capital commitment;

(h) incur any borrowing or pre-payment of any borrowing;

(i) create or grant of any Encumbrance (other than a lien arising by operation of law or in the ordinary and usual course of business) over the whole or any part of the undertaking or any asset of the Target Company or any guarantee, indemnity or other agreement to secure any obligation of any person;

(j) make any loan (other than the granting of trade credit in the ordinary and usual course of business) to any person;

(k) enter into , or amend, any contract, understanding or arrangement which is not on an arm's length basis and for full and proper consideration; relates to or affects a material part of the business of the Target Company; or is materially unusual or abnormal or onerous;

(l) make any amendment or terminate or give notice to terminate any governmental authorization or Material Contract (defined below), which would result in a Material Adverse Change;

(m) appoint or employ (or terminate the appointment or employment) of any director, officer or senior employee of the Target Company or the alteration of any material terms related thereto;

(n) make any material amendment to the terms of employment of any category of employees;

(o) acquire or dispose of any interest in (a) any securities of any person; or (b) asset (other than an acquisition or disposal in the ordinary and usual course of business and on normal arm's length terms);

(p) enter into any joint venture, partnership or agreement or arrangement for the sharing of profits or assets);

(q) assign, license, charge, abandon, fail to prosecute or other dispose of, or fail to maintain, defend or diligently pursue applications for, any of the intellectual property;

(r) commence, compromise, settle, release or discharge of any proceedings; or

(s) authorize or agree to do or take any of the foregoing acts or matters.

Article 5 Additional Obligations

5.1 Party A shall supervise and handle its approval procedures for such equity transfer in a timely manner pursuant to the provisions hereof.

5.2 Party A shall issue relevant documents that shall be signed or issued by it to complete such equity transfer.

5.3 The Original Shareholders shall use their best endeavors to assist with the transition of customers and vendors of the Target Company.

5.4 The Original Shareholders shall procure that each Retained Management enter an employment agreement with Party A or an affiliate of Party A to the satisfaction of Party A.

5.5 The Original Shareholders undertake to Party A that it shall not, and shall procure their respective affiliates not to, directly or indirectly, in any capacity:

(a) at any time after the date of this Agreement:

(i) do or say anything which is likely or intended to damage the goodwill or reputation of the Target Company or its affiliates or of any business carried on by the Target or its consolidated entities; or

(ii) except as otherwise expressly permitted by this Agreement, disclose to any person, or use for any purpose whatsoever, any information which is secret or confidential to the business or affairs of the Target Company or its consolidated entities;

(b) within one (1) year after the Closing Date:

(i) carry on, be engaged in, provide services to, be concerned or associated with, be interested in or in any way assist with, any insurance business which is or is likely to be in competition with the business of the Target Company, Party A or any of their consolidated entities (the "**Protected Entities**") except in connection with the provision of the services pursuant to Article 5.3 or other services as otherwise agreed in writing by Party A; or

(ii) canvas or solicit the custom of any person that is or has within twenty-four months prior to the Closing been a client or customer of any Protected Entity in relation to goods or services sold or provided by such Protected Entity.

(iii) offer employment to or employ or offer to enter into any contract for services with any person who is an employee of any Protected Entity, or induce any of those employees to terminate his employment with such Protected Entity, except as otherwise agreed in writing by Party A.

The Original Shareholders agree and acknowledge that the restrictions set out in Article 5.5 have been specifically negotiated and agreed between sophisticated parties, are necessary to protect Party A and the Target after Closing and are reasonable in scope and duration under the circumstances.

Article 6 Representations and Warranties

6.1 Representations and warranties of Party A:

6.1.1 Party A has all necessary corresponding rights, powers, and authorizations to sign this Agreement, fulfill their respective obligations hereunder and complete the proposed Transaction.

6.1.2 This Agreement constitutes the legal, valid, and binding obligations of Party A, and may be enforced against it in accordance with the terms hereof.

6.1.3 The execution, delivery and performance of this Agreement by Party A does not and will not violate or conflict with any laws or government directives applicable to it and any binding agreements, contracts and other legal documents entered into by it.

6.1.4 Party A has obtained any and all written consents, approvals and authorizations from third parties, which are necessary to execute, deliver and perform this Agreement and complete the transactions hereunder.

6.2 Representations and warranties of Target Company and the Original Shareholders:

Each of MMTEC, Inc. and Burgeon Capital Inc. hereby, severally and not jointly, represents and warrants to Party A that:

6.2.1 It has all necessary rights, powers, and authorizations to sign this Agreement, fulfill its respective obligations hereunder and complete the proposed Transaction.

6.2.2 This Agreement constitutes its legal, valid, and binding obligation, and may be enforced against it in accordance with the terms hereof.

6.2.3 The execution, delivery and performance of this Agreement by it does not and will not violate or conflict with any laws or government directives applicable to it and any binding agreements, contracts and other legal documents entered into by it.

6.2.4 It has obtained any and all written consents, approvals and authorizations from third parties, which are necessary to execute, deliver and perform this Agreement and complete the transactions hereunder.

6.2.6 It is the lawful owner, of record and beneficially, of its respective Purchased Shares. It has good, valid and marketable title to its respective Purchased Shares, free and clear of any Encumbrances, and with no restriction on the voting rights and other incidents of record and beneficial ownership pertaining thereto. Except for this Agreement, there are no outstanding contracts or understandings between it and any other person with respect to the acquisition, disposition, transfer, registration or voting of or any other matters in any way pertaining or relating to, or any other restrictions on any of its respective Purchased Shares.

6.2.7 All consents, approvals and filings for the transfer of its respective Purchased Shares have been obtained or will be obtained before Closing.

The Target Company and Party B hereby jointly and severally make the following representations and warranties to Party A:

Unless specified or otherwise required by the context, Target Company for purpose of the representations and warranties shall include Alpha Mind Technology Limited and any of its consolidated entities, including Huaming Yunbao (Tianjin) Technology Co., Ltd, a company established incorporated under the laws of the PRC, and Huaming Insurance Agency Co., Ltd. a national insurance agency company established in accordance with PRC law and approved by the China Insurance Regulatory Commission, a company incorporated under the laws of the PRC (together, hereinafter referred to as the "**VIE Entities"**).

Capacity:

6.2.8 The Target Company has all necessary corresponding rights, powers, and authorizations to sign this Agreement, fulfill its respective obligations hereunder and complete the proposed Transaction.

6.2.9 This Agreement constitutes the legal, valid, and binding obligations of the Target Company, and may be enforced against it in accordance with the terms hereof.

6.2.10 The execution, delivery and performance of this Agreement by the Target Company does not and will not violate or conflict with any laws or government directives applicable to it and any binding agreements, contracts and other legal documents entered into by it.

6.2.11 The Target Company has obtained any and all written consents, approvals and authorizations from third parties, which are necessary to execute, deliver and perform this Agreement and complete the transactions hereunder.

Purchased Shares:

6.2.12 The particulars shown in of Schedule 1 are true, accurate and not misleading.

6.2.13 Except for this Agreement, there are no outstanding contracts or understandings between the Target Company and any other person with respect to the acquisition, disposition, transfer, registration or voting of or any other matters in any way pertaining or relating to, or any other restrictions on any of the Purchased Shares. At Closing, Party A shall own all of the Purchased Shares, free and clear of all Encumbrances (other than as contemplated herein in Article 3.1).

6.2.14 The Purchased Shares comprise 100% of the issued and outstanding share capital of the Target Company on a fully diluted basis, have been validly issued and allotted and each is fully paid and non-assessable common share in the capital of the Target Company. Except for the Purchased Shares, no shares of capital stock, warrants, options or other securities of the Target Company are issuable and no rights in connection with any shares, warrants, options or other securities of the Target Company accelerate or otherwise become triggered (whether as to vesting, exercisability, convertibility or otherwise).

6.2.15 All consents, approvals and filings for the transfer of the Purchased Shares have been obtained or will be obtained before Closing.

Consequence of this Agreement

6.2.16 The entering into and performance of this Agreement and any other document to be entered into pursuant to or in connection with this Agreement will not nor is likely to:

(a) so far as the Original Shareholders are aware, cause the Target Company to lose the benefit of any right or privilege it presently enjoys or any authorization or license it presently holds;

(b) so far as the Original Shareholders are aware, cause any person who normally does business with or gives credit to the Target Company not to continue to do so on the same basis as previously;

(c) result in a breach or constitute (with or without the lapse of time and/or the giving of any notice, certificate, declaration or demand) a default or give rise to any right of termination, variation, payment or acceleration, under any contract to which the Target Company is a party or result in the imposition of an Encumbrance on the assets of the Target Company or the Purchased Shares; or

(d) so far as the Original Shareholders are aware, adversely affect the attitude or action of customers, clients, suppliers, employees and other persons with regard to the Target Company.

Legal Compliance and Litigation

6.2.17 A corporate structure chart showing the Target Company and its shareholdings in all of its consolidated entities are shown in Schedule 3. The corporate structure of the Target Company complies with all applicable laws and regulations, and neither the ownership structure nor any contracts under the contractual arrangement with the VIE Entities in respect of the Target Company violate, breach, contravene or otherwise conflict with any applicable laws. The Target Company and its consolidated entities are legally incorporated, validly existing, and qualified limited liability companies under their respective jurisdictions of incorporation, with all necessary rights and powers to engage in their current and proposed business operations. The Target Company and its consolidated entities have at all times carried on their business and affairs in all respects in accordance with its constitutional documents from time to time in force.

6.2.18 The Target Company and its consolidated entities comply with the requirements of relevant government regulatory agencies in terms of law, finance, management, technology, intellectual property, business, company licenses, and government regulations.

6.2.19 The Target Company and its consolidated entities have at all times conducted its business and operations in accordance with all applicable laws in all material respects and there is no investigation, notice or enquiry by, or order, decree, decision, prosecution or judgment of, any governmental entity against the Target Company or its consolidated entities, their respective officers or employees or any other person for whose acts or defaults the Target Company or its consolidated entities may be vicariously liable with respect to an alleged, actual or potential material breach of, and/or material failure to comply with, any applicable law.

6.2.20 All licenses required for or in connection with the carrying on of the business and the operations of the Target Company in the manner and in the places in which such business and operations are carried on or proposed to be carried on:

(a) have been obtained and are in full force and effect;

(b) have been provided to Party A together with complete and accurate copies thereof;

(c) are not limited in duration or subject to onerous conditions; and

(d) have been and are being complied with.

6.2.21 There are no circumstances which indicate that any of the licenses may be modified, revoked or not renewed or which confer a right of modification, revocation or non-renewal.

6.2.22 None of the Target Company, its consolidated entities or any person acting on their behalf has:

(a) made any unlawful contribution or gift or provided any unlawful entertainment or expenditure relating to political activity in connection with the business of the Target Company;

(b) made any direct or indirect unlawful payment to any foreign or domestic governmental entity or government official or employee in connection with the business of the Target Company;

(c) paid any bribe, rebate, pay-off, influence payment or other unlawful payment; or

(d) breached any provision of the U.S. Foreign Corrupt Practices Act of 1977 or the regulations issued thereunder or any similar any similar anticorruption or anti-bribery laws of any other jurisdiction.

6.2.22A Party B do not directly or indirectly own or control any other company, partnership, partnership, enterprise or other investment that forms a competitive relationship with the Target Company. Party B currently does not own or control, directly or indirectly, any interest in any other company, legal person, partnership, trust, joint venture, association or other business entity, nor is it a participant in any joint venture, partnership or similar arrangement; nor is there any real or potential obligation to engage in such arrangements or to make any equity investment.

6.2.23 There is no lawsuit, arbitration, administrative penalty, claim, investigation or other legal proceeding that is brought by any third party, court, government agency, or arbitration institution against or in connection with the Target Company, nor is there any unenforced rulings or judgments that will result in a Material Adverse Change. So far as the Original Shareholders are aware, there are no facts or circumstances which might give rise to any material proceedings.

Data Protection:

6.2.24 The Target Company complies with and has at all times complied with all of its obligations under applicable data protection legislation.

6.2.25 No notice or allegation has been received by the Target Company from a competent authority alleging that the Target Company has not complied with any applicable data protection laws.

6.2.26 No individual has claimed, and no grounds exist for an individual to claim, compensation from the Company for breaches of applicable data protection laws.

Accounts:

6.2.27 The Accounts have been prepared in accordance with all applicable laws and the U.S. GAAP at the date of publication of the Accounts and any other management accounts of the Target Company provided to Party A has been prepared on the same basis as the Accounts.

6.2.28 The Accounts give a true and fair view of the state of affairs of the Company for the two years ended and as at December 31, 2022 and for the nine month period ended September 30, 2023. (the "**Accounts Date**") and of the balance sheet, profits and losses for the financial period to which they relate and there is no liability that is not adequately provided for or noted in the Accounts.

6.2.29 The accounting records of the Target Company are up-to-date, have been maintained on a proper and consistent basis and in accordance with all applicable laws and the accounting standards. They contain an accurate and complete record of all matters required to be entered in them or which are otherwise entered in them. No notice or allegation that any of the accounting records is incorrect or should be rectified has been received.

Finance:

6.2.30 The Target Company has:

(a) no outstanding loan capital nor has it incurred any borrowing which it has not repaid or satisfied;

(b) not been a party to or under any obligation in relation to any loan agreement, debenture, acceptance credit facility, bill of exchange, promissory note, finance lease, debt or inventory financing, discounting or factoring or sale and loan arrangement or any other arrangement the purpose of which is to raise money or provide finance or credit; and

(c) not engaged in any financing of a type which would not be required to be shown or reflected in the Accounts.

6.2.31 The Target Company has not lent or agreed to lend any money to any person, is not responsible for the indebtedness or other liability of any person and has not given any guarantee, indemnity or other assurance of loss in relation to any indebtedness or other Liability of any Person.

6.2.32 The Target Company has not created or agreed to create any Encumbrance (except liens arising by operation of law in the ordinary and usual course of business) over or entered into any factoring arrangement in relation to any of the Assets (as defined below) and all of the Assets are free from any hire or hire purchase agreement, conditional sale or credit sale agreement, leasing or rental agreement or agreement for payment on deferred terms or other Encumbrance.

6.2.33 The Target Company does not own the benefit of any debt (whether present or future) other than debt owing to it in the ordinary course of trading.

6.2.34 The Target Company has sufficient working capital for the purpose of continuing to carry on its business in its present form and at its present level of turnover and of performing all orders, projects and contractual obligations which have been placed with, or undertaken by, the Target Company in accordance with their terms.

Events since the Accounts Date:

6.2.35 Since the Accounts Date and except as disclosed in Schedule 5:

(a) the Target Company has carried on its business in the ordinary and usual course (including as to nature and scope) and so as to maintain its business as a going concern;

(b) there has been no material adverse change in the financial or trading position or prospects of the Target Company;

(c) the Target Company has not acquired or disposed of any asset nor agreed to acquire or dispose of an asset, other than the sale of inventory or products in the ordinary and usual course of business;

(d) the Target Company has not made or agreed to make any capital expenditure;

(e) there has been no unusual or material increase or decrease in the level of the Target Company's trading stock (including work-in-progress) or the price paid for its trading stock;

(f) the profits and losses of the Target Company and the trend of profits and losses have not been affected by changes or inconsistencies in accounting treatment;

(g) there has been no change in the manner or time of payment of creditors and there has been no change in the manner or time of collection of debts or the policy of reserving for debtors;

(h) the Target Company has not cancelled or delayed, in whole or in part, any capital expenditure or other material item of discretionary spending that is set out in the Company's business plan in force as at the date of this Agreement;

(i) the Target Company has not allotted or issued, nor has it granted any option over or other right to subscribe for or purchase, any of its share or loan capital or other securities and it has not made any agreement or arrangement to do the same;

(j) the Target Company has not reduced, redeemed or repaid any of its share or loan capital or other securities;

(k) no change has been made to the accounting reference date of the Target Company; and

(l) no resolution of shareholders has been passed or signed other than resolutions to approve the Transaction.

The Target Company undertakes not to have any undisclosed liabilities prior to Closing.

Assets

6.2.36 The Target Company has legal and beneficial title to and is, where capable of possession, in possession and control of, all assets included in the Accounts or which were acquired by the Company since the Accounts Date (except for assets sold, realised or applied in the ordinary and usual course of business) ("**Assets**"). All the Assets, which comprise all the assets necessary for the carrying on of the business of the Target Company fully and effectively in the manner and to the extent it is now conducted, are free from Encumbrances and no third party has or claims any rights in relation to the Assets (or to the proceeds of sale of the Assets).

6.2.37 All Assets owned or used by the Target Company are in good condition and state of repair, have been regularly and properly maintained, are serviceable and in satisfactory working order and the vehicles are correctly licensed (where applicable) and roadworthy. All such assets are capable of being efficiently and properly used in the Target Company's business and none is dangerous, obsolete, surplus to requirements, inefficient or in need of renewal or replacement.

Insurance

6.2.38 The Targe Company has at all times maintained adequate insurance cover against risks normally insured against by companies carrying on similar businesses or owning property and/or assets of a similar nature to the Company (the "**Policies**") and, in particular, has maintained all insurance required by Law. Full details of the Policies held by the Company have been provided to Party A together with complete and accurate copies of the Policies.

6.2.39 All premiums due on the Policies have been duly paid and all the Policies are valid and in force and are not void or voidable or unenforceable for any reason. There are no claims outstanding under the Policies which have been rejected by the insurer and no event has occurred which might give rise to a material claim.

6.2.40 Details of all claims made under insurance policies held by the Target Company during the period of five years prior to the date of this Agreement have been provided to Party A.

Intellectual Properties:

6.2.41 Details of all registered intellectual property rights (and applications for any such rights) and material unregistered intellectual property rights owned by the Target Company have been provided to Party A and the Target Company is the sole legal and beneficial owner of such rights free from all Encumbrances. The employees, consultants, and independent partners of the Target Company have not infringed on the legitimate rights of former employer or other intellectual property holders, or engaged in any violations of confidentiality obligations, non-competitive obligations, and non-collusion obligations agreed with the corresponding the Target Company, the former employer, and any other third party, or failed to serve the interests of the Target Company due to constraints of agreements or government directives or been in conflict with the interests of the Target Company.

6.2.42 None of the intellectual property rights owned by the Target Company is the subject of any dispute or proceedings and no dispute or proceedings are threatened.

6.2.43 Details of all contracts (including licences) that are material to the business of the Target Company relating to intellectual property rights have been provided to Party A together with complete and accurate copies of any written terms relating thereto.

6.2.44 No third party is infringing or making unauthorised use of, or has in the past twelve months infringed or made unauthorised use of, any intellectual property rights owned or used by the Target Company. The Target Company is not infringing or making unauthorised use of, nor has it in the past twelve months infringed or made unauthorised use of, any intellectual property rights owned or used by a third party.

Information Technology:

6.2.45 All of the business IT used in the twelve months prior to the date of the Agreement is owned by or validly licensed (on written terms) to the Target Company and is in good repair and condition.

6.2.46 There are, and since January 1, 2021 there have been, no performance reductions or breakdowns of, or logical or physical intrusions to, any information technology or loss of data which have had (or are having) a material adverse effect on the use of the business IT by the Target Company.

6.2.47 Disaster recovery plans are in place and are appropriate and adequate to ensure that the Business IT and the data stored on it ("**Data**") can be replaced or substituted without disruption to the Company in the event of a failure of any part of the business IT. All Data has been regularly archived in properly stored, catalogued and secure hard copy form, to which, following the Closing, Party A will have unimpeded access.

ESG-related:

6.2.48 The Target Company and each Subsidiary has complied with relevant laws and regulations (including but not limited to laws and regulations relating to medical institutions, environmental protection, labour, anti-unfair competition and anti-commercial bribery) in its corporate operations and all aspects of the Target Company's and each of its consolidated entities' business are in compliance with the requirements of laws and government orders.

6.2.49 The full names of and offices held by each person who is a director of the Target Company and its consolidated entities have been provided to Party A. No other person is a director or shadow director of the Target Company or any of its consolidated entities.

6.2.50 The Target Company has not entered into any informal or formal agreement to amend or change the terms or conditions of employment or engagement of any of the officers or employees of the Target Company or any of its consolidated entities (whether such amendment or change is to take the effect prior to or after Closing).

6.2.51 The Company is in compliance with in all material respects all employment legislation applicable in relation to the employees and has not done any act or made any omission and is not aware of any act or omission of any of the employees within the last five years which could give rise to any material cause of action by any employee under or by virtue of any such employment legislation. There are no material breaches by the Company within the last five years of any term or condition of employment or engagement or agreement (whether express, implied, oral or in writing) of any employee.

6.2.52 The Target Company has fully complied with in all material respects and has not acted in contravention of the applicable laws, regulations and requirements in respect of social security, housing provident funds or other mandatory pension schemes.

Taxation

6.2.53 The Target Company and each of its consolidated entities have paid all taxes on time and in full, and all tax statements, reports and forms required to be submitted by or on behalf of such entities ("**Tax Statements**") have been provided to the appropriate governmental authorities in a timely manner, and all Tax Statements accurately reflected, in all material respects, the tax liability of the Target Company or its consolidated for the period, property or event recorded. All taxes, including the taxes in the Tax Statement or taxes deemed by any governmental authority to be payable by the Target Company or any consolidated entities, or levied on the Target Company's or any of its consolidated entities' property, assets, capital, turnover or income, have been paid in full (except for taxes adequately reserved in the relevant Accounts). There are no pending or potential inspections, inquiries, or audits by any regulatory authorities against the Target Company or any of its consolidated entities. All taxes required by law to be withheld by the Target Company or any of its consolidated entities have been withheld and submitted to the competent governmental authorities or are in the proper custody of the Target Company or its relevant consolidate entities. The Target Company has no other tax liabilities or obligations of any nature unless such tax liabilities or obligations are (i) adequately reflected in the Accounts or (ii) incurred in the ordinary course of business activities since the Accounts Date (as defined below). There is no dispute or disagreement, nor is any contemplated, with any Tax Authority regarding tax recoverable from the Target Company or regarding the availability of any relief from tax to the Target Company.

6.2.54 No act or transaction has been or will, on or before the Closing, be effected by the Target Company, the Original Shareholders or any other person (including the sale of the Purchased Shares), in consequence of which the Target Company is or may be held liable for tax primarily chargeable against some other person.

Insolvency:

6.2.55 The business operations of the Target Company and its consolidated entities are normal and there is no court judgment in the PRC declaring the Target Company or any of its consolidated entities bankrupt or insolvent (or similar circumstances). There are no for insolvency or bankruptcy (or similar circumstances) and no third party is about to commence such proceedings. There are no requests for termination, liquidation or dissolution of the Target Company or any of its consolidated entities, and no resolutions for liquidation or dissolution have been passed. The Target Company and its consolidated entities are able to meet its obligations as they come due and its assets are sufficient to satisfy all of their liabilities.

Trading and Contracts:

6.2.56 The Target Company has provided to the Party A complete and accurate copies of each contract to which the Target Company or any of its consolidated entities is a party or subject to and of any other arrangement or understanding ("**Material Contracts**") which:

(a) is not in the ordinary course of business;

(b) is not on an arm's length basis;

(c) is long-term (meaning unlikely to be performed in full in accordance with its terms within six months of its commencement or being incapable of termination without compensation by the Target Company in six months or less);

(d) is loss making;

(e) cannot readily be performed by the Target Company without undue or unusual expenditure of money or effort;

(f) restricts its freedom to carry on its business in any part of the world in such manner as it thinks fit;

(g) requires or is likely to require consideration payable by the Target Company or to the Target Company for the material contract or which obliges the Target Company to take any minimum purchases;

(h) involves or is likely to involve the supply of goods or services by the Target Company, the aggregate sales value of which will represent a material portion of the revenue of that Target Company (in the case of a customer of the Target Company) or of the goods or services supplied to the Target Company (in the case of a supplier to the Target Company) for the year ended on the date of this Agreement, where the contract is in writing;

(i) requires or is likely to require the Target Company to pay any commission or any of its consolidated entities, finder's fee, brokerage or similar payment;

(j) provides for payments to or by the Target Company based on sales, profits or other benchmarks;

(k) involves an agency, distributorship or management relationship;

(l) is a joint venture, consortium, partnership or other contract, arrangement or understanding under which it participates with any other person in any business;

(m) can be terminated upon a change of control of the company or would entitle any party upon a change of control of the Company to exercise rights not otherwise available to such party;

(n) is material to the carrying on of the business and the operations of the Target Company whether or not it is material in terms of expenditure or revenue expectations;

(o) any contracts under the contractual arrangement with the VIE Entities in respect of the Target Company; or

(p) involves liabilities which may fluctuate in accordance with an index, or notes of currency exchange or interest or movements in the price of any securities or commodities or the credit rating of any reference person.

Schedule 4 sets forth a true, correct and complete list of the Material Contracts.

6.2.57 All Material Contracts of the Target Company and its consolidated entities are legally valid, binding and enforceable on the parties thereto. The Target Company and its consolidated entities have complied with or performed under such agreements, there is no material breach, cancellation or invalidity of such agreements and there is no ground for rescission, avoidance or repudiation of any Material Contracts and the Target Company and its consolidated entities have not given or received any notice of any attempt to terminate or not to renew such agreements.

As of the Closing Date, the Target Company has not received any notice from the Target Company's or any of its consolidated entities' major customers, suppliers and partners, indicating that at any time after the Closing Date they will stop the use of the Target Company's products or services or other business relationships with the Target Company, or that they will materially reduce the use of the products or services or change the terms of the business relationship; The Target Company also has no reason to believe that the above situation may occur or that the proposed transaction hereunder will lead to the occurrence of the above situation.

There is no legal or governmental proceeding, inquiry or investigation pending against the Target Company or any of its consolidated entities and their shareholders challenging the validity of any contracts under the contractual arrangement with the VIE Entities, and no such proceeding, inquiry or investigation is threatened in any jurisdiction.

6.2.58 There are no outstanding agreements or arrangements to which the Target Company or any of its consolidated entities is a party which (1) require the allotment or issue of any shares, equity, debentures or other securities of the Target Company or any of its consolidated entities now or at any time in the future; (2) require the entering into of any joint venture, partnership or profit-sharing (or loss-sharing) agreement or arrangement; (3) require the granting to any person of a purchase of material assets or property of the Target Company or any (2) enter into any joint venture, partnership or profit -sharing (or loss -sharing) agreement or arrangement; (3) enter into any contract, agreement or other arrangement granting to any person any preemptive right to purchase material assets or property or any equity interest in the Target Company or any of its consolidated entities (other than a purchase made in the ordinary course of business consistent with past practice); or (4) enter into any other agreement or arrangement that has or may have a material effect on the financial or business condition or prospects of the Target Company or any of its consolidated entities.

Agreements between the Target Company and the Original Shareholders:

6.2.59 Between the Original Shareholders, directors, officers or employees of the Target Company or their respective spouses or children, or any affiliates of any of the foregoing (the "**Sellers Group**") and the Target Company, (i) there is no agreement, undertaking or any transaction that have been, are being, or are proposed to be conducted; (ii) there is no direct or indirect, unilateral or bidirectional, debt (except for wages yet to be paid consistent with prior practice), or commitment to provide loans or guarantees; (iii) no member of the Seller Group directly or indirectly enjoys interests in or have significant business relationships with the agreement of the Target Company and the agreements signed by the Target Company; (iv) no member of the he Sellers' Group has direct or indirect ownership interests (except for those who obtain no more than 1% of shares through the open securities market) in any enterprise or company associated with, having business relationships with, or competing with the Target Company, or control such enterprise through loans, agreements, or other means, or serve as an executive, director, or partnership in such enterprise.

Properties:

6.2.60 The particulars of the properties owned or occupied by the Target Company (the "**Properties**") have been provided to Party A and are true and accurate and not misleading. Except the Properties, the Company has no other estate or interest in or over land or premises and does not occupy any other land or premises and has not entered into any agreement to acquire or dispose of any land or premises or any estate or interest therein which has not been completed.

6.2.61 Except for the leased real estate, the Target Company and each of its consolidated entities owns a complete, market-valued rights to all the Properties, rights and assets and there is no guarantee, lease, sub-lease, tenancy, licence or right of occupation, rent-charge, exception, reservation, right, easement, quasi-easement or privilege (or agreement for any of the same) in favour of a third party (other than the Target Company) or other Encumbrance on such rights, and is in possession of all relevant title documents in respect of such Property and is solely legally and beneficially entitled to and has good and marketable title to and exclusive occupation of such Property.

6.2.62 The leases, sub-leases, tenancies, licences or agreements for any of the same under which any of the Properties held are valid and subsisting against all persons, including any person in whom any superior estate or interest is vested.

6.2.63 None of the Properties or any part thereof is affected by any of the following matters or is to the best knowledge of the Original Shareholders likely to become so affected: (a) any outstanding dispute, notice or complaint or any exception, reservation, right, covenant, restriction or condition which is of an unusual nature or which affects or might in the future affect the use of any of the Properties for the purpose for which it is now used (the "**Current Use**"); or (b) any outstanding claim or Liability under all relevant laws.

6.2.64 All restrictions, conditions and covenants (including any imposed by or pursuant to any lease, sub-lease, tenancy or agreement for any of the same and whether the Target Company is the landlord or tenant thereunder and any arising in relation to any superior title) affecting any of the Properties have been observed and performed and no notice of any material breach of any of the same has been received or is to the Original Shareholders' best knowledge likely to be received.

6.2.65 The current use of the Properties and all equipment therein and the conduct of any business therein complies in all material respects with all relevant laws and all necessary governmental authorizations required under any law have been obtained.

6.2.66 Except in relation to the Properties, the Target Company has no liability arising out of the conveyance, transfer, lease, sublease, tenancy, licence, agreement or other document relating to land or premises or an estate or interest in or over land or premises, including leasehold premises assigned or otherwise disposed of.

Quality of Disclosure:

6.3.67 Any information and facts related to the Target Company, any of its consolidated entities, or their business which are material for disclosure to a purchaser of the Purchased Share on the terms of this Agreement have been fully disclosed to Party A, and there is no untrue statement of a material fact, nor is there is omission of a material fact that is necessary make the statements not misleading. , This Agreement, any other transaction documents, or any delivery documents delivered to Party A under this Agreement or any other transaction documents, or any other information, in written or electronic form, provided to Party A or its advisers by management shareholders, the Target Company itself or by proxy in the course of Party A's due diligence and negotiations regarding this Agreement and other transaction documents, do not contain any untrue, inaccurate, or incomplete, or misleading information, nor do they omit any information that makes the information provided in such documents untrue, inaccurate, incomplete, or misleading. All estimates, forecasts, expressions of opinion, statements of intention and expectation related to the aforesaid information which have been provided to Party A are made on reasonable grounds and are truly and honestly held and have been made after due and careful enquiry and consideration of all relevant circumstances.

6.3.68 The statements and warranties shall be made separately. Each statement and warranty shall be deemed to be a separate statement or warranty, and (Unless there is a clear provision to the contrary) shall not be subject to any limitations due to reference to or induction of the terms of any other statement or warranty or any other provision hereof.

Article 7 Confidentiality

7.1 Confidentiality Obligation

Each party undertakes and shall promote its affiliates, their officers, directors, employees, agents, representatives, accountants, legal advisors, and other professional advisors to regard all of the following information as confidential information and keep it confidential (do not disclose the information or provide any party with access to such information to): (i) this Agreement and the terms of other transaction documents and negotiations regarding this Agreement and any other transaction documents; and (ii) all other confidential or proprietary information provided by other parties relating to business secrets, technology, copyrights, patents, trademarks, pricing and marketing plans, detailed information of customers and consultants, business plans, business acquisition plans, new personnel recruitment plans, and all other parties and their respective affiliates.

7.2 The confidentiality obligation stipulated in this article shall not apply to the following situations:

7.2.1 Information independently developed by a party concerned or obtained from a third party, provided that such third party has the right to disclose such information;

7.2.2 The disclosure of information is required by binding judgments, orders, requirements, rules or regulations of laws, courts or government departments or relevant stock exchanges, provided that Party A shall be notified of such requirement in advance within a reasonable time prior to disclosure;

7.2.3 Information disclosed in confidence to a party's professional advisers or information that needs to be reasonably disclosed for the purpose of evaluating the party's investment in the Target Company;

7.2.4 Information disclosed to any prospective lender or investor with the prior written consent of Party A and the Target Company;

7.2.5 Information that becomes freely available in the public domain (not as a result of breach of this provision);

7.2.6 Information disclosed by Party A or the Target Company to any bona fide potential investors (including prospective buyers of transaction) of any equity the Target Company, provided that such potential investors shall provide a confidentiality commitment in favor of the Target Company.

7.3 No publicity

Each Party shall not and shall ensure that its affiliates shall not make any announcement or notice in respect of the existence or content of this Agreement and any other transaction documents without Party A's prior written approval. The aforementioned provisions shall not affect any announcement or notice required by any law or regulatory authority or relevant stock exchange, provided that the party under the obligation to issue such announcement or notice shall, within a reasonable and feasible range, consult with Party A before complying with such obligation.

Article 8 Liabilities

Any and all liabilities incurred by, or arising from the operations or any action of, the Target Company or any of its consolidated entities prior to the Closing, shall be borne by the Original Shareholders. Any obligations determined by proposals, notices, orders, judgments, decisions, etc. made by relevant administrative or judicial departments against the Target Company for its behavior prior to the Closing shall also be borne by the Original Shareholders. After the Closing, Party A shall enjoy and bear all the debts and credits generated by the operation and management of the Target Company.

Article 9 Others

9.1 Liability for Breach

9.1.1 If one party fails to perform or suspends its obligations under this Agreement, or if any statements and guarantees made by the party are untrue or inaccurate in any material respect, the party shall be deemed to have breached this Agreement.

9.1.2 The defaulting party shall commence remedying the non-performance of the Agreement within seven (7) days after receiving a written notice from the other party in respect of such breach (which must reasonably and specifically describe the nature of the breach) and shall complete the remedy within thirty (30) days after receiving such a notice. Furthermore, if any party's breach of this Agreement causes any expense, liabilities, or losses to be incurred by the other party, the defaulting party shall compensate the complying party for any of the foregoing expenses, liabilities, or losses (including but not limited to interest and attorney's fees or losses as a result of the breach, but excluding any indirect losses) and shall hold the complying party harmless from any harm.

9.1.3 Each Original Shareholder shall severally and not jointly indemnify Party A and Target Company from and against all losses suffered or incurred by Party A and the Target Company as a consequence of or which would not have arisen but for:

(a) any breach or inaccuracy of any representation or warranty made by such Original Shareholder in this Agreement or any certificate or other document delivered by such Original Shareholder pursuant to this Agreement;

(b) any failure by such Original Shareholder to perform any of its obligations in this Agreement;

(c) any breach or non-compliance with any applicable law by the Target Company or such Original Shareholder on or before Closing; and

(d) any liability for tax of the Target Company (i) resulting from or by reference to any event, state of affairs, payment, transaction, act, omission or occurrence of whatever nature occurring on or before Closing, (ii) resulting from the Transaction, (iii) in respect of any gross receipts, income, profits or gains earned, accrued or received on or before Closing, or (iv) resulting from potential denial of corporate income tax deduction on personal expenses on the basis they were not incurred for the purposes of gaining or producing income.

The remedies provided in this Article 9.1.3 shall not be exclusive of or limit any other remedies that may be available to Party A. For the purposes of this Article 9.1.3, Party A contracts on its own behalf and also as trustee for the Target Company and accordingly may take action in that capacity to recover on behalf of the Target Company.

9.2 Effectiveness and Term

This Agreement shall come into effect on the date of signature and shall have full binding force on all parties to this Agreement.

9.3 Termination

9.3.1 Notwithstanding any provision to the contrary in this Agreement or any other transaction document, this Agreement may be terminated prior to the Closing Date in the following circumstances:

(1) by either party: Closing has not occurred within in 120 days after the signing of this Agreement, each party may terminate this Agreement by written notice to the other parties; provided, however, that if the failure to achieve Closing on or before such date is caused or contributed to by any party's failure to perform any of its obligations under this Agreement, such party shall not be entitled to terminate this Agreement pursuant to Article 9.3.2.

(2) by Party A upon (i) any occurrence of any Material Adverse Change, (ii) any statement or warranty of the Target Company or the Original Shareholders contained in this Agreement is untrue or inaccurate or (iii) the Target Company engaging in an overall transfer of its interests to creditors or initiates or is subject to any legal proceedings that result in the declaration of the Target Company's bankruptcy or the liquidation, closure, restructuring, or reorganization of its debt under any law;

(3) This Agreement may be terminated with the unanimous written consent of all parties;

(4) If the Target Company or Party B materially breaches any provision of this Agreement or any other transaction document and fails to remedy such breach within thirty (30) days after receipt of a notice of default from Party A, and which such breach has resulted in a Material Adverse Change, Party A may terminate this Agreement and abandon the proposed transaction;

(5) If Party A materially breaches any provision of this Agreement or any other transaction document and fails to remedy such breach within thirty (30) days after receipt of a notice of default from the Target Company or Party B, and which such breach has resulted in a Material Adverse Change, the Target Company may terminate this Agreement and abandon the proposed transaction;

(6) If any government department issues an order, decree, or ruling, or has taken any other action that restricts, prevents, or prohibits the proposed Transaction under this Agreement in other ways, and such order, decree, ruling, or other action is finalized and not subject to appeal, review, or appeal, then either parties may terminate this Agreement.

In the event of unilateral termination of this Agreement, the terminating party shall immediately send written notice to the other parties, and this Agreement shall terminate upon receipt of the notice by the other parties.

9.3.2 If this Agreement is terminated in accordance with the provisions of Article 9.3.1 above, this Agreement shall terminate and no longer have legal effect. However, the rights and obligations of the parties under this Agreement shall continue to be valid and binding after the termination of this Agreement. Any remedies arising from any breach of this Agreement prior to the termination of this Agreement or the dissolution and liquidation of the Target Company shall continue to be fully effective. Except for any liability arising from any breach of this Agreement by a party, no party shall be liable for any other obligations to any other party arising from the termination of this Agreement.

9.4 Notice

All notices, requirements, or other communications sent out, delivered or made under this Agreement shall be in written form and delivered or sent to the following addresses (or other addresses notified by the recipient in written form ten (10) days in advance) or email addresses of the relevant parties.

9.5 Applicable Laws

This Agreement and any obligation arising out of or in connection with it shall be governed by and construed in accordance with Hong Kong law.

9.6 Dispute Resolution

(a) Any disputes, controversy, difference or claim arising out of or relating to this Agreement, including the existence, validity, interpretation, performance, breach or termination thereof or any dispute regarding non-contractual obligations arising out of or relating to it shall be referred to and finally resolved by arbitration administered by the Hong Kong international Arbitration Centre ("HKIAC") under the HKIAC Administered Arbitration Rules in force when the Notice of Arbitration is submitted.

(b) The seat of arbitration shall be Hong Kong.

(c) The number of arbitrators shall be three.

(d) The arbitration proceedings shall be conducted in English.

(e) Any party may seek interim injunctive relief, provisional rulings or other interim relief from a court of competent jurisdiction, both before and after the arbitrators have been appointed, at any time up until the arbitrators have made their final award.

9.7 Entire Agreement

This Agreement constitutes the complete agreement between the parties with respect to the contemplated equity transfer and capital increase matters, and shall supersede any and all prior oral or written agreements, letters of intent, memoranda, or Agreements of the parties relating thereto, and shall take precedence over any subsequent agreements signed solely for the purpose of completing the equity transfer and capital increase related government approvals.

9.8 Successors and Assigns

Subject to the provisions of this Agreement, this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns, and shall ensure the interests of the successors and permitted assigns. In the event of such succession or assignment, the parties shall cause the successors and permitted assigns to execute an agreement recognized by all parties.

9.9 Separability

If any provision or provisions of this Agreement is adjudicated invalid, illegal, or unenforceable in any respect under any applicable law or regulation, such invalidity, illegality, or unenforceability shall not affect or impair the validity, legality, or enforceability of the remaining provisions of this Agreement. The parties shall mutually negotiate new provisions that are lawful, valid, acceptable, and consistent with the original intent of the parties in this Agreement to replace such invalid, illegal, or unenforceable provisions.

9.10 Further Assurance

Each party agrees to execute timely documents and take further actions as may be reasonably necessary or practicable to perform or enforce the provisions and purposes of this Agreement.

9.11 Waiver/Amendment

The failure or delay by either party to exercise any right, power, or remedy (individually, a “Right”) relating to this Agreement shall not constitute a waiver of such Right, and the exercise or partial exercise of any Right shall not preclude any further or additional exercise of such Right or the exercise of any other Right granted by this Agreement, which Rights are cumulative and not exclusive of any other rights (whether statutory or otherwise) that may be waived expressly or impliedly for any breach of this Agreement shall not constitute a waiver of any subsequent breach. Any amendment or modification to this Agreement (including any revision or amendment hereto) shall be invalid unless in writing and signed by authorized representatives of all parties and submitted to and approved by the relevant governmental authorities, if required.

9.12 Expenses

The Original Shareholders shall bear all expenses related to this investment, including but not limited to fees for external lawyers, accountants, and investment advisors, as well as any registration, filing, or approval fees required by any government departments for the establishment, change, or other requirements of the Target Company.

9.13 Taxes

Unless otherwise agreed by the parties, each party shall bear the taxes and fees incurred in connection with the execution and performance of this Agreement and any other agreements, documents, or instruments under this Agreement in accordance with applicable laws.

For the avoidance of doubt, the Original Shareholders shall bear all taxes, including stamp duty or other documentary or registration duties or taxes and capital gain or income taxes (including in each case any related interest or penalties) arising as a result of the entry into of this Agreement or the sale of the Purchased Shares.

9.14 Any amendment, change, or supplement to this Agreement shall be agreed upon by all parties in writing and shall be effective upon being formally signed by all parties. Any matters not covered in this Agreement shall be supplemented by the parties through a separate agreement.

This Agreement has been signed by all parties on the date first written above, hereby certified.

(No text follows below)

(This page has no text and is the signature page of the Equity Acquisition Agreement.)

Party A:

FLJ Group Limited

By: /s/ Chengcai Qu
Director or Authorized Representative

(This page has no text and is the signature page of the Equity Acquisition Agreement.)

Party B:

MMTEC, INC

By: /s/ Xiangdong Wen
Name: Xiangdong Wen
Title: Chairman and CEO

Burgeon Capital Inc

By: /s/ Yating Liu
Name: Yating Liu
Title: Director

(This page has no text and is the signature page of the Equity Acquisition Agreement.)

Party C:

Alpha Mind Technology Limited

By: /s/ Jiaxing Chang
Name: Jiaxing Chang
Title: Director

Schedule 1

Particulars of the Target Company

Name:	Alpha Mind Technology Limited
Jurisdiction of incorporation:	The British Virgin Islands
Date of incorporation:	17th day of April, 2023
Registration number	2122136
Registered office:	Morgan & Morgan Building, Pasea Estate, Road Town, Tortola, British Virgin Islands
Authorized share capital:	50,000
Issued share capital	50,000
Registered shareholders and shares held:	MMTEC, INC: 42,500 Burgeon Capital Inc: 7,500
Beneficial shareholders and shares held:	Same as the registered shareholders and shares held set out above.
Directors:	Jiaxing Chang
Secretary:	MMG TRUST (BVI) CORP.
Auditors:	Not applicable

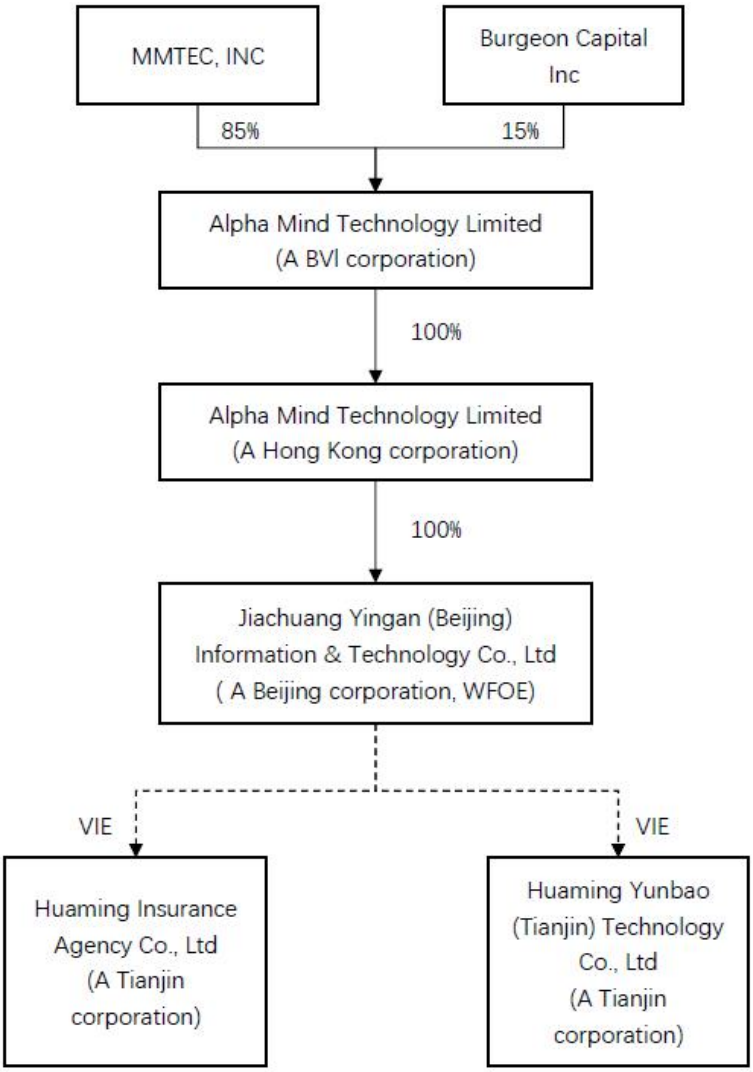
Schedule 2

Retained Management

Jian Guo

Schedule 3

Corporate Structure Chart of Target Company



Schedule 4

Material Contracts

签约商户列表

排名	签约商户	金额(RMB)
1	浙江鑫启信息科技有限公司	17,268,801.54
2	河南芸柏科技有限公司	13,445,047.75
3	上海涅人信息科技有限公司	9,102,514.14
4	青民数科（青岛）人力资源管理有限公司	7,067,858.49
5	江苏中程数科网络科技有限公司	6,413,171.74
6	山东税福技术服务有限公司	5,734,855.10
7	天津众安电子商务有限公司	5,388,870.00
8	安徽光速信息科技有限公司	4,432,103.67
9	湖北省领俊信息科技有限公司	4,054,684.80
10	福建融获科技有限公司	3,936,607.97

Schedule 5

Events Since the Accounts Date

None

Exhibit 4.2

Exclusive Business Cooperation Agreement

This Exclusive Business Cooperation Agreement (this Agreement) is made and entered into by and between the following parties on January 1st, 2022 in [Beijing], the Peoples Republic of China (China or the PRC).

Party A: **Jia Chuang Ying An(Beijing) Information & Technology Co.,Ltd.**

Address: Room81306, 4th Floor, Building 3, No.116 Xin Hua East Street, Tongzhou District, Beijing, China

Party B: Huaming Yunbao (Tianjin) Technology Co., Ltd**.**

Address: Room 1704-4243, Building A, Xiangluowan Kuangshi International Building, Free Trade Zone (Central Business Area),Tianjin.

Each of Party A and Party B shall be hereinafter referred to as a **Party** respectively, and as the **Parties** collectively.

Whereas,

1. Party A is a wholly foreign owned enterprise established in China, and has the necessary resources to provide technical and consulting services;

2. Party B is a limited liability company established in China. The businesses which Party B is conducting currently and/or will conduct during the term of this Agreement are collectively referred to as the Principal Business;

3. Party A is willing to provide Party B with technical support, consulting services and other services on an exclusive basis in relation to the Principal Business during the term of this Agreement, utilizing its advantages in technology, human resources, and information, and Party B is willing to accept such services provided by Party A or Party A's designee(s), in each case on the terms set forth herein.

Now, therefore, through mutual discussion, the Parties have reached the following agreements:

1. **Services Provided by Party A**

1.1 Party B hereby appoints Party A as Party B's exclusive services provider to provide Party B with comprehensive technical support, consulting services and other services during the term of this Agreement, in accordance with the terms and conditions of this Agreement, including but not limited to the following:

(1) Licensing Party B to use any software which Party A has legitimate rights to use or license others to use;

(2) Development, maintenance and upgrade of software involved in Party B's business;

(3) Design, installation, daily management, maintenance and updating of Party B's network system, hardware and database;

(4) Technical support and training for employees of Party B;

(5) Assisting Party B in consultancy, collection and research of technology and market information (excluding market research business that wholly foreign-owned enterprises are prohibited from conducting under PRC law);

(6) Providing business management consultation for Party B;

(7) Providing marketing and promotion services for Party B;

(8) Providing customer order management and customer services for Party B;

(9) Leasing of equipments or properties; and

(10) Other services requested by Party B from time to time to the extent permitted under PRC law.

1.2 Party B agrees to accept all the services provided by Party A. Party B further agrees that without Party A's prior written consent, during the term of this Agreement, Party B shall not directly or indirectly accept the same or any similar services provided by any third party, nor shall it enter into any similar corporation relationship with any third party regarding the subject matters contemplated by this Agreement. Party A may designate or appoint other parties to provide Party B with the services under this Agreement and to enter into agreements with Party B for such services in accordance with Section 1.3 hereof.

1.3 Service Providing Methodology

1.3.1 Party A and Party B agree that during the term of this Agreement, where necessary, Party B may enter into further service agreements with Party A or any other party designated by Party A, which shall provide the specific contents, manner, personnel, and fees for the specific services.

1.3.2 To fulfill this Agreement, Party A and Party B agree that during the term of this Agreement, where necessary, Party B may enter into equipment or property leases with Party A or any other party designated by Party A which shall permit Party B to use Party A's relevant equipment or property based on the needs of the business of Party B.

1.3.3 Party B hereby grants to Party A an irrevocable and exclusive option to purchase from Party B or any subsidiary controlled by Party B (collectively, Granting Entities, each a Granting Entity), at Party As sole discretion, any or all of the assets and business of any of such Granting Entities, to the extent permitted under the laws of China, at the lowest purchase price permitted by the laws of China. For the purpose of this section, Party B shall procure each Granting Entity (other than Party B) to acknowledge and accept the provisions in this section and to agree to grant Party A the option in accordance with this section. Where Party A exercises the option, Party A and the relevant Granting Entity shall then enter into a separate assets or business transfer agreement, specifying the terms and conditions of the transfer of the assets, provided that the purchase price shall conform with provisions hereunder.

2. **The Calculation and Payment of the Service Fees**

Both Parties agree that, in consideration of the services provided by Party A, Party B shall pay Party A fees (the Service Fees) equal to 100% of the consolidated basis net income of Party B, which equals the balance of the gross income less the costs of Party B acceptable to the Parties (the Net Income). The Service Fees shall be due and payable on a monthly basis. Within 30 days after the end of each month, Party B shall (a) deliver to Party A the management accounts and operating statistics of Party B for such month, including the Net Income of Party B during such month (the Monthly Net Income), and (b) pay 100% of such Monthly Net Income to Party A (each such payment, a Monthly Payment). Within ninety (90) days after the end of each fiscal year, Party B shall (a) deliver to Party A audited consolidated financial statements of Party B for such fiscal year, which shall be audited and certified by an independent certified public accountant approved by Party A, and (b) pay an amount to Party A equal to the shortfall, if any, of the aggregate net income of Party B for such fiscal year, as shown in such audited consolidated financial statements, as compared to the aggregate amount of the Monthly Payments paid by Party B to Party A in such fiscal year. Party A and Party B further agree that, according to the actual cooperation between Party A and Party B and the revenue and expenditure situation of Party B, the Parties can reasonably adjust the calculation ratio of the Service Fees provided herein, and Party A is entitled to determine, as its sole discretion, whether to permit Party B to defer the payment of part of Service Fees under certain particular circumstances.

3. **Intellectual Property Rights and Confidentiality Clauses**

3.1 Party A shall have exclusive and proprietary ownership, rights and interests in any and all intellectual properties arising out of or created during the performance of this Agreement, including but not limited to copyrights, patents, patent applications, software, technical secrets, trade secrets and others. Party B shall execute all appropriate documents, take all appropriate actions, submit all filings and/or applications, render all appropriate assistance and otherwise conduct whatever is necessary as deemed by Party A at its sole discretion for the purposes of vesting any ownership, right or interest of any such intellectual property rights in Party A, and/or perfecting the protections for any such intellectual property rights of Party A.

3.2 The Parties acknowledge that the existence and the terms of this Agreement and any oral or written information exchanged between the Parties in connection with the preparation and performance of this Agreement are regarded as confidential information. Each Party shall maintain confidentiality of all such confidential information, and without obtaining the written consent of the other Party, it shall not disclose any relevant confidential information to any third party, except for the information that: (a) is or will be in the public domain (other than through the receiving Party's unauthorized disclosure); (b) is disclosed by a Party pursuant to the applicable laws or regulations, rules of any stock exchange, or orders of the court or other government authorities; or (c) is required to be disclosed by any Party to its shareholders, directors, employees, legal counsels or financial advisors regarding the transaction contemplated hereunder, provided that such shareholders, directors, employees, legal counsels or financial advisors shall be bound by the confidentiality obligations similar to those set forth in this Section. Disclosure of any confidential information by the shareholders, director, employees of or agencies engaged by any Party shall be deemed disclosure of such confidential information by such Party and such Party shall be held liable for breach of this Agreement.

4. **Representations and Warranties**

4.1 Party A hereby represents, warrants and covenants as follows:

4.1.1 Party A is a wholly foreign owned enterprise legally established and validly existing in accordance with the laws of China; Party A or the service providers designated by Party A will obtain all government permits and licenses for providing the service under this Agreement before providing such services.

4.1.2 Party A has taken all necessary corporate actions, obtained all necessary authorizations as well as all consents and approvals from third parties and government agencies (if required) for the execution, delivery and performance of this Agreement. Party As execution, delivery and performance of this Agreement do not violate any explicit requirements under any law or regulation.

4.1.3 This Agreement constitutes Party A's legal, valid and binding obligations, enforceable against it in accordance with its terms.

4.2 Party B hereby represents, warrants and covenants as follows:

4.2.1 Party B is a company legally established and validly existing in accordance with the laws of China and has obtained and will maintain all permits and licenses for engaging in the Principal Business in a timely manner.

4.2.2 Party B has taken all necessary corporate actions, obtained all necessary authorizations as well as all consents and approvals from third parties and government agencies (if required) for the execution, delivery and performance of this Agreement. Party B's execution, delivery and performance of this Agreement do not violate any explicit requirements under any law or regulation.

4.2.3 This Agreement constitutes Party B's legal, valid and binding obligations, and shall be enforceable against it in accordance with its terms.

5. **Term of Agreement**

5.1 This Agreement shall become effective upon execution by the Parties. Unless terminated in accordance with the provisions of this Agreement or terminated in writing by Party A, this Agreement shall remain effective.

5.2 During the term of this Agreement, each Party shall renew its operation term prior to the expiration thereof so as to enable this Agreement to remain effective. This Agreement shall be terminated upon the expiration of the operation term of a Party if the application for renewal of its operation term is not approved by relevant government authorities.

5.3 The rights and obligations of the Parties under Sections 3, 6, 7 and this Section 5.3 shall survive the termination of this Agreement.

6. **Governing Law and Resolution of Disputes**

6.1 The execution, effectiveness, construction, performance, amendment and termination of this Agreement and the resolution of disputes hereunder shall be governed by the laws of China.

6.2 In the event of any dispute with respect to the construction and performance of this Agreement, the Parties shall first resolve the dispute through friendly negotiations. In the event the Parties fail to reach an agreement on the dispute within 30 days after either Party's request to the other Party for resolution of the dispute through negotiations, either Party may submit the relevant dispute to the [China International Economic and Trade Arbitration Commission] for arbitration, in accordance with its arbitration rules. The arbitration shall be conducted in [Beijing], and the arbitration proceedings shall be conducted in Chinese. The arbitration award shall be final and binding on both Parties.

6.3 Upon the occurrence of any disputes arising from the construction and performance of this Agreement or during the pending arbitration of any dispute, except for the matters under dispute, the Parties shall continue to exercise their respective rights under this Agreement and perform their respective obligations under this Agreement.

7. **Breach of Agreement and Indemnification**

7.1 If Party B conducts any material breach of any term of this Agreement, Party A shall have right to terminate this Agreement and/or require Party B to indemnify all damages; This Section 7.1 shall not prejudice any other rights of Party A herein.

7.2 Unless otherwise required by applicable laws, Party B shall not have any right to terminate this Agreement in any event.

7.3 Party B shall indemnify and hold harmless Party A from any losses, injuries, obligations or expenses caused by any lawsuit, claims or other demands against Party A arising from or caused by the services provided by Party A to Party B pursuant this Agreement, except where such losses, injuries, obligations or expenses arise from the gross negligence or willful misconduct of Party A.

8. **Force Majeure**

8.1 In the case of any force majeure events (Force Majeure) such as earthquake, typhoon, flood, fire, flu, war, strikes or any other events that cannot be predicted and are unpreventable and unavoidable by the affected Party, which directly or indirectly causes the failure of either Party to perform or completely perform this Agreement, then the Party affected by such Force Majeure shall give the other Party written notices without any delay, and shall provide details of such event within 15 days after sending out such notice, explaining the reasons for such failure of, partial or delay of performance.

If such Party claiming Force Majeure fails to notify the other Party and furnish it with proof pursuant to the above provision, such Party shall not be excused from the non-performance of its obligations hereunder. The Party so affected by the event of Force Majeure shall use reasonable efforts to minimize the consequences of such Force Majeure and to promptly resume performance hereunder whenever the causes of such excuse are cured. Should the Party so affected by the event of Force Majeure fail to resume performance hereunder when the causes of such excuse are cured, such Party shall be liable to the other Party.

8.2 In the event of Force Majeure, the Parties shall immediately consult with each other to find an equitable solution and shall use all reasonable endeavours to minimize the consequences of such Force Majeure.

9. **Notices**

9.1 All notices and other communications required or permitted to be given pursuant to this Agreement shall be delivered personally or sent by registered mail, postage prepaid, by a commercial courier service or by facsimile transmission to the address of such Party set forth below. A confirmation copy of each notice shall also be sent by email. The dates on which notices shall be deemed to have been effectively given shall be determined as follows:

9.1.1 Notices given by personal delivery, by courier service or by registered mail, postage prepaid, shall be deemed effectively given on the date of receipt or refusal at the address specified for notices.

9.1.2 Notices given by facsimile transmission shall be deemed effectively given on the date of successful transmission (as evidenced by an automatically generated confirmation of transmission).

9.2 For the purpose of notices, the addresses of the Parties are as follows:

Party A: Jia Chuang Ying An(Beijing) Information & Technology Co.,Ltd.

Address: Room81306, 4th Floor, Building 3, No.116 Xin Hua East Street, Tongzhou District, Beijing, China

Recipient: Guo Jian

Phone: ***

Party B: Huaming Yunbao (Tianjin) Technology Co., Ltd**.**

Address: Room 1704-4243, Building A, Xiangluowan Kuangshi International Building, Free Trade Zone (Central Business Area),Tianjin.

Recipient: Guo Jian

Phone: ***

9.3 Any Party may at any time change its address for notices by a notice delivered to the other Party in accordance with the terms hereof.

10. **Assignment**

10.1 Without Party A's prior written consent, Party B shall not assign its rights and obligations under this Agreement to any third party.

10.2 Party B agrees that Party A may assign its obligations and rights under this Agreement to any third party and in case of such assignment, Party A is only required to give written notice to Party B and does not need any consent from Party B for such assignment.

11. **Severability**

In the event that one or several of the provisions of this Agreement are found to be invalid, illegal or unenforceable in any aspect in accordance with any laws or regulations, the validity, legality or enforceability of the remaining provisions of this Agreement shall not be affected or compromised in any aspect. The Parties shall negotiate in good faith to replace such invalid, illegal or unenforceable provisions with effective provisions that accomplish to the greatest extent permitted by law and the intentions of the Parties, and the economic effect of such effective provisions shall be as close as possible to the economic effect of those invalid, illegal or unenforceable provisions.

12. **Amendments and Supplements**

Any amendments and supplements to this Agreement shall be in writing. The amendment agreements and supplementary agreements that have been signed by the Parties and relate to this Agreement shall be an integral part of this Agreement and shall have the same legal validity as this Agreement.

13. **Language and Counterparts**

This Agreement is written in both Chinese and English language in two copies, each Party having one copy. In case there is any conflict between the Chinese version and the English version, the Chinese version shall prevail.

The Remainder of this page is intentionally left blank

IN WITNESS WHEREOF, the Parties have caused their authorized representatives to execute this Exclusive Business Cooperation Agreement as of the date first above written.

Party A: Jia Chuang Ying An(Beijing) Information & Technology Co.,Ltd. (Seal)

Signature: /s/ Guo Jian

Date: January 1st, 2022

IN WITNESS WHEREOF, the Parties have caused their authorized representatives to execute this Exclusive Business Cooperation Agreement as of the date first above written.

Party B: Huaming Yunbao (Tianjin) Technology Co., Ltd. (Seal)

Signature: /s/ Guo Jian

Date: January 1st, 2022

Exclusive Option Agreement

This Exclusive Option Agreement (this Agreement) is executed by and among the following Parties on January 1st, 2022 in [Beijing], the Peoples Republic of China (China or PRC):

Party A: Jia Chuang Ying An(Beijing) Information & Technology Co.,Ltd., a wholly foreign owned enterprise, organized and existing under the laws of the PRC, with its address at Room81306, 4th Floor, Building 3, No.116 Xin Hua East Street, Tongzhou District, Beijing, China.

Party B:

Xu Jinhua, a natural person of Chinese nationality, ID Card No.: ***

Feng Suwen, a natural person of Chinese nationality, ID Card No.: ***

Guo Jian, a natural person of Chinese nationality, ID Card No.: ***

Peng Peng, a natural person of Chinese nationality, ID Card No.: ***

Guo Lingxin, a natural person of Chinese nationality, ID Card No.: ***

Yin Yuxi, a natural person of Chinese nationality, ID Card No.: ***

Xu Jinhua, Feng Suwen, Guo Jian, Peng Peng, Guo Lingxin, and Yin Yuxi are hereinafter collectively referred to as the **Direct Shareholders** or **Party B**.

Party C: Huaming Yunbao (Tianjin) Technology Co., Ltd, a limited liability company organized and existing under the laws of the PRC, with its address at Room 1704-4243, Building A, Xiangluowan Kuangshi International Building, Free Trade Zone (Central Business Area),Tianjin.

In this Agreement, each of Party A, Party B and Party C shall be referred to as a Party respectively, and they shall be collectively referred to as the Parties.

Whereas:

(1) Party B are the registered legal Direct Shareholders of Party C, holding 100% of the equity of Party C in total, and as of the date hereof hold RMB5,000,000 in the registered capital of Party C.

(2) All Shareholders and Party C agree to give all necessary cooperation to Party A in exercising such Equity Interest Purchase Option (as defined below).

Now therefore, upon mutual discussion and negotiation, the Parties have reached the following agreement:

1. Sale and Purchase of Equity Interest

1.1 Option Granted

Party B hereby irrevocably grants Party A an irrevocable and exclusive right to purchase, or designate one or more persons (each, a Designee) to purchase the equity interests in Party C then held by Party B once or at multiple times at any time in part or in whole at Party As sole and absolute discretion to the extent permitted by Chinese laws and at the price described in Section 1.3 herein (such right being the Equity Interest Purchase Option). Except for Party A and the Designee(s), no other person shall be entitled to the Equity Interest Purchase Option or other rights with respect to the equity interests of Party B. Party C hereby agrees to the grant by Party B of the Equity Interest Purchase Option to Party A. The term person as used herein shall refer to individuals, corporations, partnerships, partners, enterprises, trusts or non-corporate organizations.

1.2 Steps for Exercise of Equity Interest Purchase Option

Subject to the provisions of the laws and regulations of China, Party A may exercise the Equity Interest Purchase Option by issuing a written notice to Party B (the Equity Interest Purchase Option Notice), specifying: (a) Party As or the Designee's decision to exercise the Equity Interest Purchase Option; (b) the portion of equity interests to be purchased by Party A or the Designee from Party B (the Optioned Interests); and (c) the date for purchasing the Optioned Interests or the date for transfer of the Optioned Interests.

1.3 Equity Interest Purchase Price

The purchase price of the Optioned Interests shall be the minimum price regulated by PRC law (the Equity Interest Purchase Price).

1.4 Transfer of Optioned Interests

For each exercise of the Equity Interest Purchase Option:

1.4.1 Party B shall cause Party C to promptly convene a shareholders meeting, at which a resolution shall be adopted approving Party B's transfer of the Optioned Interests to Party A and/or the Designee(s);

1.4.2 Party B shall obtain written statements from the other shareholders of Party C giving consent to the transfer of the equity interest to Party A and/or the Designee(s) and waiving any right of first refusal related thereto;

1.4.3 Party B shall execute an equity interest transfer contract with respect to each transfer with Party A and/or each Designee (whichever is applicable), in accordance with the provisions of this Agreement and the Equity Interest Purchase Option Notice regarding the Optioned Interests;

1.4.4 The relevant Parties shall execute all other necessary contracts, agreements or documents, obtain all necessary government licenses and permits and take all necessary actions to transfer valid ownership of the Optioned Interests to Party A and/or the Designee(s), unencumbered by any security interests, and cause Party A and/or the Designee(s) to become the registered owner(s) of the Optioned Interests. For the purpose of this Section and this Agreement, security interests shall include securities, mortgages, third party's rights or interests, any stock options, acquisition right, right of first refusal, right to offset, ownership retention or other security arrangements, but shall be deemed to exclude any security interest created by this Agreement, Party B's Equity Interest Pledge Agreement and Party Bs Power of Attorney. Party B's Equity Interest Pledge Agreement as used in this Agreement shall refer to the Interest Pledge Agreement executed by and among Party A, Party B and Party C on the date hereof and any modification, amendment and restatement thereto. Party B's Power of Attorney as used in this Agreement shall refer to the Power of Attorney executed by Party B on the date hereof granting Party A with power of attorney and any modification, amendment and restatement thereto.

2. Covenants

2.1 Covenants regarding Party C

Party B (as Direct shareholders of Party C) and Party C hereby covenant as follows:

2.1.1 Without the prior written consent of Party A, it shall not in any manner supplement, change or amend the articles of association of Party C, increase or decrease its registered capital, or change its structure of registered capital in other manners;

2.1.2 It shall maintain Party C's corporate existence in accordance with good financial and business standards and practices, obtain and maintain all necessary government licenses and permits by prudently and effectively operating its business and handling its affairs;

2.1.3 Without the prior written consent of Party A, it shall not, during any 12-month period following the date hereof, sell, transfer, mortgage or dispose of in any manner any material assets of Party C or legal or beneficial interest in the material business or revenues of Party C of more than RMB 1,000,000 in a single transaction in aggregate, or allow the encumbrance thereon of any security interest;

2.1.4 Without the prior written consent of Party A, it shall not incur, inherit, guarantee or suffer the existence of any debt, except for payables incurred in the ordinary course of business other than through loans;

2.1.5 It shall always operate businesses in the ordinary course of business to maintain the asset value of Party C and refrain from any action/omission that may affect Party C's operating status and asset value;

2.1.6 Without the prior written consent of Party A, it shall not execute any major contract, except the contracts in the ordinary course of business (for purpose of this subsection, a contract with a price exceeding RMB2,000,000 shall be deemed a major contract);

2.1.7 Without the prior written consent of Party A, it shall not provide any person with any loan or credit;

2.1.8 It shall provide Party A with information on Party C's business operations and financial condition at Party A's request;

2.1.9 If requested by Party A, it shall procure and maintain insurance in respect of Party C's assets and business from an insurance carrier acceptable to Party A, at an amount and type of coverage typical for companies that operate similar businesses;

2.1.10 Without the prior written consent of Party A, it shall not merge, consolidate with, acquire or invest in any person;

2.1.11 It shall immediately notify Party A of the occurrence or possible occurrence of any litigation, arbitration or administrative proceedings relating to Party C's assets, business or revenue;

2.1.12 To maintain the ownership by Party C of all of its assets, it shall execute all necessary or appropriate documents, take all necessary or appropriate actions, file all necessary or appropriate complaints, and raise necessary or appropriate defenses against all claims;

2.1.13 Without the prior written consent of Party A, it shall not in any manner distribute dividends to its shareholders, provided that upon Party As written request, Party C shall immediately distribute all distributable profits to its shareholders;

2.1.14 At the request of Party A, it shall appoint any person designated by Party A as the director of Party C.

2.1.15 Without Party As prior written consent, it shall not engage in any business in competition with Party A or its affiliates; and

2.1.16 Unless otherwise required by PRC law, Party C shall not be dissolved or liquated without prior written consent by Party A.

2.2 Covenants of Party B

Party B hereby covenants as follows:

2.2.1 Without the prior written consent of Party A, Party B shall not sell, transfer, mortgage or otherwise dispose of any legal or beneficial interest in the equity interests in Party C held by Party B, or allow the encumbrance thereon, except for the interest placed in accordance with Party B's Equity Interest Pledge Agreement and Party B's Power of Attorney;

2.2.2 Without the prior written consent of Party A, Party B shall cause the shareholders meeting and/or the directors (or the executive director) of Party C not to approve any sale, transfer, mortgage or disposition in any other manner of any legal or beneficial interest in the equity interests in Party C held by Party B, or allow the encumbrance thereon of any security interest, except for the interest placed in accordance with Party B's Equity Interest Pledge Agreement and Party B's Power of Attorney;

2.2.3 Without the prior written consent of Party A, Party B shall cause the shareholders meeting or the directors (or the executive director) of Party C not to approve the merger or consolidation with any person, or the acquisition of or investment in any person;

2.2.4 Party B shall immediately notify Party A of the occurrence or possible occurrence of any litigation, arbitration or administrative proceedings relating to the equity interests in Party C held by Party B;

2.2.5 Party B shall cause the shareholders' meeting or the directors (or the executive director) of Party C to vote their approval of the transfer of the Optioned Interests as set forth in this Agreement and to take any and all other actions that may be requested by Party A;

2.2.6 To the extent necessary to maintain Party B's ownership in Party C, Party B shall execute all necessary or appropriate documents, take all necessary or appropriate actions, file all necessary or appropriate complaints, and raise necessary or appropriate defenses against all claims;

2.2.7 Party B shall appoint any designee of Party A as the director or the executive director of Party C, at the request of Party A;

2.2.8 Party B hereby waives its right of first of refusal to transfer of equity interest by any other shareholder of Party C to Party A (if any), and gives consent to execution by each other shareholder of Party C with Party A and Party C the exclusive option agreement, the equity interest pledge agreement and the power of attorney similar to this Agreement, Party B's Equity Interest Pledge Agreement and Party B's Power of Attorney and undertakes not to take any action in conflict with such documents executed by the other shareholders;

2.2.9 Party B shall promptly donate any profit, interest, dividend or proceeds of liquidation to Party A or any other person designated by Party A to the extent permitted under applicable PRC laws; and

2.2.10 Party B shall strictly abide by the provisions of this Agreement and other contracts jointly or separately executed by and among Party B, Party C and Party A, perform the obligations hereunder and thereunder, and refrain from any action/omission that may affect the effectiveness and enforceability thereof. To the extent that Party B has any remaining rights with respect to the equity interests subject to this Agreement hereunder or under the Party B's Equity Interest Pledge Agreement or under the Party B's Power of Attorney, Party B shall not exercise such rights except in accordance with the written instructions of Party A.

3. Representations and Warranties

Party B and Party C hereby represent and warrant to Party A, jointly and severally, as of the date of this Agreement and each date of transfer of the Optioned Interests, that:

3.1 They have the power, capacity and authority to execute and deliver this Agreement and any equity interest transfer contracts to which they are parties concerning the Optioned Interests to be transferred thereunder (each, a Transfer Contract), and to perform their obligations under this Agreement and any Transfer Contracts. To the extent permissible under the applicable laws, Party B and Party C agree to enter into Transfer Contracts consistent with the terms of this Agreement upon Party A's exercise of the Equity Interest Purchase Option. This Agreement and the Transfer Contracts to which they are parties constitute or will constitute their legal, valid and binding obligations and shall be enforceable against them in accordance with the provisions thereof;

3.2 Party B and Party C have respectively obtained any and all corporate approvals and consents from third parties (if required) for execution, delivery and performance of this Agreement.

3.3 The execution and delivery of this Agreement or any Transfer Contracts and the obligations under this Agreement or any Transfer Contracts shall not: (i) cause any violation of any applicable laws of China; (ii) be inconsistent with their respective articles of association, bylaws or other organizational documents; (iii) cause the violation of any contracts or instruments to which they are a party or which are binding on them, or constitute any breach under any contracts or instruments to which they are a party or which are binding on them; (iv) cause any violation of any condition for the grant and/or continued effectiveness of any licenses or permits issued to either of them; or (v) cause the suspension or revocation of or imposition of additional conditions to any licenses or permits issued to either of them;

3.4 Party B has a good and merchantable title to the equity interests held by Party B in Party C. Except for Party B's Equity Interest Pledge Agreement and Party B's Power of Attorney, Party B has not placed any security interest on such equity interests;

3.5 Party C has a good and merchantable title to all of its assets, and has not placed any security interest on the aforementioned assets;

3.6 Party C does not have any outstanding debts, except for (i) debt incurred in the ordinary course of business; and (ii) debts disclosed to Party A for which Party A's written consent has been obtained.

3.7 Party C has complied with all laws and regulations of China applicable to asset acquisitions; and

3.8 There are no pending or threatened litigation, arbitration or administrative proceedings relating to the equity interests in Party C, assets of Party C or Party C.

4. Effective Date and Term

This Agreement shall become effective upon execution by the Parties, and remain effective until all equity interests held by Party B in Party C have been transferred or assigned to Party A and/or any other person designated by Party A in accordance with this Agreement.

5. Governing Law and Resolution of Disputes

5.1 Governing law

The execution, effectiveness, construction, performance, amendment and termination of this Agreement and the resolution of disputes hereunder shall be governed by the laws of PRC.

5.2 Methods of Resolution of Disputes

In the event of any dispute with respect to the construction and performance of this Agreement, the Parties shall first resolve the dispute through friendly negotiations. In the event the Parties fail to reach an agreement on the dispute within 30 days after either Party's request to the other Parties for resolution of the dispute through negotiations, either Party may submit the relevant dispute to the [China International Economic and Trade Arbitration Commission] for arbitration, in accordance with its arbitration rules. The arbitration proceedings shall be conducted in Chinese. The arbitration shall be conducted in [Beijing]. The arbitration award shall be final and binding on all Parties.

6. Taxes and Fees

All fees and out of pocket expenses relating to this Agreement, including but not limited to legal costs, costs of production, stamp tax and any other taxes and fees, shall be borne by Party C.

7. Notices

7.1 All notices and other communications required or permitted to be given pursuant to this Agreement shall be delivered personally or sent by registered mail, postage prepaid, by a commercial courier service or by facsimile transmission to the address of such Party set forth below. A confirmation copy of each notice shall also be sent by email. The dates on which notices shall be deemed to have been effectively given shall be determined as follows:

7.1.1 Notices given by personal delivery, by courier service or by registered mail, postage prepaid, shall be deemed effectively given on the date of receipt or refusal at the address specified for notices;

7.1.2 Notices given by facsimile transmission shall be deemed effectively given on the date of successful transmission (as evidenced by an automatically generated confirmation of transmission).

7.2 For the purpose of notices, the addresses of the Parties are as follows:

Party A: Jia Chuang Ying An(Beijing) Information & Technology Co.,Ltd.
Address : Room81306, 4th Floor, Building 3, No.116 Xin Hua East Street, Tongzhou District, Beijing, China.
Recipient: Guo Jian
Phone: ***

Party B:

Name: Xu Jinhua
Address: ***
Phone: ***

Name： Feng Suwen
Address: ***
Phone: ***

Name: Guo Jian
Address: ***
Phone: ***

Name: Peng Peng
Address: ***
Phone: ***

Name: Guo Lingxin
Address: ***
Phone: ***

Name: Yin Yuxi
Address: ***
Phone: ***

Party C: Huaming Yunbao (Tianjin) Technology Co., Ltd., a limited liability company organized and existing under the laws of the PRC, with its address at Room 1704-4243, Building A, Xiangluowan Kuangshi International Building, Free Trade Zone (Central Business Area),Tianjin.

7.3 Any Party may at any time change its address for notices by a notice delivered to the other Parties in accordance with the terms hereof.

8. Confidentiality

The Parties acknowledge that the existence and the terms of this Agreement, and any oral or written information exchanged between the Parties in connection with the preparation and performance this Agreement are regarded as confidential information. Each Party shall maintain confidentiality of all such confidential information, and without obtaining the written consent of other Parties, it shall not disclose any relevant confidential information to any third parties, except for the information that: (a) is or will be in the public domain (other than through the receiving Party's unauthorized disclosure); (b) is under the obligation to be disclosed pursuant to the applicable laws or regulations, rules of any stock exchange, or orders of the court or other government authorities; or (c) is required to be disclosed by any Party to its shareholders, directors, employees, legal counsels or financial advisors regarding the transaction contemplated hereunder, provided that such shareholders, directors, employees, legal counsels or financial advisors shall be bound by the confidentiality obligations similar to those set forth in this Section. Disclosure of any confidential information by the shareholders, director, employees of or agencies engaged by any Party shall be deemed disclosure of such confidential information by such Party and such Party shall be held liable for breach of this Agreement.

9. Further Warranties

The Parties agree to promptly execute documents that are reasonably required for or are conducive to the implementation of the provisions and purposes of this Agreement and take further actions that are reasonably required for or are conducive to the implementation of the provisions and purposes of this Agreement.

10. Breach of Agreement

10.1 If Party B or Party C conducts any material breach of any term of this Agreement, Party A shall have right to terminate this Agreement and/or require the Party B or Party C to compensate all damages; this Section 10 shall not prejudice any other rights of Party A herein;

10.2 Party B or Party C shall not have any right to terminate this Agreement in any event unless otherwise required by applicable laws or agreed by the Parties.

11. Miscellaneous

11.1 Amendment, change and supplement

Any amendment, change and supplement to this Agreement shall require the execution of a written agreement by all of the Parties.

11.2 Entire agreement

Except for the amendments, supplements or changes in writing executed after the execution of this Agreement, this Agreement shall constitute the entire agreement reached by and among the Parties hereto with respect to the subject matter hereof, and shall supercede all prior oral and written consultations, representations and contracts reached with respect to the subject matter of this Agreement.

11.3 Headings

The headings of this Agreement are for convenience only, and shall not be used to interpret, explain or otherwise affect the meanings of the provisions of this Agreement.

11.4 Language

This Agreement is written in both Chinese and English language in three copies, each Party having one copy. In case there is any conflict between the Chinese version and the English version, the Chinese version shall prevail.

11.5 Severability

In the event that one or several of the provisions of this Agreement are found to be invalid, illegal or unenforceable in any aspect in accordance with any laws or regulations, the validity, legality or enforceability of the remaining provisions of this Agreement shall not be affected or compromised in any respect. The Parties shall strive in good faith to replace such invalid, illegal or unenforceable provisions with effective provisions that accomplish to the greatest extent permitted by law and the intentions of the Parties, and the economic effect of such effective provisions shall be as close as possible to the economic effect of those invalid, illegal or unenforceable provisions.

11.6 Successors

This Agreement shall be binding on and shall inure to the interest of the respective successors of the Parties and the permitted assigns of such Parties.

11.7 Survival

11.7.1 Any obligations that occur or that are due as a result of this Agreement upon the expiration or early termination of this Agreement shall survive the expiration or early termination thereof.

11.7.2 The provisions of Sections 5, 8, 10 and this Section 11.7 shall survive the termination of this Agreement.

11.8 Waivers

Any Party may waive the terms and conditions of this Agreement, provided that such a waiver must be provided in writing and shall require the signatures of the Parties. No waiver by any Party in certain circumstances with respect to a breach by other Parties shall operate as a waiver by such a Party with respect to any similar breach in other circumstances.

The Remainder of this page is intentionally left blank

IN WITNESS WHEREOF, the Parties have caused their authorized representatives to execute this Exclusive Option Agreement as of the date first above written.

Party A: Jia Chuang Ying An(Beijing) Information & Technology Co.,Ltd. (Seal)

Signature: /s/ Guo Jian

Date: January 1st,2022

IN WITNESS WHEREOF, the Parties have caused their authorized representatives to execute this Exclusive Option Agreement as of the date first above written.

Signature: /s/ Xu Jinhua

Date: January 1st,2022

IN WITNESS WHEREOF, the Parties have caused their authorized representatives to execute this Exclusive Option Agreement as of the date first above written.

Signature: /s/ Feng Suwen

Date: January 1st,2022

IN WITNESS WHEREOF, the Parties have caused their authorized representatives to execute this Exclusive Option Agreement as of the date first above written.

Signature: /s/ Guo Jian

Date: January 1st,2022

IN WITNESS WHEREOF, the Parties have caused their authorized representatives to execute this Exclusive Option Agreement as of the date first above written.

Signature: /s/ Peng Peng

Date: January 1st,2022

IN WITNESS WHEREOF, the Parties have caused their authorized representatives to execute this Exclusive Option Agreement as of the date first above written.

Signature: /s/ Guo Lingxin

Date: January 1st,2022

IN WITNESS WHEREOF, the Parties have caused their authorized representatives to execute this Exclusive Option Agreement as of the date first above written.

Signature: /s/ Yin Yuxi

Date: January 1st,2022

IN WITNESS WHEREOF, the Parties have caused their authorized representatives to execute this Exclusive Option Agreement as of the date first above written.

Party C: Huaming YunbaoTianjin Technology Co., Ltd (Seal)

Signature: /s/ Guo Jian

Date: January 1st,2022

Exhibit 4.4

Equity Interest Pledge Agreement

This Equity Interest Pledge Agreement (this Agreement) has been executed by and among the following parties on January 1st, 2022 in [Beijing], the Peoples Republic of China (China or PRC):

Party A: **Jia Chuang Ying An(Beijing) Information & Technology Co.,Ltd.** (hereinafter **Pledgee**), a wholly foreign owned enterprise, organized and existing under the laws of the PRC, with its address at Room81306, 4th Floor, Building 3, No.116 Xin Hua East Street, Tongzhou District, Beijing, China;

Party B:

Xu Jinhua, a natural person of Chinese nationality, ID Card No.: ***

Feng Suwen, a natural person of Chinese nationality, ID Card No.: ***

Guo Jian, a natural person of Chinese nationality, ID Card No.: ***

Peng Peng, a natural person of Chinese nationality, ID Card No.: ***

Guo Lingxin, a natural person of Chinese nationality, ID Card No.: ***

Yin Yuxi, a natural person of Chinese nationality, ID Card No.: ***

Xu Jinhua, Feng Suwen, Guo Jian, Peng Peng, Guo Lingxin, and Yin Yuxi are hereinafter collectively referred to as the **Pledgors** or **Party B**.

Party C: **Huaming Yunbao (Tianjin) Technology Co., Ltd.**, a limited liability company organized and existing under the laws of the PRC, with its address at Room 1704-4243, Building A, Xiangluowan Kuangshi International Building, Free Trade Zone (Central Business Area),Tianjin.

In this Agreement, each of Pledgee, Pledgors and Party C shall be referred to as a **Party** respectively, and they shall be collectively referred to as the **Parties**.

Whereas:

(1) As of the date hereof, the Pledgors hold RMB[5,000,000] in the registered capital of Party C. The Pledgors are natural persons with full capacity for civil conduct, which and who own 100% of the equity of Party C in total. Party C is a limited liability company registered in Tianjin, China. Party C acknowledges the respective rights and obligations of Pledgors and Pledgee under this Agreement, and intends to provide any necessary assistance in registering the Pledge;

(2) Pledgee is a wholly foreign-owned enterprise registered in China. Pledgee and Party C have executed an Exclusive Business Cooperation Agreement (as defined below); Party C, Pledgee and Pledgors have executed an Exclusive Option Agreement (as defined below); Pledgors have executed a Power of Attorney (as defined below) in favor of Pledgee;

(3) To ensure that Party C and Pledgors fully perform their obligations under the Exclusive Business Cooperation Agreement, the Exclusive Option Agreement and the Power of Attorney, Pledgors hereby pledges to the Pledgee all of the equity interest that Pledgors hold in Party C as security for Party C's and Pledgors obligations under the Exclusive Business Cooperation Agreement, the Exclusive Option Agreement and the Power of Attorney.

To perform the provisions of the Transaction Documents (as defined below), the Parties have mutually agreed to execute this Agreement upon the following terms.

1. Definitions

Unless otherwise provided herein, the terms below shall have the following meanings:

1.1 Pledge: shall refer to the security interest granted by Pledgors to Pledgee pursuant to Section 2 of this Agreement, i.e., the right of Pledgee to be paid in priority with the Equity Interest based on the monetary valuation that such Equity Interest is converted into or from the proceeds from auction or sale of the Equity Interest.

Equity Interest: shall refer to RMB[5,000,000] in the registered capital of Party C currently held by Pledgors, and all of the equity interest hereafter acquired by Pledgors in Party C.

1.2 Term of Pledge: shall refer to the term set forth in Section 3 of this Agreement.

1.3 Transaction Documents: shall refer to the Exclusive Business Cooperation Agreement executed by and between Party C and Pledgee on January 1st, 2022 (the Exclusive Business Cooperation Agreement), the Exclusive Option Agreement executed by and among Party C, Pledgee and Pledgors on January 1st, 2022 (the Exclusive Option Agreement), Power of Attorney executed on January 1st, 2022 by Pledgors (the Power of Attorney) and any modification, amendment and restatement to the aforementioned documents.

1.4 Contract Obligations: shall refer to all the obligations of Pledgors under the Exclusive Option Agreement, the Power of Attorney and this Agreement; all the obligations of Party C under the Exclusive Business Cooperation Agreement, the Exclusive Option Agreement and this Agreement.

1.5 Secured Indebtedness: shall refer to all the direct, indirect and derivative losses and losses of anticipated profits, suffered by Pledgee, incurred as a result of any Event of Default. The amount of such loss shall be calculated in accordance with the reasonable business plan and profit forecast of Pledgee, the consulting and service fees payable to Pledgee under the Exclusive Business Cooperation Agreement, all expenses occurred in connection with enforcement by Pledgee of Pledgors and/or Party Cs Contract Obligations and etc.

1.6 Event of Default: shall refer to any of the circumstances set forth in Section 7 of this Agreement.

1.7 Notice of Default: shall refer to the notice issued by Pledgee in accordance with this Agreement declaring an Event of Default.

2. Pledge

2.1 Pledgors agree to pledge all the Equity Interest as security for performance of the Contract Obligations and payment of the Secured Indebtedness under this Agreement. Party C hereby assents that Pledgors pledge the Equity Interest to the Pledgee pursuant to this Agreement.

2.2 During the term of the Pledge, Pledgee is entitled to receive dividends distributed on the Equity Interest. Pledgors may receive dividends distributed on the Equity Interest only with prior written consent of Pledgee. Dividends received by Pledgors on Equity Interest after deduction of all applicable taxes paid by Pledgors shall be, as required by Pledgee, (1) deposited into an account designated and supervised by Pledgee and used to secure the Contract Obligations and pay the Secured Indebtedness prior and in preference to make any other payment; or (2) unconditionally donated to Pledgee or any other person designated by Pledgee to the extent permitted under applicable PRC laws.

2.3 Pledgors may subscribe for capital increase in Party C only with prior written consent of Pledgee. Any equity interest obtained by Pledgors as a result of Pledgors subscription of the increased registered capital of the Company shall also be deemed as Equity Interest.

2.4 In the event that Party C is required by PRC law to be liquidated or dissolved, any interest distributed to Pledgors upon Party Cs dissolution or liquidation (after deduction of all applicable taxes paid by Pledgors) shall, upon the request of the Pledgee, be (1) deposited into an account designate and supervised by Pledgee and used to secure the Contract Obligations and pay the Secured Indebtedness prior and in preference to make any other payment; or (2) unconditionally donated to Pledgee or any other person designated by Pledgee to the extent permitted under applicable PRC laws.

3. Term of Pledge

3.1 The Pledge shall become effective on such date when the pledge of the Equity Interest contemplated herein is registered with relevant administration for industry and commerce (the AIC). The Pledge shall remain effective until all Contract Obligations have been fully performed and all Secured Indebtedness have been fully paid. Pledgors and Party C shall (1) register the Pledge in the shareholders register of Party C within 3 business days following the execution of this Agreement, and (2) submit an application to the AIC for the registration of the Pledge of the Equity Interest contemplated herein within 30 business days following the execution of this Agreement. The parties covenant that for the purpose of registration of the Pledge, the parties hereto and all other shareholders of Party C shall submit to the AIC this Agreement or an equity interest pledge contract in the form required by the AIC at the location of Party C which shall truly reflect the information of the Pledge hereunder (the AIC Pledge Contract). For matters not specified in the AIC Pledge Contract, the parties shall be bound by the provisions of this Agreement. Pledgors and Party C shall submit all necessary documents and complete all necessary procedures, as required by the PRC laws and regulations and the relevant AIC, to ensure that the Pledge of the Equity Interest shall be registered with the AIC as soon as possible after submission for filing.

3.2 During the Term of Pledge, in the event Pledgors and/or Party C fails to perform the Contract Obligations or pay Secured Indebtedness in any material aspect, Pledgee shall have the right, but not the obligation, to exercise the Pledge in accordance with the provisions of this Agreement.

4. Custody of Records for Equity Interest subject to Pledge

4.1 During the Term of Pledge set forth in this Agreement, Pledgors shall deliver to Pledgees custody the capital contribution certificate for the Equity Interest and the shareholders register containing the Pledge within one week from the execution of this Agreement. Pledgee shall have custody of such documents during the entire Term of Pledge set forth in this Agreement.

5. Representations and Warranties of Pledgors and Party C

As of the execution date of this Agreement, Pledgors and Party C hereby jointly and severally represent and warrant to Pledgee that:

5.1 Pledgors are the sole legal and beneficial owner of the Equity Interest.

5.2 Pledgee shall have the right to dispose of and transfer the Equity Interest in accordance with the provisions set forth in this Agreement.

5.3 Except for the Pledge, Pledgors have not placed any security interest or other encumbrance on the Equity Interest.

5.4 Pledgors and Party C have respectively obtained any and all corporate approvals and any and all consents from third parties (if required) for execution, delivery and performance of this Agreement.

5.5 The execution, delivery and performance of this Agreement will not: (i) violate any relevant PRC laws; (ii) conflict with Party Cs articles of association or other constitutional documents; (iii) result in any breach of or constitute any default under any contract or instrument to which it is a party or by which it is otherwise bound; (iv) result in any violation of any condition for the grant and/or maintenance of any permit or approval granted to any Party; or (v) cause any permit or approval granted to any Party to be suspended, cancelled or attached with additional conditions.

6. Covenants of Pledgors and Party C

6.1 During the term of this Agreement, Pledgors and Party C hereby jointly and severally covenant to the Pledgee:

6.1.1 Pledgors shall not transfer the Equity Interest, place or permit the existence of any security interest or other encumbrance on the Equity Interest or any portion thereof, without the prior written consent of Pledgee, except for the performance of the Transaction Documents;

6.1.2 Pledgors and Party C shall comply with the provisions of all laws and regulations applicable to the pledge of rights, and within five (5) days of receipt of any notice, order or recommendation issued or prepared by relevant competent authorities regarding the Pledge, shall present the aforementioned notice, order or recommendation to Pledgee, and shall comply with the aforementioned notice, order or recommendation or submit objections and representations with respect to the aforementioned matters upon Pledgees reasonable request or upon consent of Pledgee;

6.1.3 Pledgors and Party C shall promptly notify Pledgee of any event or notice received by Pledgors that may have an impact on the Equity Interest or any portion thereof, as well as any event or notice received by Pledgors that may have an impact on any guarantees and other obligations of Pledgors arising out of this Agreement.

6.1.4 Party C shall complete the registration procedures for extension of the term of operation within three (3) months prior to the expiration of such term to maintain the validity of this Agreement.

6.2 Pledgors agree that the rights acquired by Pledgee in accordance with this Agreement with respect to the Pledge shall not be interrupted or harmed by Pledgors or any heirs or representatives of Pledgors or any other persons through any legal proceedings.

6.3 To protect or perfect the security interest granted by this Agreement for the Contract Obligations and Secured Indebtedness, to the extent permissible under the applicable laws, Pledgors hereby undertakes to execute in good faith and to cause other parties who have an interest in the Pledge to execute all certificates, agreements, deeds and/or covenants required by Pledgee. Pledgors also undertakes to perform and to cause other parties who have an interest in the Pledge to perform actions required by Pledgee, to facilitate the exercise by Pledgee of its rights and authority granted thereto by this Agreement, and to enter into all relevant documents regarding ownership of Equity Interest with Pledgee or designee(s) of Pledgee (natural persons/legal persons). Pledgors undertake to provide Pledgee within a reasonable time with all notices, orders and decisions regarding the Pledge that are required by Pledgee.

6.4 Pledgors hereby undertake to comply with and perform all guarantees, promises, agreements, representations and conditions under this Agreement. In the event of failure or partial performance of its guarantees, promises, agreements, representations and conditions in any material aspect, Pledgors shall indemnify Pledgee for all losses resulting therefrom.

7. Event of Breach

7.1 The following circumstances shall be deemed Event of Default:

7.1.1 Pledgors any breach to any obligations in any material aspect under the Transaction Documents and/or this Agreement.

7.1.2 Party C's any breach to any obligations under the Transaction Documents and/or this Agreement.

7.2 Upon notice or discovery of the occurrence of any circumstances or event that may lead to the aforementioned circumstances described in Section 7.1, Pledgors and Party C shall immediately notify Pledgee in writing accordingly.

7.3 Unless an Event of Default set forth in this Section 7.1 has been successfully resolved to Pledgees satisfaction within twenty (20) days after the Pledgee and /or Party C delivers a notice to the Pledgors requesting ratification of such Event of Default, Pledgee may issue a Notice of Default to Pledgors in writing at any time thereafter, demanding the Pledgors to immediately exercise the Pledge in accordance with the provisions of Section 8 of this Agreement.

8. **Exercise of Pledge**

8.1 Pledgee shall issue a written Notice of Default to Pledgors when it exercises the Pledge.

8.2 Subject to the provisions of Section 7.3, Pledgee may exercise the right to enforce the Pledge at any time after the issuance of the Notice of Default in accordance with Section 8.1. Once Pledgee elects to enforce the Pledge, Pledgors shall cease to be entitled to any rights or interests associated with the Equity Interest.

8.3 After Pledgee issues a Notice of Default to Pledgors in accordance with Section 8.1, Pledgee may exercise any remedy measure under applicable PRC laws, the Transaction Documents and this Agreement, including but not limited to being paid in priority with the Equity Interest based on the monetary valuation that such Equity Interest is converted into or from the proceeds from auction or sale of the Equity Interest. The Pledgee shall not be liable for any loss incurred by its duly exercise of such rights and powers.

8.4 The proceeds from exercise of the Pledge by Pledgee shall be used to pay for tax and expenses incurred as result of disposing the Equity Interest and to perform Contract Obligations and pay the Secured Indebtedness to the Pledgee prior and in preference to any other payment. After the payment of the aforementioned amounts, the remaining balance shall be returned to Pledgors or any other person who have rights to such balance under applicable laws or be deposited to the local notary public office where Pledgor resides, with all expense incurred being borne by Pledgors. To the extent permitted under applicable PRC laws, Pledgors shall unconditionally donate the aforementioned proceeds to Pledgee or any other person designated by Pledgee.

8.5 Pledgee may exercise any remedy measure available simultaneously or in any order. Pledgee may exercise the right to being paid in priority with the Equity Interest based on the monetary valuation that such Equity Interest is converted into or from the proceeds from auction or sale of the Equity Interest under this Agreement, without exercising any other remedy measure first.

8.6 Pledgee is entitled to designate an attorney or other representatives to exercise the Pledge on its behalf, and Pledgors or Party C shall not raise any objection to such exercise.

8.7 When Pledgee disposes of the Pledge in accordance with this Agreement, Pledgors and Party C shall provide necessary assistance to enable Pledgee to enforce the Pledge in accordance with this Agreement.

9. Breach of Agreement

9.1 If Pledgors or Party C conducts any material breach of any term of this Agreement, Pledgee shall have right to terminate this Agreement and/or require Pledgors or Party C to indemnify all damages; this Section 9 shall not prejudice any other rights of Pledgee herein;

9.2 Pledgors or Party C shall not have any right to terminate this Agreement in any event unless otherwise required by applicable laws.

10. Assignment

10.1 Without Pledgees prior written consent, Pledgors and Party C shall not have the right to assign or delegate their rights and obligations under this Agreement.

10.2 This Agreement shall be binding on Pledgors and his/her successors and permitted assigns, and shall be valid with respect to Pledgee and each of his/her successors and assigns.

10.3 At any time, Pledgee may assign any and all of its rights and obligations under the Transaction Documents and this Agreement to its designee(s), in which case the assigns shall have the rights and obligations of Pledgee under the Transaction Documents and this Agreement, as if it were the original party to the Transaction Documents and this Agreement.

10.4 In the event of change of Pledgee due to assignment, Pledgors and/or Party C shall, at the request of Pledgee, execute a new pledge agreement with the new pledgee on the same terms and conditions as this Agreement, and register the same with the relevant AIC.

10.5 Pledgors and Party C shall strictly abide by the provisions of this Agreement and other contracts jointly or separately executed by the Parties hereto or any of them, including the Transaction Documents, perform the obligations hereunder and thereunder, and refrain from any action/omission that may affect the effectiveness and enforceability thereof. Any remaining rights of Pledgors with respect to the Equity Interest pledged hereunder shall not be exercised by Pledgors except in accordance with the written instructions of Pledgee.

11. Termination

11.1 Upon the fulfillment of all Contract Obligations and the full payment of all Secured Indebtedness by Pledgors and Party C, Pledgee shall release the Pledge under this Agreement upon Pledgors request as soon as reasonably practicable and shall assist Pledgor to de-register the Pledge from the shareholders register of Party C and with relevant PRC local administration for industry and commerce.

11.2 The provisions under Sections 9, 13, 14 and 11.2 herein of this Agreement shall survive the expiration or termination of this Agreement.

12. Handling Fees and Other Expenses

All fees and out of pocket expenses relating to this Agreement, including but not limited to legal costs, costs of production, stamp tax and any other taxes and fees, shall be borne by Party C.

13. Confidentiality

The Parties acknowledge that the existence and the terms of this Agreement and any oral or written information exchanged between the Parties in connection with the preparation and performance this Agreement are regarded as confidential information. Each Party shall maintain confidentiality of all such confidential information, and without obtaining the written consent of the other Party, it shall not disclose any relevant confidential information to any third parties, except for the information that: (a) is or will be in the public domain (other than through the receiving Partys unauthorized disclosure); (b) is under the obligation to be disclosed pursuant to the applicable laws or regulations, rules of any stock exchange, or orders of the court or other government authorities; or (c) is required to be disclosed by any Party to its shareholders, directors, employees, legal counsels or financial advisors regarding the transaction contemplated hereunder, provided that such shareholders, directors, employees, legal counsels or financial advisors shall be bound by the confidentiality obligations similar to those set forth in this Section. Disclosure of any confidential information by the shareholders, director, employees of or agencies engaged by any Party shall be deemed disclosure of such confidential information by such Party and such Party shall be held liable for breach of this Agreement.

14. Governing Law and Resolution of Disputes

14.1 The execution, effectiveness, construction, performance, amendment and termination of this Agreement and the resolution of disputes hereunder shall be governed by the laws of China.

14.2 In the event of any dispute with respect to the construction and performance of this Agreement, the Parties shall first resolve the dispute through friendly negotiations. In the event the Parties fail to reach an agreement on the dispute within 30 days after either Party's request to the other Parties for resolution of the dispute through negotiations, either Party may submit the relevant dispute to the [China International Economic and Trade Arbitration Commission] for arbitration, in accordance with its Arbitration Rules. The arbitration proceedings shall be conducted in Chinese. The arbitration shall be conducted in [Beijing]. The arbitration award shall be final and binding on all Parties.

14.3 Upon the occurrence of any disputes arising from the construction and performance of this Agreement or during the pending arbitration of any dispute, except for the matters under dispute, the Parties to this Agreement shall continue to exercise their respective rights under this Agreement and perform their respective obligations under this Agreement.

15. Notices

15.1 All notices and other communications required or permitted to be given pursuant to this Agreement shall be delivered personally or sent by registered mail, postage prepaid, by a commercial courier service or by facsimile transmission to the address of such party set forth below. A confirmation copy of each notice shall also be sent by E-mail. The dates on which notices shall be deemed to have been effectively given shall be determined as follows:

15.2 Notices given by personal delivery, by courier service or by registered mail, postage prepaid, shall be deemed effectively given on the date of delivery or refusal at the address specified for notices.

15.3 Notices given by facsimile transmission shall be deemed effectively given on the date of successful transmission (as evidenced by an automatically generated confirmation of transmission).

15.4 For the purpose of notices, the addresses of the Parties are as follows:

Party A: [Jia Chuang Ying An(Beijing) Information & Technology Co.,Ltd.]

Address: [Room 81306, 4th Floor, Building 3, No.116 Xin Hua East Street, Tongzhou District, Beijing, China]

Recipient: Guo Jian

Party B:

Name: Xu Jinhua
Address: ***
Phone: ***

Name： Feng Suwen
Address: ***.
Phone: ***

Name: Guo Jian
Address: ***
Phone: ***

Name: Peng Peng
Address: ***
Phone: ***

Name: Guo Lingxin
Address: ***.
Phone: ***

Name: Yin Yuxi
Address: ***.
Phone: ***

Party C: Huaming Insurance Agency Co., Ltd
Address: Room 503-07-A, No.9, East Area, Airport Business Park, No. 80, HeBei Ring Road, Pilot Free Trade Zone (Airport Economic Zone),Tianjin.
Recipient: Wu Mengwan
Phone: ***

15.5 Any Party may at any time change its address for notices by a notice delivered to the other Parties in accordance with the terms hereof.

16. Severability

In the event that one or several of the provisions of this Contract are found to be invalid, illegal or unenforceable in any aspect in accordance with any laws or regulations, the validity, legality or enforceability of the remaining provisions of this Contract shall not be affected or compromised in any respect. The Parties shall strive in good faith to replace such invalid, illegal or unenforceable provisions with effective provisions that accomplish to the greatest extent permitted by law and the intentions of the Parties, and the economic effect of such effective provisions shall be as close as possible to the economic effect of those invalid, illegal or unenforceable provisions.

17. Attachments

The attachments set forth herein shall be an integral part of this Agreement.

18. Effectiveness

18.1 This Agreement shall become effective upon execution by the Parties.

18.2 Any amendments, changes and supplements to this Agreement shall be in writing and shall become effective upon completion of the governmental filing procedures (if applicable) after the affixation of the signatures or seals of the Parties.

19. Language and Counterparts

This Agreement is written in Chinese and English in four copies. Pledgors, Pledgee and Party C shall hold one copy respectively and the other copy shall be used for registration. In case there is any conflict between the Chinese version and the English version, the Chinese version shall prevail.

The Remainder of this page is intentionally left blank

IN WITNESS WHEREOF, the Parties have caused their authorized representatives to execute this Equity Interest Pledge Agreement as of the date first above written.

Party A: Jia Chuang Ying An(Beijing) Information & Technology Co.,Ltd. (Seal)

Signature: /s/ Guo Jian

Date: January 1st, 2022

IN WITNESS WHEREOF, the Parties have caused their authorized representatives to execute this Equity Interest Pledge Agreement as of the date first above written.

Signature: /s/ Xu Jinhua

Date: January 1st, 2022

IN WITNESS WHEREOF, the Parties have caused their authorized representatives to execute this Equity Interest Pledge Agreement as of the date first above written.

Signature: /s/ Feng Suwen

Date: January 1st, 2022

IN WITNESS WHEREOF, the Parties have caused their authorized representatives to execute this Equity Interest Pledge Agreement as of the date first above written.

Signature: /s/ Guo Jian

Date: January 1st, 2022

IN WITNESS WHEREOF, the Parties have caused their authorized representatives to execute this Equity Interest Pledge Agreement as of the date first above written.

Signature: /s/ Peng Peng

Date: January 1st, 2022

IN WITNESS WHEREOF, the Parties have caused their authorized representatives to execute this Equity Interest Pledge Agreement as of the date first above written.

Signature: /s/ Guo Ling xin

Date: January 1st, 2022

IN WITNESS WHEREOF, the Parties have caused their authorized representatives to execute this Equity Interest Pledge Agreement as of the date first above written.

Signature: /s/ Yin Yuxi

Date: January 1st, 2022

IN WITNESS WHEREOF, the Parties have caused their authorized representatives to execute this Equity Interest Pledge Agreement as of the date first above written.

Party C: Huaming Yunbao (Tianjin) Technology Co.,Ltd. (Seal)

Signature: /s/ Guo Jian

Date: January 1st, 2022

Attachments:

1. Shareholders Register of Party C;
2. The Capital Contribution Certificate for Party C;
3. Exclusive Business Cooperation Agreement.
4. Exclusive Option Agreement
5. Power of Attorney

Exhibit 4.5

Power of Attorney

Jia Chuang Ying An(Beijing) Information & Technology Co.,Ltd., a wholly foreign owned enterprise, organized and existing under the laws of the PRC, with its address at Room 81306, 4th Floor, Building 3, No.116 Xin Hua East Street, Tongzhou District, Beijing, China.

Xu Jinhua, a natural person of Chinese nationality, ID Card No.: ***

Feng Suwen, a natural person of Chinese nationality, ID Card No.: ***

Guo Jian, a natural person of Chinese nationality, ID Card No.: ***

Peng Peng, a natural person of Chinese nationality, ID Card No.: ***

Guo Lingxin, a natural person of Chinese nationality, ID Card No.: ***

Yin Yuxi, a natural person of Chinese nationality, ID Card No.: ***

Xu Jinhua, Feng Suwen, Guo Jian, Peng Peng, Guo Lingxin, and YinYuxi are hereinafter collectively referred to as the **Clients** .

Huaming Yunbao (Tianjin) Technology Co., Ltd.hereinafter **Operating Entity**), a limited liability company organized and existing under the laws of the PRC, with its address at Room 1704-4243, Building A, Xiangluowan Kuangshi International Building, Free Trade Zone (Central Business Area),Tianjin.

The aforesaid Parties to the Agreement shall be hereinafter individually referred to as a **Party** and collectively referred to as the **Parties**.

The Clients are registered legal shareholders of Huaming Yunbao Tianjin Technology Co., Ltd.(Huaming Yunbao), and hold of 100% equity with 5,000,000 RMB reigstered capital Operating Entity Shareholding), as of the date when the Power of Attorney is executed, Clients hereby separately and jointly irrevocably agree and confirm to authorize Jia Chuang Ying An(Beijing) Information & Technology Co.,Ltd. (WFOE) to exercise the following rights relating to all equity interests held by Clients now and in the future in Huaming Yunbao during the term of this Power of Attorney:

WFOE is hereby authorized to act on behalf of Clients as exclusive agent and attorney with respect to all matters concerning Operating Entity Shareholding, including without limitation to: 1) attending shareholders meetings of Huaming Yunbao; 2) exercising all the shareholders rights and shareholder's voting rights Clients are entitled to under the laws of China and Huaming Yunbao Articles of Association, including but not limited to the sale or transfer or pledge or disposition of Operating Entity Shareholding in part or in whole; and 3) designate and appoint on behalf of Clients the legal representative, the directors, supervisors, the chief executive officer and other senior management members of Huaming Yunbao.

Without limiting the generality of the powers granted hereunder, WFOE shall have the power and authority to, on behalf of Clients, execute all the documents Clients shall sign as stipulated in the Exclusive Option Agreement entered into by and among Clients, WFOE and Huaming Yunbao on January 1st, 2022 and the Equity Pledge Agreement entered into by and among Clients, WFOE and Huaming Yunbao on January 1st, 2022 (including any modification, amendment and restatement thereto, collectively the Transaction Documents), and perform the terms of the Transaction Documents.

All the actions associated with Operating Entity Shareholding conducted by WFOE shall be deemed as Clients own actions, and all the documents related to Operating Entity Shareholding executed by WFOE shall be deemed to be executed by Clients. Clients hereby acknowledge and ratify those actions and/or documents by WFOE.

WFOE is entitled to re-authorize or assign its rights related to the aforesaid matters to any other person or entity at its own discretion and without giving prior notice to Clients or obtaining Clients' consent. If required by PRC laws, WFOE shall designate a PRC citizen to exercise the aforementioned rights.

During the period that I am a shareholder of Huaming Yunbao, this Power of Attorney shall be irrevocable and continuously effective and valid from the date of execution of this Power of Attorney.

During the term of this Power of Attorney, Clients hereby waive all the rights associated with Operating Entity Shareholding, which have been authorized to WFOE through this Power of Attorney, and shall not exercise such rights by Clients.

This Power of Attorney is written in Chinese and English. In case there is any conflict between the Chinese version and the English version, the Chinese version shall prevail.

[Hereinafter is the Signing Page]

(There is no text on this page and only for the signature page of Power of Attorney)

Signature: /s/ Xu Jinhua

Date: January 1st,2022

(There is no text on this page and only for the signature page of Power of Attorney)

Signature: /s/ Feng Suwen

Date: January 1st,2022

(There is no text on this page and only for the signature page of Power of Attorney)

Signature: /s/ Guo Jian

Date: January 1st,2022

(There is no text on this page and only for the signature page of Power of Attorney)

Signature: /s/ Peng Peng

Date: January 1st,2022

(There is no text on this page and only for the signature page of Power of Attorney)

Signature: /s/ Guo Lingxin

Date: January 1st,2022

(There is no text on this page and only for the signature page of Power of Attorney)

Signature: /s/ Yin Yuxi

Date: January 1st,2022

Acknowledged by

Jia Chuang Ying An(Beijing) Information & Technology Co.,Ltd. (Seal)

Signature: /s/ Guo Jian

Date: January 1st,2022

Spousal Consent

Date: January 1st, 2022

To: [Parties of Transaction Documents]

The undersigned, [Name of Spouse] (ID card No. ***), is the lawful spouse of [Name of Shareholder] (ID card No. ***). I hereby unconditionally and irrevocably agree to the execution of the following documents (hereinafter referred to as the **Transaction Documents**) by [Name of Shareholder] on January 1st, 2022 and the disposal of the equity interests of Huaming Yunbao(Tianjin) Technology Co., Ltd. (**Huaming Yunbao**) held by [Name of Shareholder] and registered in [Name of Shareholder]'s name according to the following documents:

- Equity Interest Pledge Agreement entered into between Jia Chuang Ying An(Beijing) Information & Technology Co.,Ltd. (hereinafter referred to as the **WFOE**) and Huaming Yunbao;
- Exclusive Option Agreement entered into between the WFOE and Huaming Yunbao;
- Power of Attorney executed by [Name of Shareholder].

I hereby undertake not to make any assertions in connection with the equity interests of Huaming Yunbao which are held by [Name of Shareholder]. I hereby further confirm that [Name of Shareholder] can perform the Transaction Documents and further amend or terminate the Transaction Documents absent authorization or consent from me.

I hereby undertake to execute all necessary documents and take all necessary actions to ensure appropriate performance of the Transaction Documents (as amended form time to time).

I hereby agree and undertake that if I obtain any equity interests of Huaming Yunbao which are held by [Name of Shareholder] for any reasons, I shall be bound by the Transaction Documents and the Exclusive Business Cooperation Agreement entered into between the WFOE and Huaming Yunbao as of January 1st, 2022 (**Exclusive Business Cooperation Agreement**) (as amended from time to time) and comply with the obligations thereunder as a shareholder of Huaming Yunbao. For this purpose, upon the WFOEs request, I shall sign a series of written documents in substantially the same format and content as the Transaction Documents and Exclusive Business Cooperation Agreement (as amended from time to time).

The execution, effectiveness, construction, performance, amendment and termination of this consent letter and the resolution of disputes hereunder shall be governed by the laws of China. In the event of any dispute with respect to the construction and performance of this consent letter, the related parties shall first resolve the dispute through friendly negotiations. In the event the related parties fail to reach an agreement on the dispute within 30 days after either party's request to the other parties for resolution of the dispute through negotiations, either party may submit the relevant dispute to the [China International Economic and Trade Arbitration Commission] for arbitration, in accordance with its Arbitration Rules. The arbitration shall be conducted in [Beijing], and the arbitration proceedings shall be conducted in Chinese. The arbitration award shall be final and binding on all Parties. Upon the occurrence of any disputes arising from the construction and performance of this consent letter or during the pending arbitration of any dispute, except for the matters under dispute, I shall continue to exercise my rights under this consent letter and perform my obligations under this consent letter.

This consent letter is written in Chinese and English. In case there is any conflict between the Chinese version and the English version, the Chinese version shall prevail.

Signature: /s/ Gao Fuhai

Date: January 1st,2022

Exhibit 4.7

Exclusive Business Cooperation Agreement

This Exclusive Business Cooperation Agreement (this Agreement) is made and entered into by and between the following parties on January 1st, 2022 in [Beijing], the Peoples Republic of China (China or the PRC).

Party A: Jia Chuang Ying An(Beijing) Information & Technology Co.,Ltd.

Address: Room81306, 4th Floor, Building 3, No.116 Xin Hua East Street, Tongzhou District, Beijing, China

Party B: Huaming Insurance Agency Co., Ltd.

Address: Room 503-07-A, No.9, East Area, Airport Business Park, No. 80, HeBei Ring Road, Pilot Free Trade Zone (Airport Economic Zone),Tianjin.

Each of Party A and Party B shall be hereinafter referred to as a **Party** respectively, and as the **Parties** collectively.

Whereas,

1. Party A is a wholly foreign owned enterprise established in China, and has the necessary resources to provide technical and consulting services;

2. Party B is a limited liability company established in China. The businesses which Party B is conducting currently and/or will conduct during the term of this Agreement are collectively referred to as the Principal Business;

3. Party A is willing to provide Party B with technical support, consulting services and other services on an exclusive basis in relation to the Principal Business during the term of this Agreement, utilizing its advantages in technology, human resources, and information, and Party B is willing to accept such services provided by Party A or Party A's designee(s), in each case on the terms set forth herein.

Now, therefore, through mutual discussion, the Parties have reached the following agreements:

1. **Services Provided by Party A**

1.1 Party B hereby appoints Party A as Party B's exclusive services provider to provide Party B with comprehensive technical support, consulting services and other services during the term of this Agreement, in accordance with the terms and conditions of this Agreement, including but not limited to the following:

(1) Licensing Party B to use any software which Party A has legitimate rights to use or license others to use;

(2) Development, maintenance and upgrade of software involved in Party B's business;

(3) Design, installation, daily management, maintenance and updating of Party B's network system, hardware and database;

(4) Technical support and training for employees of Party B;

(5) Assisting Party B in consultancy, collection and research of technology and market information (excluding market research business that wholly foreign-owned enterprises are prohibited from conducting under PRC law);

(6) Providing business management consultation for Party B;

(7) Providing marketing and promotion services for Party B;

(8) Providing customer order management and customer services for Party B;

(9) Leasing of equipments or properties; and

(10) Other services requested by Party B from time to time to the extent permitted under PRC law.

1.2 Party B agrees to accept all the services provided by Party A. Party B further agrees that without Party A's prior written consent, during the term of this Agreement, Party B shall not directly or indirectly accept the same or any similar services provided by any third party, nor shall it enter into any similar corporation relationship with any third party regarding the subject matters contemplated by this Agreement. Party A may designate or appoint other parties to provide Party B with the services under this Agreement and to enter into agreements with Party B for such services in accordance with Section 1.3 hereof.

1.3 Service Providing Methodology

1.3.1 Party A and Party B agree that during the term of this Agreement, where necessary, Party B may enter into further service agreements with Party A or any other party designated by Party A, which shall provide the specific contents, manner, personnel, and fees for the specific services.

1.3.2 To fulfill this Agreement, Party A and Party B agree that during the term of this Agreement, where necessary, Party B may enter into equipment or property leases with Party A or any other party designated by Party A which shall permit Party B to use Party A's relevant equipment or property based on the needs of the business of Party B.

1.3.3 Party B hereby grants to Party A an irrevocable and exclusive option to purchase from Party B or any subsidiary controlled by Party B (collectively, Granting Entities, each a Granting Entity), at Party As sole discretion, any or all of the assets and business of any of such Granting Entities, to the extent permitted under the laws of China, at the lowest purchase price permitted by the laws of China. For the purpose of this section, Party B shall procure each Granting Entity (other than Party B) to acknowledge and accept the provisions in this section and to agree to grant Party A the option in accordance with this section. Where Party A exercises the option, Party A and the relevant Granting Entity shall then enter into a separate assets or business transfer agreement, specifying the terms and conditions of the transfer of the assets, provided that the purchase price shall conform with provisions hereunder.

2. **The Calculation and Payment of the Service Fees**

Both Parties agree that, in consideration of the services provided by Party A, Party B shall pay Party A fees (the Service Fees) equal to 100% of the consolidated basis net income of Party B, which equals the balance of the gross income less the costs of Party B acceptable to the Parties (the Net Income). The Service Fees shall be due and payable on a monthly basis. Within 30 days after the end of each month, Party B shall (a) deliver to Party A the management accounts and operating statistics of Party B for such month, including the Net Income of Party B during such month (the Monthly Net Income), and (b) pay 100% of such Monthly Net Income to Party A (each such payment, a Monthly Payment). Within ninety (90) days after the end of each fiscal year, Party B shall (a) deliver to Party A audited consolidated financial statements of Party B for such fiscal year, which shall be audited and certified by an independent certified public accountant approved by Party A, and (b) pay an amount to Party A equal to the shortfall, if any, of the aggregate net income of Party B for such fiscal year, as shown in such audited consolidated financial statements, as compared to the aggregate amount of the Monthly Payments paid by Party B to Party A in such fiscal year. Party A and Party B further agree that, according to the actual cooperation between Party A and Party B and the revenue and expenditure situation of Party B, the Parties can reasonably adjust the calculation ratio of the Service Fees provided herein, and Party A is entitled to determine, as its sole discretion, whether to permit Party B to defer the payment of part of Service Fees under certain particular circumstances.

3. **Intellectual Property Rights and Confidentiality Clauses**

3.1 Party A shall have exclusive and proprietary ownership, rights and interests in any and all intellectual properties arising out of or created during the performance of this Agreement, including but not limited to copyrights, patents, patent applications, software, technical secrets, trade secrets and others. Party B shall execute all appropriate documents, take all appropriate actions, submit all filings and/or applications, render all appropriate assistance and otherwise conduct whatever is necessary as deemed by Party A at its sole discretion for the purposes of vesting any ownership, right or interest of any such intellectual property rights in Party A, and/or perfecting the protections for any such intellectual property rights of Party A.

3.2 The Parties acknowledge that the existence and the terms of this Agreement and any oral or written information exchanged between the Parties in connection with the preparation and performance of this Agreement are regarded as confidential information. Each Party shall maintain confidentiality of all such confidential information, and without obtaining the written consent of the other Party, it shall not disclose any relevant confidential information to any third party, except for the information that: (a) is or will be in the public domain (other than through the receiving Party's unauthorized disclosure); (b) is disclosed by a Party pursuant to the applicable laws or regulations, rules of any stock exchange, or orders of the court or other government authorities; or (c) is required to be disclosed by any Party to its shareholders, directors, employees, legal counsels or financial advisors regarding the transaction contemplated hereunder, provided that such shareholders, directors, employees, legal counsels or financial advisors shall be bound by the confidentiality obligations similar to those set forth in this Section. Disclosure of any confidential information by the shareholders, director, employees of or agencies engaged by any Party shall be deemed disclosure of such confidential information by such Party and such Party shall be held liable for breach of this Agreement.

4. **Representations and Warranties**

4.1 Party A hereby represents, warrants and covenants as follows:

4.1.1 Party A is a wholly foreign owned enterprise legally established and validly existing in accordance with the laws of China; Party A or the service providers designated by Party A will obtain all government permits and licenses for providing the service under this Agreement before providing such services.

4.1.2 Party A has taken all necessary corporate actions, obtained all necessary authorizations as well as all consents and approvals from third parties and government agencies (if required) for the execution, delivery and performance of this Agreement. Party As execution, delivery and performance of this Agreement do not violate any explicit requirements under any law or regulation.

4.1.3 This Agreement constitutes Party As legal, valid and binding obligations, enforceable against it in accordance with its terms.

4.2 Party B hereby represents, warrants and covenants as follows:

4.2.1 Party B is a company legally established and validly existing in accordance with the laws of China and has obtained and will maintain all permits and licenses for engaging in the Principal Business in a timely manner.

4.2.2 Party B has taken all necessary corporate actions, obtained all necessary authorizations as well as all consents and approvals from third parties and government agencies (if required) for the execution, delivery and performance of this Agreement. Party B's execution, delivery and performance of this Agreement do not violate any explicit requirements under any law or regulation.

4.2.3 This Agreement constitutes Party B's legal, valid and binding obligations, and shall be enforceable against it in accordance with its terms.

5. **Term of Agreement**

5.1 This Agreement shall become effective upon execution by the Parties. Unless terminated in accordance with the provisions of this Agreement or terminated in writing by Party A, this Agreement shall remain effective.

5.2 During the term of this Agreement, each Party shall renew its operation term prior to the expiration thereof so as to enable this Agreement to remain effective. This Agreement shall be terminated upon the expiration of the operation term of a Party if the application for renewal of its operation term is not approved by relevant government authorities.

5.3 The rights and obligations of the Parties under Sections 3, 6, 7 and this Section 5.3 shall survive the termination of this Agreement.

6. **Governing Law and Resolution of Disputes**

6.1 The execution, effectiveness, construction, performance, amendment and termination of this Agreement and the resolution of disputes hereunder shall be governed by the laws of China.

6.2 In the event of any dispute with respect to the construction and performance of this Agreement, the Parties shall first resolve the dispute through friendly negotiations. In the event the Parties fail to reach an agreement on the dispute within 30 days after either Party's request to the other Party for resolution of the dispute through negotiations, either Party may submit the relevant dispute to the [China International Economic and Trade Arbitration Commission] for arbitration, in accordance with its arbitration rules. The arbitration shall be conducted in [Beijing], and the arbitration proceedings shall be conducted in Chinese. The arbitration award shall be final and binding on both Parties.

6.3 Upon the occurrence of any disputes arising from the construction and performance of this Agreement or during the pending arbitration of any dispute, except for the matters under dispute, the Parties shall continue to exercise their respective rights under this Agreement and perform their respective obligations under this Agreement.

7. **Breach of Agreement and Indemnification**

7.1 If Party B conducts any material breach of any term of this Agreement, Party A shall have right to terminate this Agreement and/or require Party B to indemnify all damages; This Section 7.1 shall not prejudice any other rights of Party A herein.

7.2 Unless otherwise required by applicable laws, Party B shall not have any right to terminate this Agreement in any event.

7.3 Party B shall indemnify and hold harmless Party A from any losses, injuries, obligations or expenses caused by any lawsuit, claims or other demands against Party A arising from or caused by the services provided by Party A to Party B pursuant this Agreement, except where such losses, injuries, obligations or expenses arise from the gross negligence or willful misconduct of Party A.

8. **Force Majeure**

8.1 In the case of any force majeure events (Force Majeure) such as earthquake, typhoon, flood, fire, flu, war, strikes or any other events that cannot be predicted and are unpreventable and unavoidable by the affected Party, which directly or indirectly causes the failure of either Party to perform or completely perform this Agreement, then the Party affected by such Force Majeure shall give the other Party written notices without any delay, and shall provide details of such event within 15 days after sending out such notice, explaining the reasons for such failure of, partial or delay of performance.

8.2 If such Party claiming Force Majeure fails to notify the other Party and furnish it with proof pursuant to the above provision, such Party shall not be excused from the non-performance of its obligations hereunder. The Party so affected by the event of Force Majeure shall use reasonable efforts to minimize the consequences of such Force Majeure and to promptly resume performance hereunder whenever the causes of such excuse are cured. Should the Party so affected by the event of Force Majeure fail to resume performance hereunder when the causes of such excuse are cured, such Party shall be liable to the other Party.

8.3 In the event of Force Majeure, the Parties shall immediately consult with each other to find an equitable solution and shall use all reasonable endeavours to minimize the consequences of such Force Majeure.

9. **Notices**

9.1 All notices and other communications required or permitted to be given pursuant to this Agreement shall be delivered personally or sent by registered mail, postage prepaid, by a commercial courier service or by facsimile transmission to the address of such Party set forth below. A confirmation copy of each notice shall also be sent by email. The dates on which notices shall be deemed to have been effectively given shall be determined as follows:

9.1.1 Notices given by personal delivery, by courier service or by registered mail, postage prepaid, shall be deemed effectively given on the date of receipt or refusal at the address specified for notices.

9.1.2 Notices given by facsimile transmission shall be deemed effectively given on the date of successful transmission (as evidenced by an automatically generated confirmation of transmission).

9.2 For the purpose of notices, the addresses of the Parties are as follows:

Party A: **Jia Chuang Ying An(Beijing) Information & Technology Co.,Ltd.**

Address: Room81306, 4th Floor, Building 3, No.116 Xin Hua East Street, Tongzhou District, Beijing, China

Recipient: Guo Jian

Phone: ***

Party B: **Huaming Insurance Agency Co., Ltd.**

Address: Room 503-07-A, No.9, East Area, Airport Business Park, No. 80, HeBei Ring Road, Pilot Free Trade Zone (Airport Economic Zone),Tianjin.

Recipient: Guo Jian

Phone: ***

9.3 Any Party may at any time change its address for notices by a notice delivered to the other Party in accordance with the terms hereof.

10. **Assignment**

10.1 Without Party A's prior written consent, Party B shall not assign its rights and obligations under this Agreement to any third party.

10.2 Party B agrees that Party A may assign its obligations and rights under this Agreement to any third party and in case of such assignment, Party A is only required to give written notice to Party B and does not need any consent from Party B for such assignment.

11. **Severability**

In the event that one or several of the provisions of this Agreement are found to be invalid, illegal or unenforceable in any aspect in accordance with any laws or regulations, the validity, legality or enforceability of the remaining provisions of this Agreement shall not be affected or compromised in any aspect. The Parties shall negotiate in good faith to replace such invalid, illegal or unenforceable provisions with effective provisions that accomplish to the greatest extent permitted by law and the intentions of the Parties, and the economic effect of such effective provisions shall be as close as possible to the economic effect of those invalid, illegal or unenforceable provisions.

12. **Amendments and Supplements**

Any amendments and supplements to this Agreement shall be in writing. The amendment agreements and supplementary agreements that have been signed by the Parties and relate to this Agreement shall be an integral part of this Agreement and shall have the same legal validity as this Agreement.

13. **Language and Counterparts**

This Agreement is written in both Chinese and English language in two copies, each Party having one copy. In case there is any conflict between the Chinese version and the English version, the Chinese version shall prevail.

The Remainder of this page is intentionally left blank

IN WITNESS WHEREOF, the Parties have caused their authorized representatives to execute this Exclusive Business Cooperation Agreement as of the date first above written.

Party A: Jia Chuang Ying An(Beijing) Information & Technology Co.,Ltd. (Seal)

Signature: /s/ Guo Jian

Date: January 1st, 2022

IN WITNESS WHEREOF, the Parties have caused their authorized representatives to execute this Exclusive Business Cooperation Agreement as of the date first above written.

Party B: Huaming Insurance Agency Co., Ltd. (Seal)

Signature: /s/ Guo Jian

Date: January 1st, 2022

Exhibit 4.8

Exclusive Option Agreement

This Exclusive Option Agreement (this Agreement) is executed by and among the following Parties on January 1st, 2022 in [Beijing], the Peoples Republic of China (China or the PRC):

Party A: Jia Chuang Ying An(Beijing) Information & Technology Co.,Ltd., a wholly foreign owned enterprise, organized and existing under the laws of the PRC, with its address at Room81306, 4th Floor, Building 3, No.116 Xin Hua East Street, Tongzhou District, Beijing, China.

Party B:

Tian Jin Run Rui Logistics Co.,Ltd.(hereinafter **Direct Shareholder A**), a limited liability company organized and existing under the laws of the PRC, with its address at Room 503-07-D, No.9, East Area, Airport Business Park, No. 80, HeBei Ring Road, Pilot Free Trade Zone (Airport Economic Zone),Tianjin.

Tian Jin Yu Hang Chang Sheng Commercial & Trading Co., Ltd. (hereinafterDirect Shareholder B), a limited liability company organized and existing under the laws of the PRC, with its address at Room 327, No.1 Haiguang Road, Zhongbei Industrial Park(South Park), Zhongbei Town, Xiqing District, Tianjin.

Tian Jin Long Feng Technology Co., Ltd. (hereinafter Direct Shareholder C), a limited liability company organized and existing under the laws of the PRC, with its address at Room 504, No.1 Haiguang Road, Zhongbei Industrial Park(South Park), Zhongbei Town, Xiqing District, Tianjin.

Wang Guangwei, a natural person of Chinese nationality, ID Card No.:***

Jin Jingjing, a natural person of Chinese nationality, ID Card No.:***

Guo Jian, a natural person of Chinese nationality, ID Card No.:***

Liu Jing, a natural person of Chinese nationality, ID Card No.: ***

Direct Shareholder A, Direct Shareholder B, Direct Shareholder C, Wang Guangwei, Jin Jingjing, Guojian and Liujing are hereinafter collectively referred to as the **Direct Shareholders** or **Party B**.

Party C: Huaming Insurance Agency Co., Ltd., a limited liability company organized and existing under the laws of the PRC, with its address at Room 503-07-A, No.9, East Area, Airport Business Park, No. 80, HeBei Ring Road, Pilot Free Trade Zone (Airport Economic Zone),Tianjin.

Zhao Yinhaia natural person of Chinese Nationality, ID Card No.:***

Feng Suwen, a natural person of Chinese Personality, ID Card No.:***

Li Guangqing, a natural person of Chinese Nationality, ID Card No.:***

Liu Yajun, a natural person of Chinese Nationality, ID Card No.:***

Jin Linga natural person of Chinese Personality, ID Card No.:***

(Wang Guangwei, Jin Jingjing, Guojian, Liu Jing, Zhao Yinhai, Feng Suwen, Li Guangqing, Liu Yajun and Jin Ling are hereinafter collectively referred to as **Individual Shareholders**; Zhao Yinhai, Feng Suwen, Li Guangqing, Liu Yajun and Jin Ling are hereinafter collectively referred to as **Indirect Shareholders**; Indirect Shareholders and the Pledgors are hereinafter collectively referred to as the **Shareholders**.)

The aforesaid Parties to the Agreement shall be hereinafter individually referred to as a **Party** and collectively referred to as the **Parties**.

Whereas:

(1) Party B are the registered legal Direct Shareholders of Party C, holding 100% of the equity of Party C in total, and as of the date hereof hold RMB50,000,000 in the registered capital of Party C.

(2) All Shareholders and Party C agree to give all necessary cooperation to Party A in exercising such Equity Interest Purchase Option (as defined below).

Now therefore, upon mutual discussion and negotiation, the Parties have reached the following agreement:

1. Sale and Purchase of Equity Interest

1.1 Option Granted

Party B hereby irrevocably grants Party A an irrevocable and exclusive right to purchase, or designate one or more persons (each, a Designee) to purchase the equity interests in Party C then held by Party B once or at multiple times at any time in part or in whole at Party As sole and absolute discretion to the extent permitted by Chinese laws and at the price described in Section 1.3 herein (such right being the Equity Interest Purchase Option). Except for Party A and the Designee(s), no other person shall be entitled to the Equity Interest Purchase Option or other rights with respect to the equity interests of Party B. Party C hereby agrees to the grant by Party B of the Equity Interest Purchase Option to Party A. The term person as used herein shall refer to individuals, corporations, partnerships, partners, enterprises, trusts or non-corporate organizations.

1.2 Steps for Exercise of Equity Interest Purchase Option

Subject to the provisions of the laws and regulations of China, Party A may exercise the Equity Interest Purchase Option by issuing a written notice to Party B (the Equity Interest Purchase Option Notice), specifying: (a) Party As or the Designees decision to exercise the Equity Interest Purchase Option; (b) the portion of equity interests to be purchased by Party A or the Designee from Party B (the Optioned Interests); and (c) the date for purchasing the Optioned Interests or the date for transfer of the Optioned Interests.

1.3 Equity Interest Purchase Price

The purchase price of the Optioned Interests shall be the minimum price regulated by PRC law (the Equity Interest Purchase Price).

1.4 Transfer of Optioned Interests

For each exercise of the Equity Interest Purchase Option:

1.4.1 Party B shall cause Party C to promptly convene a shareholders meeting, at which a resolution shall be adopted approving Party B's transfer of the Optioned Interests to Party A and/or the Designee(s);

1.4.2 Party B shall obtain written statements from the other shareholders of Party C giving consent to the transfer of the equity interest to Party A and/or the Designee(s) and waiving any right of first refusal related thereto;

1.4.3 Party B shall execute an equity interest transfer contract with respect to each transfer with Party A and/or each Designee (whichever is applicable), in accordance with the provisions of this Agreement and the Equity Interest Purchase Option Notice regarding the Optioned Interests;

1.4.4 The relevant Parties shall execute all other necessary contracts, agreements or documents, obtain all necessary government licenses and permits and take all necessary actions to transfer valid ownership of the Optioned Interests to Party A and/or the Designee(s), unencumbered by any security interests, and cause Party A and/or the Designee(s) to become the registered owner(s) of the Optioned Interests. For the purpose of this Section and this Agreement, security interests shall include securities, mortgages, third party's rights or interests, any stock options, acquisition right, right of first refusal, right to offset, ownership retention or other security arrangements, but shall be deemed to exclude any security interest created by this Agreement, Party B's Equity Interest Pledge Agreement and Party B's Power of Attorney. Party B's Equity Interest Pledge Agreement as used in this Agreement shall refer to the Interest Pledge Agreement executed by and among Party A, Party B and Party C on the date hereof and any modification, amendment and restatement thereto. Party B's Power of Attorney as used in this Agreement shall refer to the Power of Attorney executed by Party B on the date hereof granting Party A with power of attorney and any modification, amendment and restatement thereto.

2. Covenants

2.1 Covenants regarding Party C

Party B (as Direct shareholders of Party C) and Party C hereby covenant as follows:

2.1.1 Without the prior written consent of Party A, it shall not in any manner supplement, change or amend the articles of association of Party C, increase or decrease its registered capital, or change its structure of registered capital in other manners;

2.1.2 It shall maintain Party C's corporate existence in accordance with good financial and business standards and practices, obtain and maintain all necessary government licenses and permits by prudently and effectively operating its business and handling its affairs;

2.1.3 Without the prior written consent of Party A, it shall not, during any 12-month period following the date hereof, sell, transfer, mortgage or dispose of in any manner any material assets of Party C or legal or beneficial interest in the material business or revenues of Party C of more than RMB 1,000,000 in a single transaction in aggregate, or allow the encumbrance thereon of any security interest;

2.1.4 Without the prior written consent of Party A, it shall not incur, inherit, guarantee or suffer the existence of any debt, except for payables incurred in the ordinary course of business other than through loans;

2.1.5 It shall always operate businesses in the ordinary course of business to maintain the asset value of Party C and refrain from any action/omission that may affect Party C's operating status and asset value;

2.1.6 Without the prior written consent of Party A, it shall not execute any major contract, except the contracts in the ordinary course of business (for purpose of this subsection, a contract with a price exceeding RMB2,000,000 shall be deemed a major contract);

2.1.7 Without the prior written consent of Party A, it shall not provide any person with any loan or credit;

2.1.8 It shall provide Party A with information on Party C's business operations and financial condition at Party A's request;

2.1.9 If requested by Party A, it shall procure and maintain insurance in respect of Party C's assets and business from an insurance carrier acceptable to Party A, at an amount and type of coverage typical for companies that operate similar businesses;

2.1.10 Without the prior written consent of Party A, it shall not merge, consolidate with, acquire or invest in any person;

2.1.11 It shall immediately notify Party A of the occurrence or possible occurrence of any litigation, arbitration or administrative proceedings relating to Party C's assets, business or revenue;

2.1.12 To maintain the ownership by Party C of all of its assets, it shall execute all necessary or appropriate documents, take all necessary or appropriate actions, file all necessary or appropriate complaints, and raise necessary or appropriate defenses against all claims;

2.1.13 Without the prior written consent of Party A, it shall not in any manner distribute dividends to its shareholders, provided that upon Party A's written request, Party C shall immediately distribute all distributable profits to its shareholders;

2.1.14 At the request of Party A, it shall appoint any person designated by Party A as the director of Party C.

2.1.15 Without Party A's prior written consent, it shall not engage in any business in competition with Party A or its affiliates; and

2.1.16 Unless otherwise required by PRC law, Party C shall not be dissolved or liquated without prior written consent by Party A.

2.2 Covenants of Party B

Party B hereby covenants as follows:

2.2.1 Without the prior written consent of Party A, Party B shall not sell, transfer, mortgage or otherwise dispose of any legal or beneficial interest in the equity interests in Party C held by Party B, or allow the encumbrance thereon, except for the interest placed in accordance with Party B's Equity Interest Pledge Agreement and Party B's Power of Attorney;

2.2.2 Without the prior written consent of Party A, Party B shall cause the shareholders meeting and/or the directors (or the executive director) of Party C not to approve any sale, transfer, mortgage or disposition in any other manner of any legal or beneficial interest in the equity interests in Party C held by Party B, or allow the encumbrance thereon of any security interest, except for the interest placed in accordance with Party B's Equity Interest Pledge Agreement and Party B's Power of Attorney;

2.2.3 Without the prior written consent of Party A, Party B shall cause the shareholders meeting or the directors (or the executive director) of Party C not to approve the merger or consolidation with any person, or the acquisition of or investment in any person;

2.2.4 Party B shall immediately notify Party A of the occurrence or possible occurrence of any litigation, arbitration or administrative proceedings relating to the equity interests in Party C held by Party B;

2.2.5 Party B shall cause the shareholders' meeting or the directors (or the executive director) of Party C to vote their approval of the transfer of the Optioned Interests as set forth in this Agreement and to take any and all other actions that may be requested by Party A;

2.2.6 To the extent necessary to maintain Party B's ownership in Party C, Party B shall execute all necessary or appropriate documents, take all necessary or appropriate actions, file all necessary or appropriate complaints, and raise necessary or appropriate defenses against all claims;

2.2.7 Party B shall appoint any designee of Party A as the director or the executive director of Party C, at the request of Party A;

2.2.8 Party B hereby waives its right of first of refusal to transfer of equity interest by any other shareholder of Party C to Party A (if any), and gives consent to execution by each other shareholder of Party C with Party A and Party C the exclusive option agreement, the equity interest pledge agreement and the power of attorney similar to this Agreement, Party B's Equity Interest Pledge Agreement and Party B's Power of Attorney and undertakes not to take any action in conflict with such documents executed by the other shareholders;

2.2.9 Party B shall promptly donate any profit, interest, dividend or proceeds of liquidation to Party A or any other person designated by Party A to the extent permitted under applicable PRC laws; and

2.2.10 Party B shall strictly abide by the provisions of this Agreement and other contracts jointly or separately executed by and among Party B, Party C and Party A, perform the obligations hereunder and thereunder, and refrain from any action/omission that may affect the effectiveness and enforceability thereof. To the extent that Party B has any remaining rights with respect to the equity interests subject to this Agreement hereunder or under the Party B's Equity Interest Pledge Agreement or under the Party B's Power of Attorney, Party B shall not exercise such rights except in accordance with the written instructions of Party A.

3. Representations and Warranties

Party B and Party C hereby represent and warrant to Party A, jointly and severally, as of the date of this Agreement and each date of transfer of the Optioned Interests, that:

3.1 They have the power, capacity and authority to execute and deliver this Agreement and any equity interest transfer contracts to which they are parties concerning the Optioned Interests to be transferred thereunder (each, a Transfer Contract), and to perform their obligations under this Agreement and any Transfer Contracts. To the extent permissible under the applicable laws, Party B and Party C agree to enter into Transfer Contracts consistent with the terms of this Agreement upon Party A's exercise of the Equity Interest Purchase Option. This Agreement and the Transfer Contracts to which they are parties constitute or will constitute their legal, valid and binding obligations and shall be enforceable against them in accordance with the provisions thereof;

3.2 Party B and Party C have respectively obtained any and all corporate approvals and consents from third parties (if required) for execution, delivery and performance of this Agreement.

3.3 The execution and delivery of this Agreement or any Transfer Contracts and the obligations under this Agreement or any Transfer Contracts shall not: (i) cause any violation of any applicable laws of China; (ii) be inconsistent with their respective articles of association, bylaws or other organizational documents; (iii) cause the violation of any contracts or instruments to which they are a party or which are binding on them, or constitute any breach under any contracts or instruments to which they are a party or which are binding on them; (iv) cause any violation of any condition for the grant and/or continued effectiveness of any licenses or permits issued to either of them; or (v) cause the suspension or revocation of or imposition of additional conditions to any licenses or permits issued to either of them;

3.4 Party B has a good and merchantable title to the equity interests held by Party B in Party C. Except for Party B's Equity Interest Pledge Agreement and Party B's Power of Attorney, Party B has not placed any security interest on such equity interests;

3.5 Party C has a good and merchantable title to all of its assets, and has not placed any security interest on the aforementioned assets;

3.6 Party C does not have any outstanding debts, except for (i) debt incurred in the ordinary course of business; and (ii) debts disclosed to Party A for which Party A's written consent has been obtained.

3.7 Party C has complied with all laws and regulations of China applicable to asset acquisitions; and

3.8 There are no pending or threatened litigation, arbitration or administrative proceedings relating to the equity interests in Party C, assets of Party C or Party C.

4. Effective Date and Term

This Agreement shall become effective upon execution by the Parties, and remain effective until all equity interests held by Party B in Party C have been transferred or assigned to Party A and/or any other person designated by Party A in accordance with this Agreement.

5. Governing Law and Resolution of Disputes

5.1 Governing law

The execution, effectiveness, construction, performance, amendment and termination of this Agreement and the resolution of disputes hereunder shall be governed by the laws of PRC.

5.2 Methods of Resolution of Disputes

In the event of any dispute with respect to the construction and performance of this Agreement, the Parties shall first resolve the dispute through friendly negotiations. In the event the Parties fail to reach an agreement on the dispute within 30 days after either Party's request to the other Parties for resolution of the dispute through negotiations, either Party may submit the relevant dispute to the [China International Economic and Trade Arbitration Commission] for arbitration, in accordance with its arbitration rules. The arbitration proceedings shall be conducted in Chinese. The arbitration shall be conducted in [Beijing]. The arbitration award shall be final and binding on all Parties.

6. Taxes and Fees

All fees and out of pocket expenses relating to this Agreement, including but not limited to legal costs, costs of production, stamp tax and any other taxes and fees, shall be borne by Party C.

7. Notices

7.1 All notices and other communications required or permitted to be given pursuant to this Agreement shall be delivered personally or sent by registered mail, postage prepaid, by a commercial courier service or by facsimile transmission to the address of such Party set forth below. A confirmation copy of each notice shall also be sent by email. The dates on which notices shall be deemed to have been effectively given shall be determined as follows:

7.1.1 Notices given by personal delivery, by courier service or by registered mail, postage prepaid, shall be deemed effectively given on the date of receipt or refusal at the address specified for notices;

7.1.2 Notices given by facsimile transmission shall be deemed effectively given on the date of successful transmission (as evidenced by an automatically generated confirmation of transmission).

7.2 For the purpose of notices, the addresses of the Parties are as follows:

Party A: **Jia Chuang Ying An(Beijing) Information & Technology Co.,Ltd.**
Address: Room81306, 4th Floor, Building 3, No.116 Xin Hua East Street, Tongzhou District, Beijing, China.
Recipient: Guo Jian

Party B:
Company: **Tian Jin Run Rui Logistics Co., Ltd.**
Address: Room 503-07-D, No.9, East Area, Airport Business Park, No.80, HeBei Ring Road, Pilot Free Trade Zone (Airport Economic Zone),Tianjin.
Recipient: Wang Guangwei
Phone: ***

Company: **Tian Jin Yu Hang Chang Sheng Commercial & Trading Co.,Ltd.**
Address: Room 327, No.1 Haiguang Road, Zhongbei Industrial Park(South Park), Zhongbei Town, Xiqing District, Tianjin.
Recipient: Guo Jian
Phone: ***

Company: **Tian Jin Long Feng Technology Co., Ltd.**
Address: Room 504, No.1 Haiguang Road, Zhongbei Industrial Park(South Park), Zhongbei Town, Xiqing District, Tianjin.
Recipient: Jin Ling
Phone: ***

Name: Wang Guangwei
Address: ***
Phone: ***

Name: Jin Jingjing
Address: ***
Phone: ***

Name: Guo Jian
Address: ***
Phone: ***

Name: Liu Jing
Address: ***
Phone: ***

Name: Zhao Yinhai
Address: ***
Phone: ***

Name: Feng Suwen
Address: ***
Phone: ***

Name: Li Guangqing
Address: ***
Phone: ***

Name: Liu Yajun
Address: ***
Phone: ***

Name: Jin Ling
Address: ***
Phone: ***

Party C: **Huaming Insurance Agency Co., Ltd.**
Address : Room 503-07-A, No.9, East Area, Airport Business Park, No. 80, HeBei Ring Road, Pilot Free Trade Zone (Airport Economic Zone),Tianjin.
Recipient: Wu Mengwan
Phone: ***

7.3 Any Party may at any time change its address for notices by a notice delivered to the other Parties in accordance with the terms hereof.

8. Confidentiality

The Parties acknowledge that the existence and the terms of this Agreement, and any oral or written information exchanged between the Parties in connection with the preparation and performance this Agreement are regarded as confidential information. Each Party shall maintain confidentiality of all such confidential information, and without obtaining the written consent of other Parties, it shall not disclose any relevant confidential information to any third parties, except for the information that: (a) is or will be in the public domain (other than through the receiving Party's unauthorized disclosure); (b) is under the obligation to be disclosed pursuant to the applicable laws or regulations, rules of any stock exchange, or orders of the court or other government authorities; or (c) is required to be disclosed by any Party to its shareholders, directors, employees, legal counsels or financial advisors regarding the transaction contemplated hereunder, provided that such shareholders, directors, employees, legal counsels or financial advisors shall be bound by the confidentiality obligations similar to those set forth in this Section. Disclosure of any confidential information by the shareholders, director, employees of or agencies engaged by any Party shall be deemed disclosure of such confidential information by such Party and such Party shall be held liable for breach of this Agreement.

9. Further Warranties

The Parties agree to promptly execute documents that are reasonably required for or are conducive to the implementation of the provisions and purposes of this Agreement and take further actions that are reasonably required for or are conducive to the implementation of the provisions and purposes of this Agreement.

10. Breach of Agreement

10.1 If Party B or Party C conducts any material breach of any term of this Agreement, Party A shall have right to terminate this Agreement and/or require the Party B or Party C to compensate all damages; this Section 10 shall not prejudice any other rights of Party A herein;

10.2 Party B or Party C shall not have any right to terminate this Agreement in any event unless otherwise required by applicable laws or agreed by the Parties.

11. Miscellaneous

11.1 Amendment, change and supplement

Any amendment, change and supplement to this Agreement shall require the execution of a written agreement by all of the Parties.

11.2 Entire agreement

Except for the amendments, supplements or changes in writing executed after the execution of this Agreement, this Agreement shall constitute the entire agreement reached by and among the Parties hereto with respect to the subject matter hereof, and shall supercede all prior oral and written consultations, representations and contracts reached with respect to the subject matter of this Agreement.

11.3 Headings

The headings of this Agreement are for convenience only, and shall not be used to interpret, explain or otherwise affect the meanings of the provisions of this Agreement.

11.4 Language

This Agreement is written in both Chinese and English language in three copies, each Party having one copy. In case there is any conflict between the Chinese version and the English version, the Chinese version shall prevail.

11.5 Severability

In the event that one or several of the provisions of this Agreement are found to be invalid, illegal or unenforceable in any aspect in accordance with any laws or regulations, the validity, legality or enforceability of the remaining provisions of this Agreement shall not be affected or compromised in any respect. The Parties shall strive in good faith to replace such invalid, illegal or unenforceable provisions with effective provisions that accomplish to the greatest extent permitted by law and the intentions of the Parties, and the economic effect of such effective provisions shall be as close as possible to the economic effect of those invalid, illegal or unenforceable provisions.

11.6 Successors

This Agreement shall be binding on and shall inure to the interest of the respective successors of the Parties and the permitted assigns of such Parties.

11.7 Survival

11.7.1 Any obligations that occur or that are due as a result of this Agreement upon the expiration or early termination of this Agreement shall survive the expiration or early termination thereof.

11.7.2 The provisions of Sections 5, 8, 10 and this Section 11.7 shall survive the termination of this Agreement.

11.8 Waivers

Any Party may waive the terms and conditions of this Agreement, provided that such a waiver must be provided in writing and shall require the signatures of the Parties. No waiver by any Party in certain circumstances with respect to a breach by other Parties shall operate as a waiver by such a Party with respect to any similar breach in other circumstances.

IN WITNESS WHEREOF, the Parties have caused their authorized representatives to execute this Exclusive Option Agreement as of the date first above written.

Party A: Jia Chuang Ying An(Beijing) Information & Technology Co.,Ltd (Seal)

Signature: /s/ Guo Jian

Date: January 1st, 2022

IN WITNESS WHEREOF, the Parties have caused their authorized representatives to execute this Exclusive Option Agreement as of the date first above written.

Party B: Tian Jin Run Rui Logistics Co., Ltd. (Seal)

Signature: /s/ Wang Guangwei

Date: January 1st, 2022

IN WITNESS WHEREOF, the Parties have caused their authorized representatives to execute this Exclusive Option Agreement as of the date first above written.

Party B: Tian Jin Yu Hang Chang Sheng Commercial & Trading Co., Ltd. (Seal)

Signature: /s/ Guo Jian

Date: January 1st, 2022

IN WITNESS WHEREOF, the Parties have caused their authorized representatives to execute this Exclusive Option Agreement as of the date first above written.

Party B: Tian Jin Long Feng Technology Co., Ltd. (seal)

Signature: /s/ Jin Ling

Date: January 1st, 2022

IN WITNESS WHEREOF, the Parties have caused their authorized representatives to execute this Exclusive Option Agreement as of the date first above written.

Signature: /s/ Wang Guangwei

Date: January 1st, 2022

IN WITNESS WHEREOF, the Parties have caused their authorized representatives to execute this Exclusive Option Agreement as of the date first above written.

Signature: /s/ Jin Jingjing

Date: January 1st, 2022

IN WITNESS WHEREOF, the Parties have caused their authorized representatives to execute this Exclusive Option Agreement as of the date first above written.

Signature: /s/ Guo Jian

Date: January 1st, 2022

IN WITNESS WHEREOF, the Parties have caused their authorized representatives to execute this Exclusive Option Agreement as of the date first above written.

Signature: /s/ Liu Jing

Date: January 1st, 2022

IN WITNESS WHEREOF, the Parties have caused their authorized representatives to execute this Exclusive Option Agreement as of the date first above written.

Signature: /s/ Zhao Yinhai

Date: January 1st, 2022

IN WITNESS WHEREOF, the Parties have caused their authorized representatives to execute this Exclusive Option Agreement as of the date first above written.

Signature: /s/ Feng Suwen

Date: January 1st, 2022

IN WITNESS WHEREOF, the Parties have caused their authorized representatives to execute this Exclusive Option Agreement as of the date first above written.

Signature: /s/ Li Guangqing

Date: January 1st, 2022

IN WITNESS WHEREOF, the Parties have caused their authorized representatives to execute this Exclusive Option Agreement as of the date first above written.

Signature: /s/ Liu Yajun

Date: January 1st, 2022

IN WITNESS WHEREOF, the Parties have caused their authorized representatives to execute this Exclusive Option Agreement as of the date first above written.

Signature: /s/ Jin Ling

Date: January 1st, 2022

IN WITNESS WHEREOF, the Parties have caused their authorized representatives to execute this Exclusive Option Agreement as of the date first above written.

Party C: Huaming Insurance Agency Co., Ltd (Seal)

Signature: /s/ Guo Jian

Date: January 1st, 2022

Exhibit 4.9

Equity Interest Pledge Agreement

This Equity Interest Pledge Agreement (this Agreement) has been executed by and among the following parties on January 1st , 2022 in [Beijing], the Peoples Republic of China (China or the PRC):

Party A: **Jia Chuang Ying An(Beijing) Information & Technology Co.,Ltd.** (hereinafter Pledgee), a wholly foreign owned enterprise, organized and existing under the laws of the PRC, with its address at Room81306, 4th Floor, Building 3, No.116 Xin Hua East Street, Tongzhou District, Beijing, China;

Party B: **Tian Jin Run Rui Logistics Co.,Ltd.** (hereinafter **Pledgor A**), a limited liability company organized and existing under the laws of the PRC, with its address at Room 503-07-D, No.9, East Area, Airport Business Park, No. 80, He Bei Ring Road, Pilot Free Trade Zone (Airport Economic Zone),Tianjin.

Tian Jin Yu Hang Chang Sheng Commercial & Trading Co., Ltd.(hereinafter **Pledgor B**), a limited liability company organized and existing under the laws of the PRC, with its address at Room 327, No.1 Haiguang Road, Zhongbei Industrial Park(South Park), Zhongbei Town, Xiqing District, Tianjin.

Tian Jin Long Feng Technology Co., Ltd. (hereinafter **Pledgor C**), a limited liability company organized and existing under the laws of the PRC, with its address at Room 504, No.1 Haiguang Road, Zhongbei Industrial Park(South Park), Zhongbei Town, Xiqing District, Tianjin.

Wang Guangwei, a natural person of Chinese nationality, ID Card No.: ***

Jin Jingjing , a natural person of Chinese nationality, ID Card No.: ***

Guo Jian , a natural person of Chinese nationality, ID Card No.: ***

Liu Jing , a natural person of Chinese nationality, ID Card No.: ***

Pledgor A, Pledgor B, Pledgor C, Wang Guangwei, Jin Jingjing, Guojian and Liujing are hereinafter collectively referred to as the **Pledgors** or **Party B**.

Party C: **Huaming Insurance Agency Co., Ltd.**, a limited liability company organized and existing under the laws of the PRC, with its address at Room 503-07-A, No.9, East Area, Airport Business Park, No. 80, HeBei Ring Road, Pilot Free Trade Zone (Airport Economic Zone),Tianjin.

Zhao Yinhai , a natural person of Chinese nationality, ID Card No.: ***

Feng Suwen , a natural person of Chinese nationality, ID Card No.: ***

Li Guangqing , a natural person of Chinese nationality, ID Card No.: ***

Liu Yajun , a natural person of Chinese nationality, ID Card No.: ***

Jin Ling , a natural person of Chinese nationality, ID Card No.: ***

(Wang Guangwei, Jin Jingjing, Guojian, Liu Jing, Zhao Yinhai, Feng Suwen, Li Guangqing, Liu Yajun and Jin Ling are hereinafter collectively referred to as **Individual Shareholders**; Zhao Yinhai, Feng Suwen, Li Guangqing, Liu Yajun and Jin Ling are hereinafter collectively referred to as **Indirect Shareholders**; Indirect Shareholders and the Pledgors are hereinafter collectively referred to as the **Shareholders**.)

Each of Party A and Party B shall be hereinafter referred to as a **Party** respectively, and as the **Parties** collectively.

Whereas:

(1) As of the date hereof, the Pledgors hold RMB50,000,000 in the registered capital of Party C. The Pledgors are limited liability companies established and existing validly in accordance with the laws of PRC or natural persons with full capacity for civil conduct, which and who own 100% of the equity of Party C in total. Party C is a limited liability company registered in Tianjin, China. Party C acknowledges the respective rights and obligations of Pledgors and Pledgee under this Agreement, and intends to provide any necessary assistance in registering the Pledge;

(2) Pledgee is a wholly foreign-owned enterprise registered in China. Pledgee and Party C have executed an Exclusive Business Cooperation Agreement (as defined below); Party C, Pledgee and Pledgors have executed an Exclusive Option Agreement (as defined below); Pledgors have executed a Power of Attorney (as defined below) in favor of Pledgee;

(3) Indirect Shareholders and the Pledgors agree to pledge all the equity owned by the Pledgors in Party C as security to guarantee that:

(a) The Pledgors perform any and all the obligations stipulated in the agreementsas stipulated below);
(b) Party C performs any and all the obligations stipulated in the agreements(as stipulated below); and
(c) The Individual Shareholders perform any and all the obligations as stipulated in the agreements(as stipulated below).

(4) To ensure that Party C and Pledgors fully perform their obligations under the Exclusive Business Cooperation Agreement, the Exclusive Option Agreement and the Power of Attorney, Pledgors hereby pledges to the Pledgee all of the equity interest that Pledgors hold in Party C as security for Party Cs and Pledgors obligations under the Exclusive Business Cooperation Agreement, the Exclusive Option Agreement and the Power of Attorney.

To perform the provisions of the Transaction Documents (as defined below), the Parties have mutually agreed to execute this Agreement upon the following terms.

1. Definitions

Unless otherwise provided herein, the terms below shall have the following meanings:

1.1 Pledge: shall refer to the security interest granted by Pledgors to Pledgee pursuant to Section 2 of this Agreement, i.e., the right of Pledgee to be paid in priority with the Equity Interest based on the monetary valuation that such Equity Interest is converted into or from the proceeds from auction or sale of the Equity Interest.

1.2 Equity Interest: shall refer to RMB50,000,000 in the registered capital of Party C currently held by Pledgors, and all of the equity interest hereafter acquired by Pledgors in Party C.

1.3 Term of Pledge: shall refer to the term set forth in Section 3 of this Agreement.

1.4 Transaction Documents: shall refer to the Exclusive Business Cooperation Agreement executed by and between Party C and Pledgee on January 1st, 2022 (the Exclusive Business Cooperation Agreement), the Exclusive Option Agreement executed by and among Party C, Pledgee and Pledgors on January 1st, 2022 (the Exclusive Option Agreement), Power of Attorney executed on January 1st, 2022 by Pledgors (the Power of Attorney) and any modification, amendment and restatement to the aforementioned documents.

1.5 Contract Obligations: shall refer to all the obligations of Pledgors under the Exclusive Option Agreement, the Power of Attorney and this Agreement; all the obligations of Party C under the Exclusive Business Cooperation Agreement, the Exclusive Option Agreement and this Agreement.

1.6 Secured Indebtedness: shall refer to all the direct, indirect and derivative losses and losses of anticipated profits, suffered by Pledgee, incurred as a result of any Event of Default. The amount of such loss shall be calculated in accordance with the reasonable business plan and profit forecast of Pledgee, the consulting and service fees payable to Pledgee under the Exclusive Business Cooperation Agreement, all expenses occurred in connection with enforcement by Pledgee of Pledgors and/or Party Cs Contract Obligations and etc.

1.7 Event of Default: shall refer to any of the circumstances set forth in Section 7 of this Agreement.

1.8 Notice of Default: shall refer to the notice issued by Pledgee in accordance with this Agreement declaring an Event of Default.

2. Pledge

2.1 Pledgors agree to pledge all the Equity Interest as security for performance of the Contract Obligations and payment of the Secured Indebtedness under this Agreement. Party C hereby assents that Pledgors pledge the Equity Interest to the Pledgee pursuant to this Agreement.

2.2 During the term of the Pledge, Pledgee is entitled to receive dividends distributed on the Equity Interest.Pledgors may receive dividends distributed on the Equity Interest only with prior written consent of Pledgee. Dividends received by Pledgors on Equity Interest after deduction of all applicable taxes paid by Pledgors shall be, as required by Pledgee, (1) deposited into an account designated and supervised by Pledgee and used to secure the Contract Obligations and pay the Secured Indebtedness prior and in preference to make any other payment; or (2) unconditionally donated to Pledgee or any other person designated by Pledgee to the extent permitted under applicable PRC laws.

2.3 Pledgors may subscribe for capital increase in Party C only with prior written consent of Pledgee. Any equity interest obtained by Pledgors as a result of Pledgors subscription of the increased registered capital of the Company shall also be deemed as Equity Interest.

2.4 In the event that Party C is required by PRC law to be liquidated or dissolved, any interest distributed to Pledgors upon Party Cs dissolution or liquidation (after deduction of all applicable taxes paid by Pledgors) shall, upon the request of the Pledgee, be (1) deposited into an account designate and supervised by Pledgee and used to secure the Contract Obligations and pay the Secured Indebtedness prior and in preference to make any other payment; or (2) unconditionally donated to Pledgee or any other person designated by Pledgee to the extent permitted under applicable PRC laws.

3. Term of Pledge

3.1 The Pledge shall become effective on such date when the pledge of the Equity Interest contemplated herein is registered with relevant administration for industry and commerce (the AIC). The Pledge shall remain effective until all Contract Obligations have been fully performed and all Secured Indebtedness have been fully paid. Pledgors and Party C shall (1) register the Pledge in the shareholders register of Party C within 3 business days following the execution of this Agreement, and (2) submit an application to the AIC for the registration of the Pledge of the Equity Interest contemplated herein within 30 business days following the execution of this Agreement. The parties covenant that for the purpose of registration of the Pledge, the parties hereto and all other shareholders of Party C shall submit to the AIC this Agreement or an equity interest pledge contract in the form required by the AIC at the location of Party C which shall truly reflect the information of the Pledge hereunder (the AIC Pledge Contract). For matters not specified in the AIC Pledge Contract, the parties shall be bound by the provisions of this Agreement. Pledgors and Party C shall submit all necessary documents and complete all necessary procedures, as required by the PRC laws and regulations and the relevant AIC, to ensure that the Pledge of the Equity Interest shall be registered with the AIC as soon as possible after submission for filing.

3.2 During the Term of Pledge, in the event Pledgors and/or Party C fails to perform the Contract Obligations or pay Secured Indebtedness in any material aspect, Pledgee shall have the right, but not the obligation, to exercise the Pledge in accordance with the provisions of this Agreement.

4. Custody of Records for Equity Interest subject to Pledge

4.1 During the Term of Pledge set forth in this Agreement, Pledgors shall deliver to Pledgees custody the capital contribution certificate for the Equity Interest and the shareholders register containing the Pledge within one week from the execution of this Agreement. Pledgee shall have custody of such documents during the entire Term of Pledge set forth in this Agreement.

5. Representations and Warranties of Pledgors and Party C

As of the execution date of this Agreement, Pledgors and Party C hereby jointly and severally represent and warrant to Pledgee that:

5.1 Pledgors are the sole legal and beneficial owner of the Equity Interest.

5.2 Pledgee shall have the right to dispose of and transfer the Equity Interest in accordance with the provisions set forth in this Agreement.

5.3 Except for the Pledge, Pledgors have not placed any security interest or other encumbrance on the Equity Interest.

5.4 Pledgors and Party C have respectively obtained any and all corporate approvals and any and all consents from third parties (if required) for execution, delivery and performance of this Agreement.

5.5 The execution, delivery and performance of this Agreement will not: (i) violate any relevant PRC laws; (ii) conflict with Party Cs articles of association or other constitutional documents; (iii) result in any breach of or constitute any default under any contract or instrument to which it is a party or by which it is otherwise bound; (iv) result in any violation of any condition for the grant and/or maintenance of any permit or approval granted to any Party; or (v) cause any permit or approval granted to any Party to be suspended, cancelled or attached with additional conditions.

6. Covenants of Pledgors and Party C

6.1 During the term of this Agreement, Pledgors and Party C hereby jointly and severally covenant to the Pledgee:

6.1.1 Pledgors shall not transfer the Equity Interest, place or permit the existence of any security interest or other encumbrance on the Equity Interest or any portion thereof, without the prior written consent of Pledgee, except for the performance of the Transaction Documents;

6.1.2 Pledgors and Party C shall comply with the provisions of all laws and regulations applicable to the pledge of rights, and within five (5) days of receipt of any notice, order or recommendation issued or prepared by relevant competent authorities regarding the Pledge, shall present the aforementioned notice, order or recommendation to Pledgee, and shall comply with the aforementioned notice, order or recommendation or submit objections and representations with respect to the aforementioned matters upon Pledgees reasonable request or upon consent of Pledgee;

6.1.3 Pledgors and Party C shall promptly notify Pledgee of any event or notice received by Pledgors that may have an impact on the Equity Interest or any portion thereof, as well as any event or notice received by Pledgors that may have an impact on any guarantees and other obligations of Pledgors arising out of this Agreement.

6.1.4 Party C shall complete the registration procedures for extension of the term of operation within three (3) months prior to the expiration of such term to maintain the validity of this Agreement.

6.2 Pledgors agree that the rights acquired by Pledgee in accordance with this Agreement with respect to the Pledge shall not be interrupted or harmed by Pledgors or any heirs or representatives of Pledgors or any other persons through any legal proceedings.

6.3 To protect or perfect the security interest granted by this Agreement for the Contract Obligations and Secured Indebtedness, to the extent permissible under the applicable laws, Pledgors hereby undertakes to execute in good faith and to cause other parties who have an interest in the Pledge to execute all certificates, agreements, deeds and/or covenants required by Pledgee. Pledgors also undertakes to perform and to cause other parties who have an interest in the Pledge to perform actions required by Pledgee, to facilitate the exercise by Pledgee of its rights and authority granted thereto by this Agreement, and to enter into all relevant documents regarding ownership of Equity Interest with Pledgee or designee(s) of Pledgee (natural persons/legal persons). Pledgors undertake to provide Pledgee within a reasonable time with all notices, orders and decisions regarding the Pledge that are required by Pledgee.

6.4 Pledgors hereby undertake to comply with and perform all guarantees, promises, agreements, representations and conditions under this Agreement. In the event of failure or partial performance of its guarantees, promises, agreements, representations and conditions in any material aspect, Pledgors shall indemnify Pledgee for all losses resulting therefrom.

7. Event of Breach

7.1 The following circumstances shall be deemed Event of Default:

7.1.1 Pledgors any breach to any obligations in any material aspect under the Transaction Documents and/or this Agreement.

7.1.2 Party Cs any breach to any obligations under the Transaction Documents and/or this Agreement.

7.2 Upon notice or discovery of the occurrence of any circumstances or event that may lead to the aforementioned circumstances described in Section 7.1, Pledgors and Party C shall immediately notify Pledgee in writing accordingly.

7.3 Unless an Event of Default set forth in this Section 7.1 has been successfully resolved to Pledgees satisfaction within twenty (20) days after the Pledgee and /or Party C delivers a notice to the Pledgors requesting ratification of such Event of Default, Pledgee may issue a Notice of Default to Pledgors in writing at any time thereafter, demanding the Pledgors to immediately exercise the Pledge in accordance with the provisions of Section 8 of this Agreement.

8. Exercise of Pledge

8.1 Pledgee shall issue a written Notice of Default to Pledgors when it exercises the Pledge.

8.2 Subject to the provisions of Section 7.3, Pledgee may exercise the right to enforce the Pledge at any time after the issuance of the Notice of Default in accordance with Section 8.1. Once Pledgee elects to enforce the Pledge, Pledgors shall cease to be entitled to any rights or interests associated with the Equity Interest.

8.3 After Pledgee issues a Notice of Default to Pledgors in accordance with Section 8.1, Pledgee may exercise any remedy measure under applicable PRC laws, the Transaction Documents and this Agreement, including but not limited to being paid in priority with the Equity Interest based on the monetary valuation that such Equity Interest is converted into or from the proceeds from auction or sale of the Equity Interest. The Pledgee shall not be liable for any loss incurred by its duly exercise of such rights and powers.

8.4 The proceeds from exercise of the Pledge by Pledgee shall be used to pay for tax and expenses incurred as result of disposing the Equity Interest and to perform Contract Obligations and pay the Secured Indebtedness to the Pledgee prior and in preference to any other payment. After the payment of the aforementioned amounts, the remaining balance shall be returned to Pledgors or any other person who have rights to such balance under applicable laws or be deposited to the local notary public office where Pledgor resides, with all expense incurred being borne by Pledgors. To the extent permitted under applicable PRC laws, Pledgors shall unconditionally donate the aforementioned proceeds to Pledgee or any other person designated by Pledgee.

8.5 Pledgee may exercise any remedy measure available simultaneously or in any order. Pledgee may exercise the right to being paid in priority with the Equity Interest based on the monetary valuation that such Equity Interest is converted into or from the proceeds from auction or sale of the Equity Interest under this Agreement, without exercising any other remedy measure first.

8.6 Pledgee is entitled to designate an attorney or other representatives to exercise the Pledge on its behalf, and Pledgors or Party C shall not raise any objection to such exercise.

8.7 When Pledgee disposes of the Pledge in accordance with this Agreement, Pledgors and Party C shall provide necessary assistance to enable Pledgee to enforce the Pledge in accordance with this Agreement.

9. Breach of Agreement

9.1 If Pledgors or Party C conducts any material breach of any term of this Agreement, Pledgee shall have right to terminate this Agreement and/or require Pledgors or Party C to indemnify all damages; this Section 9 shall not prejudice any other rights of Pledgee herein;

9.2 Pledgors or Party C shall not have any right to terminate this Agreement in any event unless otherwise required by applicable laws.

10. Assignment

10.1 Without Pledgees prior written consent, Pledgors and Party C shall not have the right to assign or delegate their rights and obligations under this Agreement.

10.2 This Agreement shall be binding on Pledgors and his/her successors and permitted assigns, and shall be valid with respect to Pledgee and each of his/her successors and assigns.

10.3 At any time, Pledgee may assign any and all of its rights and obligations under the Transaction Documents and this Agreement to its designee(s), in which case the assigns shall have the rights and obligations of Pledgee under the Transaction Documents and this Agreement, as if it were the original party to the Transaction Documents and this Agreement.

10.4 In the event of change of Pledgee due to assignment, Pledgors and/or Party C shall, at the request of Pledgee, execute a new pledge agreement with the new pledgee on the same terms and conditions as this Agreement, and register the same with the relevant AIC.

10.5 Pledgors and Party C shall strictly abide by the provisions of this Agreement and other contracts jointly or separately executed by the Parties hereto or any of them, including the Transaction Documents, perform the obligations hereunder and thereunder, and refrain from any action/omission that may affect the effectiveness and enforceability thereof. Any remaining rights of Pledgors with respect to the Equity Interest pledged hereunder shall not be exercised by Pledgors except in accordance with the written instructions of Pledgee.

11. Termination

11.1 Upon the fulfillment of all Contract Obligations and the full payment of all Secured Indebtedness by Pledgors and Party C, Pledgee shall release the Pledge under this Agreement upon Pledgors request as soon as reasonably practicable and shall assist Pledgor to de-register the Pledge from the shareholders register of Party C and with relevant PRC local administration for industry and commerce.

11.2 The provisions under Sections 9, 13, 14 and 11.2 herein of this Agreement shall survive the expiration or termination of this Agreement.

12. Handling Fees and Other Expenses

All fees and out of pocket expenses relating to this Agreement, including but not limited to legal costs, costs of production, stamp tax and any other taxes and fees, shall be borne by Party C.

13. Confidentiality

The Parties acknowledge that the existence and the terms of this Agreement and any oral or written information exchanged between the Parties in connection with the preparation and performance this Agreement are regarded as confidential information. Each Party shall maintain confidentiality of all such confidential information, and without obtaining the written consent of the other Party, it shall not disclose any relevant confidential information to any third parties, except for the information that: (a) is or will be in the public domain (other than through the receiving Partys unauthorized disclosure); (b) is under the obligation to be disclosed pursuant to the applicable laws or regulations, rules of any stock exchange, or orders of the court or other government authorities; or (c) is required to be disclosed by any Party to its shareholders, directors, employees, legal counsels or financial advisors regarding the transaction contemplated hereunder, provided that such shareholders, directors, employees, legal counsels or financial advisors shall be bound by the confidentiality obligations similar to those set forth in this Section. Disclosure of any confidential information by the shareholders, director, employees of or agencies engaged by any Party shall be deemed disclosure of such confidential information by such Party and such Party shall be held liable for breach of this Agreement.

14. Governing Law and Resolution of Disputes

14.1 The execution, effectiveness, construction, performance, amendment and termination of this Agreement and the resolution of disputes hereunder shall be governed by the laws of China.

14.2 In the event of any dispute with respect to the construction and performance of this Agreement, the Parties shall first resolve the dispute through friendly negotiations. In the event the Parties fail to reach an agreement on the dispute within 30 days after either Party's request to the other Parties for resolution of the dispute through negotiations, either Party may submit the relevant dispute to the [China International Economic and Trade Arbitration Commission] for arbitration, in accordance with its Arbitration Rules. The arbitration proceedings shall be conducted in Chinese. The arbitration shall be conducted in [Beijing]. The arbitration award shall be final and binding on all Parties.

14.3 Upon the occurrence of any disputes arising from the construction and performance of this Agreement or during the pending arbitration of any dispute, except for the matters under dispute, the Parties to this Agreement shall continue to exercise their respective rights under this Agreement and perform their respective obligations under this Agreement.

15. Notices

15.1 All notices and other communications required or permitted to be given pursuant to this Agreement shall be delivered personally or sent by registered mail, postage prepaid, by a commercial courier service or by facsimile transmission to the address of such party set forth below. A confirmation copy of each notice shall also be sent by E-mail. The dates on which notices shall be deemed to have been effectively given shall be determined as follows:

15.2 Notices given by personal delivery, by courier service or by registered mail, postage prepaid, shall be deemed effectively given on the date of delivery or refusal at the address specified for notices.

15.3 Notices given by facsimile transmission shall be deemed effectively given on the date of successful transmission (as evidenced by an automatically generated confirmation of transmission).

15.4 For the purpose of notices, the addresses of the Parties are as follows:

Party A: **Jia Chuang Ying An(Beijing) Information & Technology Co.,Ltd.**
Address: Room81306, 4th Floor, Building 3, No.116 Xin Hua East Street, Tongzhou District, Beijing, China.
Recipient: Guo Jian

Party B: **CompanyTian Jin Run Rui Logistics Co., Ltd.**
Address: Room 503-07-D, No.9, East Area, Airport Business Park, No. 80, HeBei Ring Road, Pilot Free Trade Zone (Airport Economic Zone),Tianjin.
Recipient: Wang Guangwei
Phone: ***

Company: **Tian Jin Yu Hang Chang Sheng Commercial & Trading Co.,Ltd.**
Address: Room 327, No.1 Haiguang Road, Zhongbei Industrial Park(South Park), Zhongbei Town, Xiqing District, Tianjin.
Recipient: Guo Jian
Phone: ***

Company: **Tian Jin Long Feng Technology Co., Ltd.**
Address: Room 504, No.1 Haiguang Road, Zhongbei Industrial Park(South Park), Zhongbei Town, Xiqing District, Tianjin.
Recipient: Jin Ling
Phone: ***

Name: Wang Guangwei
Address: ***
Phone: ***

Name: Jin Jingjing
Address: ***
Phone: ***

Name: Guo Jian
Address: ***
Phone: ***

Name: Liu Jing
Address: ***
Phone: ***

Name: Zhao Yinhai
Address: ***
Phone: ***

Name: Feng Suwen
Address: ***
Phone: ***

Name: Li Guangqing
Address: ***
Phone: ***

Name: Liu Yajun
Address: ***
Phone: ***

Name: Jin Ling
Address: ***
Phone: ***

Party C: **Huaming Insurance Agency Co., Ltd.**
Address: Room 503-07-A, No.9, East Area, Airport Business Park, No. 80, HeBei Ring Road, Pilot Free Trade Zone (Airport Economic Zone),Tianjin.
Recipient: Wu Mengwan
Phone: ***

15.5 Any Party may at any time change its address for notices by a notice delivered to the other Parties in accordance with the terms hereof.

16. Severability

In the event that one or several of the provisions of this Contract are found to be invalid, illegal or unenforceable in any aspect in accordance with any laws or regulations, the validity, legality or enforceability of the remaining provisions of this Contract shall not be affected or compromised in any respect. The Parties shall strive in good faith to replace such invalid, illegal or unenforceable provisions with effective provisions that accomplish to the greatest extent permitted by law and the intentions of the Parties, and the economic effect of such effective provisions shall be as close as possible to the economic effect of those invalid, illegal or unenforceable provisions.

17. Attachments

The attachments set forth herein shall be an integral part of this Agreement.

18. Effectiveness

18.1 This Agreement shall become effective upon execution by the Parties.

18.2 Any amendments, changes and supplements to this Agreement shall be in writing and shall become effective upon completion of the governmental filing procedures (if applicable) after the affixation of the signatures or seals of the Parties.

19. **Language and Counterparts**

This Agreement is written in Chinese and English in four copies. Pledgors, Pledgee and Party C shall hold one copy respectively and the other copy shall be used for registration. In case there is any conflict between the Chinese version and the English version, the Chinese version shall prevail.

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IN WITNESS WHEREOF, the Parties have caused their authorized representatives to execute this Equity Interest Pledge Agreement as of the date first above written.

Party A: Jia Chuang Ying An(Beijing) Information & Technology Co.,Ltd (Seal)

Signature: /s/ Guo Jian

Date: January 1st, 2022

IN WITNESS WHEREOF, the Parties have caused their authorized representatives to execute this Equity Interest Pledge Agreement as of the date first above written.

Party B: Tian Jin Run Rui Logistics Co., Ltd. (Seal)

Signature: /s/ Wang Guangwei

Date: January 1st, 2022

IN WITNESS WHEREOF, the Parties have caused their authorized representatives to execute this Equity Interest Pledge Agreement as of the date first above written.

Party B: Tian Jin Yu Hang Chang Sheng Commercial & Trading Co., Ltd. (Seal)

Signature: /s/ Guo Jian

Date: January 1st, 2022

IN WITNESS WHEREOF, the Parties have caused their authorized representatives to execute this Equity Interest Pledge Agreement as of the date first above written.

Party B: Tian Jin Long Feng Technology Co., Ltd. (seal)

Signature: /s/ Jin Ling

Date: January 1st, 2022

IN WITNESS WHEREOF, the Parties have caused their authorized representatives to execute this Equity Interest Pledge Agreement as of the date first above written.

Signature: /s/ Wang Guangwei

Date: January 1st, 2022

IN WITNESS WHEREOF, the Parties have caused their authorized representatives to execute this Equity Interest Pledge Agreement as of the date first above written.

Signature: /s/ Jin Jingjing

Date: January 1st, 2022

IN WITNESS WHEREOF, the Parties have caused their authorized representatives to execute this Equity Interest Pledge Agreement as of the date first above written.

Signature: /s/ Guo Jian

Date: January 1st, 2022

IN WITNESS WHEREOF, the Parties have caused their authorized representatives to execute this Equity Interest Pledge Agreement as of the date first above written.

Signature: /s/ Liu Jing

Date: January 1st, 2022

IN WITNESS WHEREOF, the Parties have caused their authorized representatives to execute this Equity Interest Pledge Agreement as of the date first above written.

Signature: /s/ Zhao Yinhai

Date: January 1st, 2022

IN WITNESS WHEREOF, the Parties have caused their authorized representatives to execute this Equity Interest Pledge Agreement as of the date first above written.

Signature: /s/ Feng Suwen

Date: January 1st, 2022

IN WITNESS WHEREOF, the Parties have caused their authorized representatives to execute this Equity Interest Pledge Agreement as of the date first above written.

Signature: /s/ Li Guangqing

Date: January 1st, 2022

IN WITNESS WHEREOF, the Parties have caused their authorized representatives to execute this Equity Interest Pledge Agreement as of the date first above written.

Signature: /s/ Liu Yajun

Date: January 1st, 2022

IN WITNESS WHEREOF, the Parties have caused their authorized representatives to execute this Equity Interest Pledge Agreement as of the date first above written.

Signature: /s/ Jin Ling

Date: January 1st, 2022

IN WITNESS WHEREOF, the Parties have caused their authorized representatives to execute this Equity Interest Pledge Agreement as of the date first above written.

Party C: Huaming Insurance Agency Co., Ltd (Seal)

Signature: /s/ Guo Jian

Date: January 1st, 2022

Attachments:

1. Shareholders Register of Party C;
2. The Capital Contribution Certificate for Party C;
3. Exclusive Business Cooperation Agreement.
4. Exclusive Option Agreement
5. Power of Attorney

Power of Attorney

Jia Chuang Ying An(Beijing) Information & Technology Co.,Ltd., a wholly foreign owned enterprise, organized and existing under the laws of the PRC, with its address at Room81306, 4th Floor, Building 3, No.116 Xin Hua East Street, Tongzhou District, Beijing, China.

Tian Jin Run Rui Logistics Co.,Ltd. (hereinafter **Client A**), a limited liability company organized and existing under the laws of the PRC, with its address at Room 503-07-D, No.9, East Area, Airport Business Park, No. 80, HeBei Ring Road, Pilot Free Trade Zone (Airport Economic Zone),Tianjin.

Tian Jin Yu Hang Chang Sheng Commercial & Trading Co., Ltd.(hereinafter **Client B**), a limited liability company organized and existing under the laws of the PRC, with its address at Room 327, No.1 Haiguang Road, Zhongbei Industrial Park(South Park), Zhongbei Town, Xiqing District, Tianjin.

Tian Jin Long Feng Technology Co., Ltd. (hereinafter **Client C**), a limited liability company organized and existing under the laws of the PRC, with its address at Room 504, No.1 Haiguang Road, Zhongbei Industrial Park(South Park), Zhongbei Town, Xiqing District, Tianjin.

Wang Guangwei, a natural person of Chinese nationality, ID Card No.: ***

Jin Jingjing, a natural person of Chinese nationality, ID Card No.: ***

Guo Jian, a natural person of Chinese nationality, ID Card No.: ***

Liu Jing, a natural person of Chinese nationality, ID Card No.: ***

Client A, Client B, Client C, Wang Guangwei, Jin Jingjing, Guojian and Liu Jing are hereinafter collectively referred to as the **Clients**.

Huaming Insurance Agency Co., Ltd.(hereinafter **Operating Entity**), a limited liability company organized and existing under the laws of the PRC, with its address at Room 503-07-A, No.9, East Area, Airport Business Park, No. 80, HeBei Ring Road, Pilot Free Trade Zone (Airport Economic Zone),Tianjin.

Zhao Yinhaia natural person of Chinese Nationality, ID Card No.: ***

Feng Suwen, a natural person of Chinese Personality, ID Card No.: ***

Li Guangqing, a natural person of Chinese Nationality, ID Card No.: ***

Liu Yajun, a natural person of Chinese Nationality, ID Card No.: ***

Jin Linga natural person of Chinese Personality, ID Card No.: ***

(Wang Guangwei, Jin Jingjing, Guojian, Liu Jing, Zhao Yinhai, Feng Suwen, Li Guangqing, Liu Yajun and Jin Ling are hereinafter collectively referred to as **Individual Shareholders**;Zhao Yinhai, Feng Suwen, Li Guangqing, Liu Yajun and Jin Ling are hereinafter collectively referred to as **Indirect Shareholders**; Indirect Shareholders and the Clients are hereinafter collectively referred to as the **Shareholders**.)

The aforesaid Parties to the Agreement shall be hereinafter individually referred to as a **Party** and collectively referred to as the **Parties**.

Guo Jian, Zhao Yinhai, Feng Suwen, Li Guangqing, and Liu Yajun are registered legal shareholders of Client A, holding 100% equity of Client A in total. Pursuant to PRC laws and regulations and the Articles of Association of Client A, they enjoy various rights of Client As shareholders;

Guo Jian is the sole registered legal shareholder of Client B, holding 100% equity of Client B in total. Pursuant to PRC laws and regulations and the Articles of Association of Client B, he enjoys various rights of Client As shareholder;

Jin Ling is the sole registered legal shareholder of Client C, holding 100% equity of Client C in total. Pursuant to PRC laws and regulations and the Articles of Association of Client C, he enjoys various rights of Client As shareholder;

The Clients are registered legal shareholders of Huaming Insurance Agency Co., Ltd.. (Huaming Insurance), and hold of 100% equity with 50,000,000 RMB registered capital("Operating Entity Shareholding"), as of the date when the Power of Attorney is executed, Shareholders hereby separately and jointly irrevocably agree and confirm to authorize Jia Chuang Ying An(Beijing) Information & Technology Co.,Ltd. (WFOE) to exercise the following rights relating to all equity interests held by Clients now and in the future in Huaming Insurance during the term of this Power of Attorney:

WFOE is hereby authorized to act on behalf of Clients as exclusive agent and attorney with respect to all matters concerning Operating Entity Shareholding, including without limitation to: 1) attending shareholders meetings of Huaming Insurance; 2) exercising all the shareholders rights and shareholder's voting rights Clients are entitled to under the laws of China and Huaming Insurance Articles of Association, including but not limited to the sale or transfer or pledge or disposition of Operating Entity Shareholding in part or in whole; and 3) designate and appoint on behalf of Clients the legal representative, the directors, supervisors, the chief executive officer and other senior management members of Huaming Insurance.

Without limiting the generality of the powers granted hereunder, WFOE shall have the power and authority to, on behalf of Clients, execute all the documents Clients shall sign as stipulated in the Exclusive Option Agreement entered into by and among Clients, WFOE and Huaming Insurance January 1st, 2022 and the Equity Pledge Agreement entered into by and among Clients, WFOE and Huaming Insurance on January 1st, 2022 (including any modification, amendment and restatement thereto, collectively the Transaction Documents), and perform the terms of the Transaction Documents.

All the actions associated with Operating Entity Shareholding conducted by WFOE shall be deemed as Clients own actions, and all the documents related to Operating Entity Shareholding executed by WFOE shall be deemed to be executed by Clients. Clients hereby acknowledge and ratify those actions and/or documents by WFOE.

WFOE is entitled to re-authorize or assign its rights related to the aforesaid matters to any other person or entity at its own discretion and without giving prior notice to Clients or obtaining Clients' consent. If required by PRC laws, WFOE shall designate a PRC citizen to exercise the aforementioned rights.

During the period that I am a shareholder of Huaming Insurance, this Power of Attorney shall be irrevocable and continuously effective and valid from the date of execution of this Power of Attorney.

During the term of this Power of Attorney, Clients hereby waive all the rights associated with Operating Entity Shareholding, which have been authorized to WFOE through this Power of Attorney, and shall not exercise such rights by Clients.

This Power of Attorney is written in Chinese and English. In case there is any conflict between the Chinese version and the English version, the Chinese version shall prevail.

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Tian Jin Run Rui Logistics Co., Ltd. (Seal)

Signature: /s/ Wang Guangwei

Date: January 1st, 2022

(There is no text on this page and only for the signature page of Power of Attorney)

Tian Jin Yu Hang Chang Sheng Commercial & Trading Co.,Ltd.(Seal)

Signature: /s/ Guo Jian

Date: January 1st, 2022

(There is no text on this page and only for the signature page of Power of Attorney)

Tian Jin Long Feng Technology Co., Ltd.(Seal)

Signature: /s/ Jin Ling

Date: January 1st, 2022

(There is no text on this page and only for the signature page of Power of Attorney)

Signature: /s/ Wang Guangwei

Date: January 1st, 2022

(There is no text on this page and only for the signature page of Power of Attorney)

Signature: /s/ Jin Jingjing

Date: January 1st, 2022

(There is no text on this page and only for the signature page of Power of Attorney)

Signature: /s/ Guo Jian

Date: January 1st, 2022

(There is no text on this page and only for the signature page of Power of Attorney)

Signature: /s/ Liu Jing

Date: January 1st, 2022

(There is no text on this page and only for the signature page of Power of Attorney)

Signature: /s/ Zhao Yinhai

Date: January 1st, 2022

(There is no text on this page and only for the signature page of Power of Attorney)

Signature: /s/ Feng Suwen

Date: January 1st, 2022

(There is no text on this page and only for the signature page of Power of Attorney)

Signature: /s/ Li Guangqing

Date: January 1st, 2022

(There is no text on this page and only for the signature page of Power of Attorney)

Signature: /s/ Liu Yajun

Date: January 1st, 2022

(There is no text on this page and only for the signature page of Power of Attorney)

Signature: /s/ Jin Ling

Date: January 1st, 2022

Acknowledged by

Jia Chuang Ying An(Beijing) Information & Technology Co.,Ltd. (Seal)

Signature: /s/ Guo Jian

Date: January 1st, 2022

Exhibit 4.11

Spousal Consent

Date: January 1st, 2022

To: [Parties of Transaction Documents]

The undersigned, [Name of Spouse] (ID card No. ***), is the lawful spouse of [Name of Shareholder] (ID card No. ***). I hereby unconditionally and irrevocably agree to the execution of the following documents (hereinafter referred to as the **Transaction Documents**) by [Name of Shareholder] on January 1st, 2022 and the disposal of the equity interests of Huaming Insurance Agency Co., Ltd. (**Huaming Insurance**) held by [Name of Shareholder] and registered in [Name of Shareholder]'s name according to the following documents:

- Equity Interest Pledge Agreement entered into between Jia Chuang Ying An(Beijing) Information & Technology Co.,Ltd. (hereinafter referred to as the **WFOE**) and Huaming Insurance;
- Exclusive Option Agreement entered into between the WFOE and Huaming Insurance;
- Power of Attorney executed by [Name of Shareholder].

I hereby undertake not to make any assertions in connection with the equity interests of Huaming Insurance which are held by [Name of Shareholder]. I hereby further confirm that [Name of Shareholder] can perform the Transaction Documents and further amend or terminate the Transaction Documents absent authorization or consent from me.

I hereby undertake to execute all necessary documents and take all necessary actions to ensure appropriate performance of the Transaction Documents (as amended form time to time).

I hereby agree and undertake that if I obtain any equity interests of Huaming Insurance which are held by [Name of Shareholder] for any reasons, I shall be bound by the Transaction Documents and the Exclusive Business Cooperation Agreement entered into between the WFOE and Huaming Insurance as of January 1st, 2022 (**Exclusive Business Cooperation Agreement**) (as amended from time to time) and comply with the obligations thereunder as a shareholder of Huaming Insurance. For this purpose, upon the WFOE's request, I shall sign a series of written documents in substantially the same format and content as the Transaction Documents and Exclusive Business Cooperation Agreement (as amended from time to time).

Strictly Confidential

The execution, effectiveness, construction, performance, amendment and termination of this consent letter and the resolution of disputes hereunder shall be governed by the laws of China. In the event of any dispute with respect to the construction and performance of this consent letter, the related parties shall first resolve the dispute through friendly negotiations. In the event the related parties fail to reach an agreement on the dispute within 30 days after either party's request to the other parties for resolution of the dispute through negotiations, either party may submit the relevant dispute to the [China International Economic and Trade Arbitration Commission] for arbitration, in accordance with its Arbitration Rules. The arbitration shall be conducted in [Beijing], and the arbitration proceedings shall be conducted in Chinese. The arbitration award shall be final and binding on all Parties. Upon the occurrence of any disputes arising from the construction and performance of this consent letter or during the pending arbitration of any dispute, except for the matters under dispute, I shall continue to exercise my rights under this consent letter and perform my obligations under this consent letter.

This consent letter is written in Chinese and English. In case there is any conflict between the Chinese version and the English version, the Chinese version shall prevail.

Signature: /s/ Gao Fuhai

Date: January 1st, 2022

Exhibit 4.12

Equity Transfer Agreement of Haoju (Shanghai) Artificial Intelligence Technology Co., Ltd.

This Agreement is made and entered into on this 31st day of October, 2023 in Shanghai by and between:

Transferor: Qingke (China) Limited (hereinafter referred to as "Party A"), Company Registration No.: 2116935, Address: Room D, 10/F, Tower A, Billion Centre, 1 Wang Kwong Road, Kowloon Bay, Kowloon, Hong Kong; and

Transferee: WANGXIANCAI LIMITED (hereinafter referred to as "Party B"), Company Registration No.: 3048118, Address: FLAT 1506,15/F LUCKY CTR NO 165-171 WAN CHAI RD WAN CHAI HK

The registered capital of Haoju (Shanghai) Artificial Intelligence Technology Co., Ltd (hereinafter referred to as the "Subject Company") is USD30 million, of which USD30 million was contributed by Party A, accounting for 100% thereof. In accordance with the relevant laws and regulations, both Parties to this Agreement have reached the following terms through amicable consultation:

Article 1 (Subject Matter of the Equity Transfer and Transfer Price)

1. Party A shall transfer 100% of the equity of the Subject Company held by it (i.e. the capital contribution of USD30 million subscribed by it) to Party B at a price of USD1 (SAY USD ONE ONLY). Thereafter, the unpaid capital contribution to the Subject Company (if any) shall be paid up by Party B.

2. As at the date of this Agreement, Party B shall be entitled to the interests under 100% of the equity of the Subject Company (i.e. the capital contribution of USD30 million subscribed by it) and assume the related shareholder's obligations, and other rights attached to the equity shall be transferred together with the transfer of the equity.

Article 2 (Undertakings and Warranties)

Party A warrants that the equity transferred to Party B under Article 1 hereof is legally owned by Party A and Party A has the full and effective right to dispose thereof. Party A warrants that the equity transferred by it is not subject to any pledge or other security right and is free from recourse by any third party.

Article 3 (Liability for Breach of Contract)

In case of any breach of contract, the breaching Party shall assume all the responsibilities.

Article 4 (Method of Dispute Resolution)

This Agreement shall be governed by and construed in accordance with the relevant laws of the People's Republic of China.

Any dispute arising out of or in connection with this Agreement shall be resolved by both Parties through friendly consultation. If the consultation fails, either Party may directly bring a suit in a people's court.

Article 5 (Miscellaneous)

1. This Agreement is made in three originals, one for each Party, and one for the Subject Company for completing the relevant formalities.

2. This Agreement shall come into effect upon being signed by both Parties.

(The remainder of this page intentionally left blank, and the next page is the signature page)

(This page is the signature page of the Equity Transfer Agreement of Shanghai Qingke Investment Consulting Co., Ltd.)

Party A: Qingke (China) Limited
Representative (Signature): /s/ Chengcai Qu

Party B: WANGXIANCAI LIMITED
Representative (Signature): /s/ Xiancai Wang

Date: October 31, 2023

FLJ GROUP LIMITED
2022 EQUITY INCENTIVE PLAN

1. **Purpose of the Plan**

The purpose of this 2022 Equity Incentive Plan (the "Plan") is to aid the Company and its Affiliates in recruiting and retaining key employees, directors or consultants of outstanding ability and to motivate such employees, directors or consultants to exert their best efforts on behalf of the Company and its Affiliates by providing incentives through the granting of Awards. The Company expects that it will benefit from the added interest which such key employees, directors or consultants will have in the welfare of the Company as a result of their proprietary interest in the Company's success.

2. **Definitions**

The following capitalized terms used in the Plan have the respective meanings set forth in this Section:

(a) **Applicable Laws**: All laws, statutes, regulations, ordinances, rules or governmental requirements that are applicable to this Plan or any Award granted pursuant to this Plan, including but not limited to applicable laws of the People's Republic of China, the United States and the Cayman Islands, and the rules and requirements of any applicable national securities exchange.

(b) **Act**: The U.S. Securities Exchange Act of 1934, as amended, or any successor thereto.

(c) **Affiliate**: With respect to the Company, any entity directly or indirectly controlling, controlled by, or under common control with, the Company or any other entity designated by the Board in which the Company or an Affiliate has an interest.

(d) **Award**: An Option, Restricted Share or Restricted Share Unit award granted to a Participant pursuant to the Plan.

(e) **Beneficial Owner**: A "beneficial owner", as such term is defined in Rule 13d-3 under the Act (or any successor rule thereto).

(f) **Board**: The board of directors of the Company.

(g) **Change of Control**: The occurrence of any of the following events:

(i) the sale or disposition, in one or a series of related transactions, of all or substantially all, of the assets of the Company to any "person" or "group" (as such terms are defined in Sections 13(d)(3) or 14(d)(2) of the Act) other than the Permitted Holders;

(ii) any person or group, other than the Permitted Holders, is or becomes the Beneficial Owner (except that a person shall be deemed to have "beneficial ownership" of all shares that any such person has the right to acquire, whether such right is exercisable immediately or only after the passage of time), directly or indirectly, of more than 50% of the total voting power of the voting share of the Company (or any entity which controls the Company), including by way of merger, consolidation, tender or exchange offer or otherwise; or

(iii) during any period of two consecutive years, individuals who at the beginning of such period constituted the Board (together with any new directors whose election by such Board or whose nomination for election by the shareholders of the Company was approved by a vote of a majority of the directors of the Company, then still in office, who were either directors at the beginning of such period or whose election or nomination for election was previously so approved) cease for any reason to constitute a majority of the Board, then in office.

(h) **Code**: The U.S. Internal Revenue Code of 1986, as amended, or any successor thereto.

(i) **Committee**: The compensation committee of the Board.

(j) **Company**: FLJ Group Limited, an exempted company incorporated under the laws of the Cayman Islands.

(k) **Disability**: Inability of a Participant to perform in all material respects his duties and responsibilities to the Company, or any Subsidiary of the Company, by reason of a physical or mental disability or infirmity which inability is reasonably expected to be permanent and has continued (i) for a period of not less than 90 consecutive days or (ii) such shorter period as the Committee may reasonably determine in good faith. The Disability determination shall be in the sole discretion of the Committee and a Participant (or his representative) shall furnish the Committee with medical evidence documenting the Participant's disability or infirmity which is satisfactory to the Committee.

(l) **Effective Date**: The date the Board approves the Plan, or such later date as is designated by the Board.

(m) **Employment**: The term "Employment" as used herein shall be deemed to refer to (i) a Participant's employment if the Participant is an employee of the Company or any of its Affiliates, (ii) a Participant's services as a consultant, if the Participant is consultant to the Company or its Affiliates and (iii) a Participant's services as an non-employee director, if the Participant is a non-employee member of the Board.

(n) **Fair Market Value**: On a given date, (i) if there should be a public market for the Shares on such date, the closing price of the Shares as reported on such date on the Composite Tape of the principal national securities exchange on which such Shares are listed or admitted to trading, or (ii) if there should not be a public market for the Shares on such date, the Fair Market Value shall be the value established by the Committee in good faith.

(o) **ISO**: An Option that is also an incentive share option granted pursuant to Section 6(d) of the Plan.

(p) **Option**: A share option granted pursuant to Section 6 of the Plan.

(q) **Participant**: An employee, director or consultant who is selected by the Committee to participate in the Plan.

(r) **Permitted Holder:** means, as of the date of determination, (i) the Company or (ii) any employee benefit plan (or trust forming a part thereof) maintained by (A) the Company or (B) any corporation or other Person of which a majority of its voting power of its voting equity securities or equity interest is owned, directly or indirectly, by the Company.

(s) **Person**: A "person", as such term is used for purposes of Section 13(d) or 14(d) of the Act (or any successor section thereto).

Plan: This 2022 Equity Incentive Plan of the Company.

(t) **Restricted Share**: a Share awarded to a Participant pursuant to Section 7 of the Plan that is subject to certain restrictions and may be subject to risk of repurchase.

(u) **Restricted Share Unit**: means an Award granted pursuant to Section 8 of the Plan.

(v) **Shares**: Class B ordinary shares of the Company, par value US$0.00001 per share.

(w) **Subsidiary**: A corporation or other entity of which a majority of the outstanding voting shares or voting power is beneficially owned directly or indirectly by the Company.

3. **Shares Subject to the Plan**

The total number of Shares which may be issued under the Plan is 2,500,000,000 (which will be equitably adjusted in the event of any share dividend, subdivision, reclassification, recapitalization, split, reverse split, combination, consolidation or similar transactions). The Shares may consist, in whole or in part, of authorized and unissued Shares or Shares purchased on the open market. The issuance of Shares or the payment of cash upon the exercise of an Award or in consideration of the cancellation or termination of an Award shall reduce the total number of Shares available under the Plan, as applicable. Shares which are subject to Awards which terminate or lapse without the payment of consideration may be granted again under the Plan.

4. **Administration**

The Plan shall be administered by the Committee, which may delegate its duties and powers in whole or in part to any subcommittee thereof. Awards may, in the discretion of the Committee, be made under the Plan in assumption of, or in substitution for, outstanding awards previously granted by the Company or its subsidiaries or a company acquired by the Company or with which the Company combines. The number of Shares underlying such substitute awards shall be counted against the aggregate number of Shares available for Awards under the Plan. The Committee is authorized to interpret the Plan, to establish, amend and rescind any rules and regulations relating to the Plan, and to make any other determinations that it deems necessary or desirable for the administration of the Plan. The Committee may correct any defect or supply any omission or reconcile any inconsistency in the Plan in the manner and to the extent the Committee deems necessary or desirable. Any decision of the Committee in the interpretation and administration of the Plan, as described herein, shall lie within its sole and absolute discretion and shall be final, conclusive and binding on all parties concerned (including, but not limited to, Participants and their beneficiaries or successors). The Committee shall have the full power and authority to establish the terms and conditions of any Award consistent with the provisions of the Plan and to waive any such terms and conditions at any time (including, without limitation, accelerating or waiving any vesting conditions). The Committee shall require payment of any amount it may determine to be necessary to withhold for any applicable taxes as a result of the exercise, grant or vesting of an Award. Unless the Committee specifies otherwise, the Participant may elect to pay a portion or all of such withholding taxes by (a) delivery in Shares or (b) having Shares withheld by the Company from any Shares that would have otherwise been received by the Participant.

5. **Limitations**

No Award may be granted under the Plan after the tenth anniversary of the Effective Date, but Awards theretofore granted may extend beyond that date.

6. **Terms and Conditions of Options**

Options granted under the Plan shall be, as determined by the Committee, non-qualified or incentive share options for U.S. federal income tax purposes, as evidenced by the related Award agreements, and shall be subject to the foregoing and the following terms and conditions and to such other terms and conditions, not inconsistent therewith, as the Committee shall determine:

(a) Exercise Price. Provided that the exercise price per Share shall not be less than the par value of any such Shares, the exercise price per Share subject to an Option shall be determined by the Committee and set forth in the Award agreement which may be a fixed price or a variable price related to the Fair Market Value of the Shares.

(b) Exercisability. Options granted under the Plan shall be exercisable at such time and upon such terms and conditions as may be determined by the Committee, but in no event shall an Option be exercisable more than ten years after the date it is granted.

(c) Exercise of Options. Except as otherwise provided in the Plan or in an Award agreement, an Option may be exercised for all, or from time to time any part, of the Shares for which it is then exercisable. For purposes of this Section 6 of the Plan, the exercise date of an Option shall be the later of the date a notice of exercise is received by the Company and, if applicable, the date payment is received by the Company pursuant to clauses (i), (ii), (iii) or (iv) in the following sentence. The purchase price for the Shares as to which an Option is exercised shall be paid to the Company in full at the time of exercise at the election of the Participant (i) in cash or its equivalent (e.g., by check), (ii) to the extent permitted by the Committee, in fully paid Shares having a Fair Market Value equal to the aggregate exercise price for the Shares being purchased and satisfying such other requirements as may be imposed by the Committee; provided, that such Shares have been held by the Participant for no less than six months (or such other period as established from time to time by the Committee in order to avoid adverse accounting treatment applying generally accepted accounting principles), (iii) partly in cash and, to the extent permitted by the Committee and subject to the other requirements and conditions set forth above in (ii), partly in Shares or (iv) if there is a public market for the Shares at such time, through the delivery of irrevocable instructions to a broker to sell Shares obtained upon the exercise of the Option and to deliver promptly to the Company an amount out of the proceeds of such sale equal to the aggregate exercise price for the Shares being purchased. No Participant shall have any rights to dividends or other rights of a shareholder with respect to Shares subject to an Option until the Participant has given written notice of exercise of the Option, paid in full for such Shares and, if applicable, has satisfied any other conditions imposed by the Committee pursuant to the Plan.

(d) ISOs. The Committee may grant Options under the Plan that are intended to be ISOs. Such ISOs shall comply with the requirements of Section 422 of the Code (or any successor section thereto). No ISO may be granted to any Participant who at the time of such grant, owns more than ten percent of the total combined voting power of all classes of shares of the Company or of any Subsidiary, unless (i) the exercise price for such ISO is at least 110% of the Fair Market Value of a Share on the date the ISO is granted and (ii) the date on which such ISO terminates is a date not later than the day preceding the fifth anniversary of the date on which the ISO is granted. Any Participant who disposes of Shares acquired upon the exercise of an ISO either (i) within two years after the date of grant of such ISO or (ii) within one year after the transfer of such Shares to the Participant, shall notify the Company of such disposition and of the amount realized upon such disposition. All Options granted under the Plan are intended to be nonqualified share options, unless the applicable Award agreement expressly states that the Option is intended to be an ISO. If an Option is intended to be an ISO, and if for any reason such Option (or portion thereof) shall not qualify as an ISO, then, to the extent of such nonqualification, such Option (or portion thereof) shall be regarded as a nonqualified share option granted under the Plan; provided that such Option (or portion thereof) otherwise complies with the Plan's requirements relating to nonqualified share options. In no event shall any member of the Committee, the Company or any of its Affiliates (or their respective employees, officers or directors) have any liability to any Participant (or any other Person) due to the failure of an Option to qualify for any reason as an ISO.

(e) Attestation. Wherever in this Plan or any agreement evidencing an Award a Participant is permitted to pay the exercise price of an Option or taxes relating to the exercise of an Option by delivering Shares, the Participant may, subject to procedures satisfactory to the Committee, satisfy such delivery requirement by presenting proof of beneficial ownership of such Shares, in which case the Company shall treat the Option as exercised without further payment and shall withhold such number of Shares from the Shares acquired by the exercise of the Option.

7. **Terms and Conditions of Restricted Shares**

(a) Grant of Restricted Shares. The Committee, at any time and from time to time, may grant Restricted Shares to Participants as the Committee, in its sole discretion, shall determine. The Committee, in its sole discretion, shall determine the number of Restricted Shares to be granted to each Participant.

(b) Restricted Shares Award Agreement. Each Award of Restricted Shares shall be evidenced by an Award agreement that shall specify the period of restriction, the number of Restricted Shares granted, and such other terms and conditions as the Committee, in its sole discretion, shall determine. Unless the Committee determines otherwise, Restricted Shares shall be held by the Company as escrow agent until the restrictions on such Restricted Shares have lapsed.

(c) Issuance and Restrictions. Restricted Shares shall be subject to such restrictions on transferability and other restrictions as the Committee may impose (including, without limitation, limitations on the right to vote Restricted Shares or the right to receive dividends on the Restricted Shares). These restrictions may lapse separately or in combination at such times, pursuant to such circumstances, in such installments, or otherwise, as the Committee determines at the time of the grant of the Award or thereafter.

(d) Repurchase. Except as otherwise determined by the Committee at the time of the grant of the Award or thereafter, upon termination of employment or service during the applicable restriction period, Restricted Shares that are at that time subject to restrictions shall be redeemed or repurchased in accordance with the Award agreement; provided, however, the Committee may (a) provide in any Restricted Share Award agreement that restrictions or redemption and repurchase conditions relating to Restricted Shares will be waived in whole or in part in the event of terminations resulting from specified causes, and (b) in other cases waive in whole or in part restrictions or repurchase conditions relating to Restricted Shares.

(e) Certificates for Restricted Shares. Restricted Shares granted pursuant to the Plan may be evidenced in such manner as the Committee shall determine. If certificates representing Restricted Shares are registered in the name of the Participant, certificates must bear an appropriate legend referring to the terms, conditions, and restrictions applicable to such Restricted Shares, and the Company may, at its discretion, retain physical possession of the certificate until such time as all applicable restrictions lapse.

(f) Removal of Restrictions. Except as otherwise provided in this Section 7 of the Plan, Restricted Shares granted under the Plan shall be released from escrow as soon as practicable after the last day of the period of restriction. The Committee, in its discretion, may accelerate the time at which any restrictions shall lapse or be removed. After the restrictions have lapsed, the Participant shall be entitled to have any legend or legends under Section 7(e) of the Plan removed from his or her Share certificate, and the Shares shall be freely transferable by the Participant, subject to applicable legal restrictions. The Committee (in its discretion) may establish procedures regarding the release of Shares from escrow and the removal of legends, as necessary or appropriate to minimize administrative burdens on the Company.

8. **Terms and Conditions of Restricted Share Units**

(a) Grant of Restricted Share Units. The Committee, at any time and from time to time, may grant Restricted Share Units to Participants as the Committee, in its sole discretion, shall determine. The Committee, in its sole discretion, shall determine the number of Restricted Share Units to be granted to each Participant.

(b) Restricted Share Units Award Agreement. Each Award of Restricted Share Units shall be evidenced by an Award agreement that shall specify any vesting conditions, the number of Restricted Share Units granted, and such other terms and conditions as the Committee, in its sole discretion, shall determine.

(c) Form and Timing of Payment of Restricted Share Units. At the time of grant, the Committee shall specify the date or dates on which the Restricted Share Units shall become fully vested and nonforfeitable. Upon vesting, the Committee, in its sole discretion, may pay Restricted Share Units in the form of cash, Shares or a combination thereof.

(d) Repurchase. Except as otherwise determined by the Committee at the time of the grant of the Award or thereafter, upon termination of employment or service during the applicable restriction period, Restricted Share Units that are at that time unvested shall be repurchased in accordance with the Award agreement; provided, however, the Committee may (a) provide in any Restricted Share Unit Award agreement that restrictions or repurchase conditions relating to Restricted Share Units will be waived in whole or in part in the event of terminations resulting from specified causes, and (b) in other cases waive in whole or in part restrictions or repurchase conditions relating to Restricted Share Units.

9. **Adjustments Upon Certain Events**

Notwithstanding any other provisions in the Plan to the contrary, the following provisions shall apply to all Awards granted under the Plan:

(a) Generally. In the event of any change in the outstanding Shares after the Effective Date by reason of any Share dividend or split, reorganization, recapitalization, merger, consolidation, spin-off, combination, combination or transaction or exchange of Shares or other corporate exchange, or any distribution to shareholders of Shares other than regular cash dividends or any transaction similar to the foregoing, the Committee in its sole discretion and without liability to any person shall make such substitution or adjustment, if any, as it deems to be equitable, as to (i) the number or kind of Shares or other securities issued or reserved for issuance pursuant to the Plan or pursuant to outstanding Awards, (ii) the maximum number of Shares for which Awards may be granted during a calendar year to any Participant, (iii) the exercise price of any Award and/or (iv) any other affected terms of such Awards.

(b) Change of Control. In the event of a Change of Control after the Effective Date, (i) if determined by the Committee in the applicable Award agreement or otherwise, any outstanding Awards then held by Participants which are unexercisable or otherwise unvested or subject to lapse restrictions shall automatically be deemed exercisable or otherwise vested or no longer subject to lapse restrictions, as the case may be, as of immediately prior to such Change of Control and (ii) the Committee may, but shall not be obligated to, (A) cancel such Awards for fair value (as determined in the sole discretion of the Committee) which, in the case of Options, may equal the excess, if any, of value of the consideration to be paid in the Change of Control transaction to holders of the same number of Shares subject to such Options (or, if no consideration is paid in any such transaction, the Fair Market Value of the Shares subject to such Options) over the aggregate exercise price of such Options, (B) provide for the issuance of substitute Awards that will substantially preserve the otherwise applicable terms of any affected Awards previously granted hereunder as determined by the Committee in its sole discretion or (C) provide that for a period of at least 15 days prior to the Change of Control, such Options shall be exercisable as to all Shares subject thereto and that upon the occurrence of the Change of Control, such Options shall terminate and be of no further force and effect.

10. **No Right to Employment or Awards, No Shareholders Rights**

The granting of an Award under the Plan shall impose no obligation on the Company or any Subsidiary to continue the Employment of a Participant and shall not lessen or affect the Company's or Subsidiary's right to terminate the Employment of such Participant. No Participant or other Person shall have any claim to be granted any Award, and there is no obligation for uniformity of treatment of Participants, or holders or beneficiaries of Awards. The terms and conditions of Awards and the Committee's determinations and interpretations with respect thereto need not be the same with respect to each Participant (whether or not such Participants are similarly situated).

No Award gives the Participant any of the rights of a shareholder of the Company unless and until Shares are in fact issued to such person in connection with such Award.

11. **Successors and Assigns**

The Plan shall be binding on all successors and assigns of the Company and a Participant, including without limitation, the estate of such Participant and the executor, Committee or trustee of such estate, or any receiver or trustee in bankruptcy or representative of the Participant's creditors.

12. **Nontransferability of Awards**

Unless otherwise determined by the Committee, an Award shall not be transferable or assignable by the Participant otherwise than by will or by the laws of descent and distribution. An Award exercisable after the death of a Participant may be exercised by the legatees, personal representatives or distributees of the Participant.

Notwithstanding the foregoing, no provision herein shall prevent or forbid transfers by will, by the laws of descent and distribution, to a trust that was established solely for tax planning purposes and not for purposes of profit or commercial activity or, to one or more "family members" (as such term is defined in SEC Rule 701 promulgated under the Securities Act of 1933, as amended) by gift or pursuant to a qualified domestic relations order.

13. **Amendments or Termination**

The Board may amend, alter or discontinue the Plan, but no amendment, alteration or discontinuation shall be made, (a) without the approval of the shareholders of the Company, if such action would (except as is provided in Section 9 of the Plan), increase the total number of Shares reserved for the purposes of the Plan or change the maximum number of Shares for which Awards may be granted to any Participant, in each case only to the extent such approval is required by the principal national securities exchange on which the Shares are listed or admitted to trading, or (b) without the consent of a Participant, if such action would diminish any of the rights of the Participant under any Award theretofore granted to such Participant under the Plan; provided, however, that the Committee may amend the Plan in such manner as it deems necessary to permit the granting of Awards meeting the requirements of any Applicable Laws.

Without limiting the generality of the foregoing, to the extent applicable, notwithstanding anything herein to the contrary, this Plan and Awards issued hereunder shall be interpreted in accordance with Section 409A of the Code and Department of Treasury regulations and other interpretative guidance issued thereunder, including without limitation any such regulations or other guidance that may be issued after the Effective Date. Notwithstanding any provision of the Plan to the contrary, in the event that the Committee determines that any amounts payable hereunder will be taxable to a Participant under Section 409A of the Code and related Department of Treasury guidance prior to payment to such Participant of such amount, the Company may (a) adopt such amendments to the Plan and Awards and appropriate policies and procedures, including amendments and policies with retroactive effect, that the Committee determines necessary or appropriate to preserve the intended tax treatment of the benefits provided by the Plan and Awards hereunder and/or (b) take such other actions as the Committee determines necessary or appropriate to comply with the requirements of Section 409A of the Code.

14. **Multiple Jurisdictions**

In order to assure the viability of Awards granted to Participants employed in various jurisdictions, the Committee may, in its sole discretion, provide for such special terms as it may consider necessary or appropriate to accommodate differences in local law, tax policy or custom applicable in the jurisdiction in which the Participant resides or is employed. Moreover, the Committee may approve such supplements to, amendments, restatements, or alternative versions of the Plan as it may consider necessary or appropriate for such purposes without thereby affecting the terms of the Plan as in effect for any other purpose; provided, however, that no such supplements, amendments, restatements or alternative versions shall increase the Share limitation contained in Section 3 hereof. Notwithstanding the foregoing, the Committee may not take any actions hereunder, and no Awards shall be granted that would violate any Applicable Laws.

15. **Distribution of Shares**

The obligation of the Company to make payments in Shares pursuant to an Award shall be subject to all Applicable Laws and to any such approvals by government agencies as may be required. Additionally, in the discretion of the Committee, American depositary shares, or ADSs, may be distributed in lieu of Shares in settlement of any Award, provided that the ADSs shall be of equal value to the Shares that would have otherwise been distributed. If the number of Shares represented by an ADS is other than on a one-to-one basis, the limitations contained in Section 3 of the Plan shall be adjusted to reflect the distribution of ADSs in lieu of Shares.

16. **Taxes**

No Shares shall be delivered under the Plan to any Participant until such Participant has made arrangements acceptable to the Committee for the satisfaction of any income and employment tax withholding obligations under any Applicable Laws, in particular, the tax laws, rules, regulations and government orders of the People's Republic of China or the U.S. federal, state or other local tax laws, as applicable. The Company and each of its Subsidiaries shall have the authority and the right to deduct or withhold, or require a Participant to remit to the Company, an amount sufficient to satisfy federal, state, local and foreign taxes (including the Participant's payroll tax obligations, if any) required to be withheld under any Applicable Laws with respect to any Award issued to the Participant hereunder. The Committee may in its discretion and in satisfaction of the foregoing requirement allow a Participant to elect to have the Company withhold Shares otherwise issuable under an Award (or allow the return of Shares) having a Fair Market Value equal to the sums required to be withheld. Notwithstanding any other provision of the Plan, the number of Shares which may be withheld with respect to the issuance, vesting, exercise or payment of any Award (or which may be repurchased from the Participant of such Award after such Shares were acquired by the Participant from the Company) in order to satisfy the Participant's federal, state, local and other income and payroll tax liabilities with respect to the issuance, vesting, exercise or payment of the Award shall, unless specifically approved by the Committee, be limited to the number of Shares which have a Fair Market Value on the date of withholding or repurchase equal to the aggregate amount of such liabilities based on the minimum statutory withholding rates for federal, state, local and other income tax any payroll tax purposes that are applicable to such taxable income.

17. **Choice of Law**

The Plan shall be governed by and construed in accordance with the laws of the State of New York.

18. **Effectiveness of the Plan**

The Plan shall be effective as of the Effective Date and shall terminate ten years later, subject to earlier termination by the Board pursuant to Section 13 hereof.

Exhibit 4.15

SECURED PROMISSORY NOTE

$153,000,000 **December 28, 2023**

For value received, **FLJ Group Limited**, a company incorporated under the laws of the Cayman Islands ("Maker"), promises to pay to **MMTEC, Inc.**, a company incorporated under the laws of the British Virgin Islands ("Holder"), the principal sum of US$153,000,000, together with interest on the unpaid principal balance of this Secured Promissory Note (this "Note"), until such principal and interest are paid in full as hereinafter provided. Such amounts due hereunder are to be paid in lawful money of the United States of America at the times and in the manner provided herein.

Section 1. Interest Rate. The outstanding principal amount of this Note shall bear interest at a rate equal to three percent (3%) per annum. Interest due under this Note shall be calculated on the basis of a three hundred sixty (360) days per year factor applied to the actual days on which there exists an unpaid balance hereunder. Any time that an Event of Default under this Note is in existence, Holder may, at its option, increase the interest rate on this Note by three hundred (300) basis points (such increased rate, the "Default Rate").

Section 2. Payment of Principal and Interest.

2.1 Interest. Interest shall accrue at an annual rate equal to three percent (3%) per annum on the outstanding principal balance of this Note from, and including, the date hereof until the Principal Amount is paid in full.

2.2 Principal. All amounts owed by Maker to Holder under this Note shall be paid in full on or prior to March 25, 2024 (the "Maturity Date"), unless payment in full hereunder is required prior to the Maturity Date in accordance with Section 3.2. Maker will pay Holder at any place or account as Holder may designate in writing to Maker, and all such payments shall be made in immediately available funds and in [lawful money of the United States of America]. Upon payment in full of all principal and interest payable pursuant to this Note, Holder shall return this Note to Maker with a legend indicating that the Note has been "PAID IN FULL" and shall promptly (but in any event within five (5) business days after request by Maker) execute such documents as reasonably requested by Holder to evidence such repayment and the release of any liens on the Collateral (as defined below), including without limitation a payoff letter.

2.3 Place of Payment. Payments on this Note shall be made at the address of Holder set forth in Section 4.7 of this Note or such other address as Holder may designate by written notice to Maker.

2.4 Prepayment. Maker shall have the right to prepay all, or a portion, of the principal amount of this Note at any time without penalty.

2.5 Agreements Regarding Payments. Subject to Section 2.4 with respect to prepayments, all other payments made under this Note shall be applied first to expenses and fees due in connection with this Note, then to accrued and unpaid interest due under this Note, and then to principal due under this Note. If any amounts due under this Note are not paid when due, Maker promises to pay all reasonable and actual costs of collection incurred by Holder, including reasonable attorneys' fees, whether or not suit is filed thereon. The acceptance by Holder of partial payments or partial performance under this Note shall not constitute a waiver of any default hereunder or a waiver of an Event of Default.

Section 3. Default.

3.1 Events of Default. Unless otherwise waived in writing by Holder, the occurrence and continuance of any one or more of the following events shall constitute an event of default hereunder (each, an "Event of Default"):

(a) If Maker fails to pay any amounts due pursuant to this Note and Maker fails to make such payment within three (3) business days following written notice from Holder to Maker of such failure to pay.

(b) If, pursuant to, or within the meaning of, the United States Bankruptcy Code or any other federal, state, or foreign law relating to insolvency or the relief of debtors, Maker (i) commences a voluntary case or proceeding; (ii) consents to the entry of an order for relief against it in an involuntary case; (iii) consents to the appointment of a trustee, receiver, assignee, liquidator, or similar official; (iv) makes an assignment for the benefit of its creditors; or (v) admits in writing its inability to pay its debts as they become due.

3.2 Remedies. Upon the occurrence of an Event of Default specified in Section 3.1 (unless such Event of Default has been waived by Holder), Holder may, at its option, (i) declare the entire outstanding principal balance of this Note, together with all accrued and unpaid interest thereon, immediately due and payable; and (ii) exercise any and all rights and remedies available to it under applicable law, including the right to collect from Maker all sums due under this Note and to foreclose upon the Collateral. For the avoidance of doubt, if Maker does not pay in full all amounts due to Holder hereunder on the Maturity Date, and Holder does not waive such default, then, after the expiration of the cure period set forth in Section 3.1(a), Holder may foreclose on the Collateral and exercise any or all of Holder's rights and remedies hereunder and under applicable law.

Section 4. Security Interest.

4.1 Grant of Security Interest. As security for the prompt and complete payment, performance and observance of all obligations of Maker hereunder, Maker hereby assigns, pledges, and grants to Holder, and agrees that Holder shall have a perfected and continuing first priority security interest in, and first lien on the following collateral (the "Collateral"): (a) all of the issued and outstanding equity (the "Pledged Equity") of Alpha Mind Technology Limited, a British Virgin Islands company ("Alpha Mind"), and (b) all assets of Alpha Mind and its subsidiaries.

4.2 Retention of Rights Prior to Event of Default. So long as no Event of Default has occurred and is continuing, Maker shall be entitled to receive and retain payments and property and exercise other rights with respect to any of the issued and outstanding equity interests of the Pledged Equity.

4.3 Holder's Rights Upon Event of Default. Upon the occurrence and during continuation of an Event of Default, all rights of Maker to receive dividends or other distributions or payments or other property with respect to the Pledged Equity shall, upon the date that notice of such an Event of Default is received by Maker from Holder (except in the case of an Event of Default under Section 3.1(b), in which case no notice shall be required) and until the date that all obligations hereunder (whether principal, interest, fees or expenses) are paid in full, cease without any further action by or on behalf of Holder, and all such rights thereupon shall become vested solely and exclusively in Holder automatically without any action by any Person. Maker hereby appoints Holder its attorney-in-fact with full power of substitution, which appointment as attorney-in-fact is irrevocable and coupled with an interest, to take all such actions upon or after the occurrence and during continuation of an Event of Default, whether in the name of Holder or Maker, as Holder may consider necessary or desirable for the purpose of receiving such dividends or other distributions. Any and all cash and other property distributions made on or in respect of the Pledged Equity that is delivered to Maker in violation of this Note shall be held in trust for the benefit of Holder and forthwith shall be delivered to Holder. Any and all money and other property received by Holder pursuant to the provisions of this Section 4(c) shall be retained by Holder as part of the Collateral.

4.4 Fees, Costs and Expenses. Maker agrees to pay, on demand, all reasonable costs, fees, and expenses incurred by Holder in connection with the taking, perfection, preservation, protection, and release of a lien on the Collateral, including all reasonable fees and expenses of Holder's counsel and all fees, costs, taxes and other amounts payable in connection with the filing any financing statement evidencing such security interest. Maker hereby authorizes Holder to file any documents needed to perfect its security interest, and any continuations or amendments thereof as are necessary for Holder to perfect its security interest under this Note. Holder shall obtain Maker's prior written approval of any amendments to any such financing statements.

Section 5. Miscellaneous.

5.1 No Waiver. Neither any course of dealing by Holder nor any failure or delay on its part to exercise any right, remedy, power, or privilege hereunder shall operate as a waiver hereof or of any provision hereof.

5.2 Amendment. This Note may not be changed orally, but only by an agreement in writing signed by the party against whom any waiver, charge, modification, or discharge is sought.

5.3 Entire Agreement. This Note supersedes all prior agreements between the parties with respect to their subject matter and constitute a complete and exclusive statement of the terms of the agreement between the parties with respect to their subject matter.

5.4 Successors and Assigns. The terms of this Note shall bind and inure to the benefit of the heirs, devisees, representatives, successors, and assigns of the parties.

5.5 Governing Law/Jurisdiction and Venue. The validity and construction of this Note and all matters pertaining hereto are to be determined in accordance with Hong Kong law and venue of any dispute arising out of this Note shall be in the courts located in Hong Kong, and Maker and Holder hereby submit to the jurisdiction of such courts and waive any objections to claims brought in such courts based on improper or inconvenient forum.

5.6. Usury. It is the intention of Maker and Holder to conform strictly to any applicable usury laws. Accordingly, notwithstanding anything to the contrary in this Note, any interest contracted for, chargeable, or receivable under or in connection with this Note that exceeds the maximum amount permitted by law shall be deemed a mistake and shall be reduced immediately and automatically to the maximum amount permitted by law.

5.7. Notice. All notices shall be delivered by registered or certified mail, return receipt requested, by Federal Express or personally delivered. Notices delivered by Holder to Maker shall be delivered to:

Maker:	FLJ Group Limited Room 1610 No.917, East Longhua Road Huangpu District, Shanghai, 200023 People's Republic of China Attention: Frank Sun Email: frank@qk365.com
Holder:	MMTEC, Inc. Room 2302, 23rd Floor FWD Financial Center 308 Des Voeux Road Central Sheung Wan, Hong Kong Attention: Xiangdong Wen Email: wen@haisc.com

5.8 Time. Time is of the essence with respect to the obligations set forth in this Note.

5.9 Nature of Obligation. If, at any time, any payment of Maker's obligations under this Note is rescinded, repaid, or must otherwise be returned to Maker or Maker's estate (a) due to or upon the insolvency, bankruptcy, or reorganization of Maker; or (b) for any other circumstance, then this Note will continue to be effective or be restated, as the case may be, all as though such payment had not been made. The obligations of Maker under this Note shall be the absolute and unconditional duty and obligation of Maker and shall be independent of any rights of set-off, recoupment, or counterclaim that Maker might otherwise have against the holder of this Note, and Maker shall unconditionally and absolutely make all payments due under this Note free from any deductions and without abatement, diminution, or set-off.

5.10 Severability. If any provision or part of this Note shall for any reason be held invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provisions of this Note and this Note shall be construed as if such invalid, illegal, or unenforceable provision or part thereof had never been contained herein, but only to the extent of its invalidity, illegality, or unenforceability.

5.11 Acknowledgement. Maker and Holder each acknowledges that, in connection with the negotiation and execution of this Note, it has had the opportunity to obtain the advice of counsel with experience in sophisticated and complex matters similar to the transactions contemplated by this Note, and that it has obtained the advice of such counsel with respect to all matters contained in this Note, including the provision in Section 5.11 for waiver of trial by jury. Maker further acknowledges that it is experienced with respect to financial and credit matters and has made its own independent decision to apply to Holder for credit and to execute and deliver this Note.

Signature Page Follows

In witness whereof, Maker has executed this Note effective as of the date first written above.

Witness:

/s/ Tingting Shen
Name: Tingting Shen

Maker:

FLJ Group Limited

/s/ Frank Sun
Name: Frank Sun
Title: CFO

ACKNOWLEDGED AND AGREED

Witness:

/s/ Jessie Chang
Name: Jessie Chang

Holder:

MMTEC, Inc.

/s/ Xiangdong Wen
Name: Xiangdong Wen
Title: CEO

Exhibit 4.16

SECURED PROMISSORY NOTE

$27,000,000 **December 28, 2023**

For value received, **FLJ Group Limited**, a company incorporated under the laws of the Cayman Islands ("Maker"), promises to pay to **Burgeon Capital Inc**, a company incorporated under the laws of the British Virgin Islands ("Holder"), the principal sum of US$27,000,000, together with interest on the unpaid principal balance of this Secured Promissory Note (this "Note"), until such principal and interest are paid in full as hereinafter provided. Such amounts due hereunder are to be paid in lawful money of the United States of America at the times and in the manner provided herein.

Section 1. Interest Rate. The outstanding principal amount of this Note shall bear interest at a rate equal to three percent (3%) per annum. Interest due under this Note shall be calculated on the basis of a three hundred sixty (360) days per year factor applied to the actual days on which there exists an unpaid balance hereunder. Any time that an Event of Default under this Note is in existence, Holder may, at its option, increase the interest rate on this Note by three hundred (300) basis points (such increased rate, the "Default Rate").

Section 2. Payment of Principal and Interest.

2.1 Interest. Interest shall accrue at an annual rate equal to three percent (3%) per annum on the outstanding principal balance of this Note from, and including, the date hereof until the Principal Amount is paid in full.

2.2 Principal. All amounts owed by Maker to Holder under this Note shall be paid in full on or prior to March 25, 2024 (the "Maturity Date"), unless payment in full hereunder is required prior to the Maturity Date in accordance with Section 3.2. Maker will pay Holder at any place or account as Holder may designate in writing to Maker, and all such payments shall be made in immediately available funds and in lawful money of the United States of America. Upon payment in full of all principal and interest payable pursuant to this Note, Holder shall return this Note to Maker with a legend indicating that the Note has been "PAID IN FULL" and shall promptly (but in any event within five (5) business days after request by Maker) execute such documents as reasonably requested by Holder to evidence such repayment and the release of any liens on the Collateral (as defined below), including without limitation a payoff letter.

2.3 Place of Payment. Payments on this Note shall be made at the address of Holder set forth in Section 4.7 of this Note or such other address as Holder may designate by written notice to Maker.

2.4 Prepayment. Maker shall have the right to prepay all, or a portion, of the principal amount of this Note at any time without penalty.

2.5 Agreements Regarding Payments. Subject to Section 2.4 with respect to prepayments, all other payments made under this Note shall be applied first to expenses and fees due in connection with this Note, then to accrued and unpaid interest due under this Note, and then to principal due under this Note. If any amounts due under this Note are not paid when due, Maker promises to pay all reasonable and actual costs of collection incurred by Holder, including reasonable attorneys' fees, whether or not suit is filed thereon. The acceptance by Holder of partial payments or partial performance under this Note shall not constitute a waiver of any default hereunder or a waiver of an Event of Default.

Section 3. Default.

3.1 Events of Default. Unless otherwise waived in writing by Holder, the occurrence and continuance of any one or more of the following events shall constitute an event of default hereunder (each, an "Event of Default"):

(a) If Maker fails to pay any amounts due pursuant to this Note and Maker fails to make such payment within three (3) business days following written notice from Holder to Maker of such failure to pay.

(b) If, pursuant to, or within the meaning of, the United States Bankruptcy Code or any other federal, state, or foreign law relating to insolvency or the relief of debtors, Maker (i) commences a voluntary case or proceeding; (ii) consents to the entry of an order for relief against it in an involuntary case; (iii) consents to the appointment of a trustee, receiver, assignee, liquidator, or similar official; (iv) makes an assignment for the benefit of its creditors; or (v) admits in writing its inability to pay its debts as they become due.

3.2 Remedies. Upon the occurrence of an Event of Default specified in Section 3.1 (unless such Event of Default has been waived by Holder), Holder may, at its option, (i) declare the entire outstanding principal balance of this Note, together with all accrued and unpaid interest thereon, immediately due and payable; and (ii) exercise any and all rights and remedies available to it under applicable law, including the right to collect from Maker all sums due under this Note and to foreclose upon the Collateral. For the avoidance of doubt, if Maker does not pay in full all amounts due to Holder hereunder on the Maturity Date, and Holder does not waive such default, then, after the expiration of the cure period set forth in Section 3.1(a), Holder may foreclose on the Collateral and exercise any or all of Holder's rights and remedies hereunder and under applicable law.

Section 4. Security Interest.

4.1 Grant of Security Interest. As security for the prompt and complete payment, performance and observance of all obligations of Maker hereunder, Maker hereby assigns, pledges, and grants to Holder, and agrees that Holder shall have a perfected and continuing first priority security interest in, and first lien on the following collateral (the "Collateral"): (a) all of the issued and outstanding equity (the "Pledged Equity") of Alpha Mind Technology Limited, a British Virgin Islands company ("Alpha Mind"), and (b) all assets of Alpha Mind and its subsidiaries.

4.2 Retention of Rights Prior to Event of Default. So long as no Event of Default has occurred and is continuing, Maker shall be entitled to receive and retain payments and property and exercise other rights with respect to any of the issued and outstanding equity interests of the Pledged Equity.

4.3 Holder's Rights Upon Event of Default. Upon the occurrence and during continuation of an Event of Default, all rights of Maker to receive dividends or other distributions or payments or other property with respect to the Pledged Equity shall, upon the date that notice of such an Event of Default is received by Maker from Holder (except in the case of an Event of Default under Section 3.1(b), in which case no notice shall be required) and until the date that all obligations hereunder (whether principal, interest, fees or expenses) are paid in full, cease without any further action by or on behalf of Holder, and all such rights thereupon shall become vested solely and exclusively in Holder automatically without any action by any Person. Maker hereby appoints Holder its attorney-in-fact with full power of substitution, which appointment as attorney-in-fact is irrevocable and coupled with an interest, to take all such actions upon or after the occurrence and during continuation of an Event of Default, whether in the name of Holder or Maker, as Holder may consider necessary or desirable for the purpose of receiving such dividends or other distributions. Any and all cash and other property distributions made on or in respect of the Pledged Equity that is delivered to Maker in violation of this Note shall be held in trust for the benefit of Holder and forthwith shall be delivered to Holder. Any and all money and other property received by Holder pursuant to the provisions of this Section 4(c) shall be retained by Holder as part of the Collateral.

4.4 Fees, Costs and Expenses. Maker agrees to pay, on demand, all reasonable costs, fees, and expenses incurred by Holder in connection with the taking, perfection, preservation, protection, and release of a lien on the Collateral, including all reasonable fees and expenses of Holder's counsel and all fees, costs, taxes and other amounts payable in connection with the filing any financing statement evidencing such security interest. Maker hereby authorizes Holder to file any documents needed to perfect its security interest, and any continuations or amendments thereof as are necessary for Holder to perfect its security interest under this Note. Holder shall obtain Maker's prior written approval of any amendments to any such financing statements.

Section 5. Miscellaneous.

5.1 No Waiver. Neither any course of dealing by Holder nor any failure or delay on its part to exercise any right, remedy, power, or privilege hereunder shall operate as a waiver hereof or of any provision hereof.

5.2 Amendment. This Note may not be changed orally, but only by an agreement in writing signed by the party against whom any waiver, charge, modification, or discharge is sought.

5.3 Entire Agreement. This Note supersedes all prior agreements between the parties with respect to their subject matter and constitute a complete and exclusive statement of the terms of the agreement between the parties with respect to their subject matter.

5.4 Successors and Assigns. The terms of this Note shall bind and inure to the benefit of the heirs, devisees, representatives, successors, and assigns of the parties.

5.5 Governing Law/Jurisdiction and Venue. The validity and construction of this Note and all matters pertaining hereto are to be determined in accordance with Hong Kong law and venue of any dispute arising out of this Note shall be in the courts located in Hong Kong, and Maker and Holder hereby submit to the jurisdiction of such courts and waive any objections to claims brought in such courts based on improper or inconvenient forum.

5.6. Usury. It is the intention of Maker and Holder to conform strictly to any applicable usury laws. Accordingly, notwithstanding anything to the contrary in this Note, any interest contracted for, chargeable, or receivable under or in connection with this Note that exceeds the maximum amount permitted by law shall be deemed a mistake and shall be reduced immediately and automatically to the maximum amount permitted by law.

5.7. Notice. All notices shall be delivered by registered or certified mail, return receipt requested, by Federal Express or personally delivered. Notices delivered by Holder to Maker shall be delivered to:

Maker:	FLJ Group Limited Room 1610 No.917, East Longhua Road Huangpu District, Shanghai, 200023 People's Republic of China Attention: Frank Sun Email: frank@qk365.com
Holder:	Burgeon Capital Inc Quastisky Building, Road Town, Tortola, British Virgin Islands Attention: Yating Liu Email: Burgeon.Capital@outlook.com

5.8 Time. Time is of the essence with respect to the obligations set forth in this Note.

5.9 Nature of Obligation. If, at any time, any payment of Maker's obligations under this Note is rescinded, repaid, or must otherwise be returned to Maker or Maker's estate (a) due to or upon the insolvency, bankruptcy, or reorganization of Maker; or (b) for any other circumstance, then this Note will continue to be effective or be restated, as the case may be, all as though such payment had not been made. The obligations of Maker under this Note shall be the absolute and unconditional duty and obligation of Maker and shall be independent of any rights of set-off, recoupment, or counterclaim that Maker might otherwise have against the holder of this Note, and Maker shall unconditionally and absolutely make all payments due under this Note free from any deductions and without abatement, diminution, or set-off.

5.10 Severability. If any provision or part of this Note shall for any reason be held invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provisions of this Note and this Note shall be construed as if such invalid, illegal, or unenforceable provision or part thereof had never been contained herein, but only to the extent of its invalidity, illegality, or unenforceability.

5.11 Acknowledgement. Maker and Holder each acknowledges that, in connection with the negotiation and execution of this Note, it has had the opportunity to obtain the advice of counsel with experience in sophisticated and complex matters similar to the transactions contemplated by this Note, and that it has obtained the advice of such counsel with respect to all matters contained in this Note, including the provision in Section 5.11 for waiver of trial by jury. Maker further acknowledges that it is experienced with respect to financial and credit matters and has made its own independent decision to apply to Holder for credit and to execute and deliver this Note.

Signature Page Follows

In witness whereof, Maker has executed this Note effective as of the date first written above.

Witness:

/s/ Tingting Shen
Name: Tingting Shen

Maker:

FLJ Group Limited

/s/ Frank Sun
Name: Frank Sun
Title: CFO

ACKNOWLEDGED AND AGREED

Witness:

/s/ Jessie Chang
Name: Jessie Chang

Holder:

Burgeon Capital Inc

/s/ Yating Liu
Name: Yating Liu
Title: Director

Equity Acquisition Agreement

FLJ Group Limited

with

Lianlian Holdings Inc.,

and

Steward LianLian Investment Limited,

Lesta LianLian Investment Limited,

Xenia LianLian Investment Limited,

Zabulon LianLian Investment Limited,

Regina LianLian Investment Limited,

LLZ Investment Holdings Limited

Betop Capital Inc.

Wealth Booster Investments Limited

Bambooming Ltd

and

Lianlian Yongchuang Co., Ltd. (Chengdu) (联联永创科技（成都）有限公司)

September 29, 2023

This equity acquisition agreement (this "**Agreement**") is made and entered into by and between the following parties on September 29, 2023:

Transferee (hereinafter referred to as **Party A): FLJ Group Limited**, a company incorporated under the laws of the Cayman Islands;

Transferors (**Party B or the Original Shareholders**):

(1) **Steward LianLian Investment Limited**, a company incorporated under the laws of the British Virgin Islands;

(2) **Lesta LianLian Investment Limited**, a company incorporated under the laws of the British Virgin Islands;

(3) **Xenia LianLian Investment Limited**, a company incorporated under the laws of the British Virgin Islands;

(4) **Zabulon LianLian Investment Limited**, a company incorporated under the laws of the British Virgin Islands;

(5) **Regina LianLian Investment Limited**, a company incorporated under the laws of the British Virgin Islands;

(6) **LLZ Investment Holdings Limited**, a company incorporated under the laws of the British Virgin Islands;

(7) **Betop Capital Inc**, a company incorporated under the laws of the British Virgin Islands;

(8) **Wealth Booster Investments Limited**, a company incorporated under the laws of the British Virgin Islands;

(9) **Bambooming Ltd**, a company incorporated under the laws of the British Virgin Islands;

Target Company: **Lianlian Holdings Inc.,** (hereinafter referred to as the **Target Company** or **Party C**), a company incorporated under the laws of the Cayman Islands, the particulars of which is set forth in Schedule 1.

VIE Entity: Lianlian Yongchuang Technology Co. Ltd. (Chengdu) (联联永创科技（成都）有限公司) (hereinafter referred to as the **VIE Entity** or **Party D**), a company incorporated under the laws of the PRC.

Whereas:

1. Party A proposes to acquire, and Party B proposes to sell, all of ordinary shares of Target Company owned by Party B (collectively, the "**Purchased Shares**") on the terms and conditions set forth in this Agreement.

2. Party B is the legal and beneficial owners of 95% of the issued and outstanding equity of the Target Company.

3. The following agreement is concluded upon friendly negotiation among Party A, Party B, Party C and Party D (hereinafter collectively referred to as the Parties):

Article 1 Purchase and Sale

1.1 At Closing, Party B agrees to transfer, sell and assign, and Party A agrees to purchase, the Purchased Shares free from all Encumbrances (defined below) and together with all rights attached or accruing to them in accordance with the terms of this Agreement. Following the Closing (as defined below), Party A will hold 95% of the issued and outstanding equity of Target Company on a fully diluted basis. "**Encumbrance**" means: (a) any mortgage, charge (whether legal or equitable and whether fixed or floating), lien, pledge or other encumbrance securing any obligation of any person; (b) any option, right to acquire, right of pre-emption, right of set-off or other arrangement under which money or claims to, or for the benefit of, any Person may be applied or set off so as to effect discharge of any sum owed or payable to any person; or (c) any equity, assignment, hypothecation, title retention, claim, restriction, power of sale or other type of preferential arrangement the effect of which is to give a creditor in respect of indebtedness a preferential position in relation to any asset of a Person on any insolvency proceeding of that person.

1.2 Party A shall not be obliged to complete the purchase of any of the Purchased Shares unless the purchase by it of all of the Purchased Shares is completed simultaneously.

1.3 Prior to Closing, each Original Shareholder agrees that he/she will not, and will not agree to, sell or dispose (either directly or indirectly) the legal and beneficial interest in any Purchased Shares held by him/her.

Article 2 Purchase Price

The Parties agree that the total purchase price (the "**Purchase Price**") for the Purchased Shares is RMB 1,800,000,000 or equivalent USD. If there is any Leakage (defined below), the Purchase Price should be adjusted downwards on a dollar-for-dollar basis. The Purchase Price will be paid in cash and/or Class A ordinary shares of Party A (the "**Consideration Shares**") by Party A, as determined by Party A.

"**Leakage**" means each and any of the following (without double counting) which occurred after the date of this agreement and before the Closing:

(a) any dividend or distribution (whether in cash or kind) declared, paid or made by Party C to any of its shareholders (including Party B) or any member of the Sellers' Group (defined below);

(b) any redemption or purchase of its own shares or other securities, any other form of return of capital (whether by reduction of capital or otherwise), or any other payment in respect of any shares or other securities, in each case by Party C to any of its shareholders (including Party B) or any member of the Seller's Group;

(c) any other payments made, or any assets, rights or other benefits transferred, by Party C to, or for the benefit of, any of its shareholders (including Party B) or any member of the Sellers' Group;

(d) any disposal of assets by Party B (other than disposal in the ordinary course of business);

(e) any indebtedness or liabilities (other than any liability incurred in the ordinary course of business) assumed, indemnified, guaranteed or incurred by Party C;

(f) the waiver by Party C of any amount owed to it by, or of any right of the Party C against, any of its shareholders (including Party B) or any member of the Sellers' Group;

(g) any Encumbrance over any of the assets of Party C other than in the ordinary course of business;

(h) any unusual or non-contractual payment by Party C of a bonus or other emolument to any director, officer or employee of Party C or any other payment to any of the foregoing in connection with the sale and purchase of the Purchased Shares contemplated by this agreement and all ancillary matters relating thereto (the "**Transaction**");

(i) any payment made, or fees or costs incurred, by the Target Company in connection with the Transaction;

(j) the payment by Party C to any of its shareholders (including Party B) or any member of the Sellers' Group of any amounts (whether principal amounts, interest payments or otherwise) under any indebtedness;

(k) any agreement or arrangement by Party C to give effect to any of the matters referred to above; or

(l) any tax paid or that will become payable by Party C in connection with any of the matters referred to above.

Article 3 Closing

3.1 Payment of Purchase Price: Party A shall remit the Purchase Price to Party B at Closing.

3.2 Subject to the terms and conditions of this Agreement, the closing of the Transaction (the "**Closing**") shall be completed within 180 days after signing the Agreement (the date on which the Closing actually occurs, the "**Closing Date**") with the Closing conditions set out in Article 3.4 being proved to be met or waived by Party A (except for those that should be met on the Closing Date pursuant to its terms).

The Target Company shall deliver a written notice to Party A within two (2) working days after the closing conditions are met (excluding those that should be met on the Closing Date pursuant to its terms), informing Party A that such conditions have been met and shall provide all supporting documents satisfactory to all Parties.

3.3 At or prior to Closing, the Target Company and Party B shall deliver to Party A each of the following documents:

(a) a certificate jointly from each of the Original Shareholders confirming that (i) it has performed and complied with, in all material respects, all covenants and obligations required to be performed or complied with by him/her under this Agreement on or before the Closing Date, (ii) each of the Warranties (defined below) is complete, true and accurate and not misleading as at the date of this Agreement and as at the Closing Date as though restated on and as at the Closing Date with respect to facts, events and circumstances existing as at such date; and (iii) each of the conditions set forth in Article 3.4 have been satisfied (other than those conditions that have been waived in writing by Party A);

(b) duly executed instruments of transfers in respect of all of the Purchased Shares in favor of Party A (or such person as Party A may nominate);

(c) copies of the duly executed share certificates representing the Purchased Shares registered in the name of Party A (or such person as Party A may nominate);

(d) a certified copy of the shareholder register of the Target Company, showing that the equity proportion registered by Party A in the Target Company is 95%, there is no Encumbrance on the equity of the Target Company, and the cancellation of the Purchased Shares registered in the name of the relevant Original Shareholders, and the registration of the Purchased Shares in the name of Party A (or such person as Party A may nominate);

(e) letters of resignation in the agreed form of each of the directors and officers of the Target Company, other than the officers set out in Schedule 2 (the "Retained Management"), from his/her office as a director and/or an officer, including a waiver of all claims against the Target Company.

(f) the resolutions duly and validly adopted by the board of directors and the shareholders of the Target Company certifying that they have approved and authorized the closing of the Transactions and agreed to the investment and share transfer provided hereunder; the adoption of the amended articles of association; and the new composition of the board of directors;

(g) duly executed copies of this Agreement, the amended articles of association and such other ancillary documents as Party A may deem to be necessary to complete the Closing; and

(h) the legal opinions from the PRC counsel in accordance with the requirements of the Trial Administrative Measures of the Overseas Securities Offering and Listing by Domestic Companies for the Transaction and pre-filing if necessary, each in form and content satisfactory to Party A.

3.4 The obligation of Party A to complete the purchase of the Purchased Shares pursuant to this Agreement is conditional on the following conditions having been fulfilled on or prior to the Closing Date to Party A's satisfaction, or waived by Party A:

(a) Party B and Party C having performed and complied with, in all material respects, all covenants and obligations required to be performed or complied with by it/him/her under this Agreement on or before the Closing Date;

(b) each of the Warranties being complete, true and accurate and not misleading as at the date of this Agreement and as at the Closing Date and the Target Company and Party B having delivered the items contemplated under Article 3.3;

(c) no proceedings having been instituted or threatened that seek to restrain, prohibit, declare illegal, or otherwise challenge or interfere or obtain relief in connection with the Transaction, nor there coming into force any law having the same result;

(d) in connection with the Transaction, (i) all requisite filings or registrations have been made with; and (ii) all requisite governmental authorizations on terms and conditions reasonably satisfactory to Party A have been obtained from, all applicable governmental entities;

(e) there has been no actual or threatened revocation, termination or suspension of existing business relationship with any of the customers or vendors of the Target Company;

(f) each Retained Management having been retained by the Target Company;

(g) there has been no Material Adverse Change and for this purpose, "**Material Adverse Change**" means any effect attributable to or resulting from an event, circumstance, occurrence or non-occurrence since the date of this Agreement that, individually or in the aggregate with other events, circumstances, occurrences or non-occurrences since that date, is or would reasonably be expected to be materially adverse to the business, assets, prospects, financial condition or results of the operations of the Target Company or to the Closing of the Transaction;

(h) completion of the audit of the consolidated financial statements of the Target Company by AssentSure PAC for fiscal years of 2021 and 2022 (the "**Accounts**");

(i) completion of a cybersecurity review by the Cyberspace Administration of China with respect to the Target Company pursuant to the Cybersecurity Review Measures;

(j) delivery of the legal opinions from the PRC counsel in accordance with the requirements of the Trial Administrative Measures of the Overseas Securities Offering and Listing by Domestic Companies for the Transaction and pre-filing if necessary, each in form and content satisfactory to Party A; and

(k) it being reasonably expected that immediately following the Closing, Party A will satisfy the applicable listing requirements of Nasdaq.

(l) the execution of VIE agreements in form and substance satisfactory to Party A (the "**VIE Agreements**") to enable the Target Company, through its subsidiary, to gain effective control over and receive all the economic benefits generated by, the businesses operated by the VIE Entity.

Article 4 Pre-Closing Obligations of the Original Shareholders and the Target Company

4.1 Party B and the Target Company shall cooperate with and assist Party A in auditing, assessment and other evaluation of the Target Company.

4.2 Party B and the Target Company shall promptly sign and provide all relevant documents to be signed and provided by them in connection with such equity transfer which are required to be submitted for approval.

4.3 Target Company shall complete the shareholding structure for both overseas and domestic. Party B shall procure the current shareholders of the VIE Entity to, and the VIE Entity shall, enter into the VIE Agreements.

4.4 Between the date of this Agreement and Closing, the Target Company shall, and the Original Shareholders shall jointly and severally procure the Target Company and its consolidated entities to:

(a) carry on its business in the ordinary and usual course;

(b) comply with all applicable laws and governmental authorizations;

(c) keep Party A fully and promptly informed of all material matters relating to the assets, liabilities and business of the Target Company;

(d) take all reasonable steps to preserve the goodwill of the businesses of the Target Company and encourage customers, suppliers and others having business relations with the Target Company to continue to deal with the Target Company and do nothing which damages, or would be likely to damage, such goodwill; and

submit all appropriate tax-related submissions, notifications and filings to the relevant governmental entities.

4.5 Without limiting the generality of Article 4.4, between the date of this Agreement and Closing, the Target Company shall not, and the Original Shareholders shall procure the Target Company and its consolidate entities not to, without Party A's prior written consent:

(a) alter any constitutional documents of the Target Company or any of its consolidated entities;

(b) alter the nature and scope of the business of the Target Company;

(c) issue any debt or equity security or other security convertible or exchange into any security of the Target Company, or reduce, redeem or repay any share or loan capital or other securities of the Target Company;

(d) declaration of, or the making or payment of, a dividend or other distribution to shareholders of the Target Company (including the Original Shareholders);

(e) pass any shareholder resolutions of the Target Company;

(f) incur any Leakage;

(g) make change to the accounting practices or policies of the Target Company;

(h) make any capital commitment;

(i) incur any borrowing or pre-payment of any borrowing;

(j) create or grant of any Encumbrance (other than a lien arising by operation of law or in the ordinary and usual course of business) over the whole or any part of the undertaking or any asset of the Target Company or any guarantee, indemnity or other agreement to secure any obligation of any person;

(k) make of any loan (other than the granting of trade credit in the ordinary and usual course of business) to any person;

(l) enter into of, or amending, any contract, understanding or arrangement which is not on an arm's length basis and for full and proper consideration; relates to or affects a material part of the business of the Target Company; or is materially unusual or abnormal or onerous;

(m) make any amendment or terminate or give notice to terminate any governmental authorizations or Material Contracts (defined below), which would result in an Material Adverse Change;

(n) appoint or employ (or terminate the appointment or employment) of any director, officer or senior employee of the Target Company or the alteration of any material terms related thereto;

(o) make any material amendment to the terms of employment of any category of employees;

(p) acquire or dispose of any interest in (a) any securities of any person; or (b) asset (other than an acquisition or disposal in the ordinary and usual course of business and on normal arm's length terms);

(q) enter into any joint venture, partnership or agreement or arrangement for the sharing of profits or assets);

(r) assign, license, charge, abandon, fail to prosecute or other dispose of, or fail to maintain, defend or diligently pursue applications for, any of the intellectual property;

(s) commence, compromise, settle, release or discharge of any proceedings; or

(t) authorize or agree to do or take any of the foregoing acts or matters.

Article 5 Additional Obligations

5.1 Party A shall supervise and handle its approval procedures for such equity transfer in a timely manner pursuant to the provisions hereof.

5.2 Party A shall issue relevant documents that shall be signed or issued by it to complete such equity transfer.

5.3 The Original Shareholders shall provide or procure the provision to the Target Company such facilities and services as the Target Company may from time to time reasonably require to enable the Target Company to continue to carry on its business in all material respects in the same manner in which it was carried on and on the same terms on which such facilities or services were provided preceding the Closing Date. The Original Shareholders shall use their best endeavors to assist with the transition of customers and vendors of the Target Company.

5.4 The Original Shareholders shall procure that each Retained Management enter an employment agreement with Party A or an affiliate of Party A to the satisfaction of Party A.

5.5 The Original Shareholders undertake to Party A that it shall not, and shall procure their respective affiliates not to, directly or indirectly, in any capacity:

(a) at any time after the date of this Agreement:

(i) do or say anything which is likely or intended to damage the goodwill or reputation of the Target Company or its affiliates or of any business carried on by the Target or its consolidated entities; or

(ii) except as otherwise expressly permitted by this Agreement, disclose to any person, or use for any purpose whatsoever, any information which is secret or confidential to the business or affairs of the Target Company or its consolidated entities;

(b) within one (1) years after the Closing:

(i) carry on, be engaged in, provide services to, be concerned or associated with, be interested in or in any way assist with, any business which is or is likely to be in competition with the business of the Target Company, Party A or any of their consolidated entities (the "**Protected Entities**") except in connection with the provision of the services pursuant to Article 5.3 or other services as otherwise agreed in writing by Party A;

(ii) canvas or solicit the custom of any person that is or has within twenty four months prior to the Closing been a client or customer of any Protected Entity in relation to goods or services sold or provided by such Protected Entity; or

(iii) offer employment to or employ or offer to enter into any contract for services with any person who is an employee of any Protected Entity, or induce any of those employees to terminate his employment with such Protected Entity, except as otherwise agreed in writing by Party A.

The Original Shareholders agree and acknowledge that the restrictions set out in Article 5.5 have been specifically negotiated and agreed between sophisticated parties, are necessary to protect Party A and the Target after Closing and are reasonable in scope and duration under the circumstances.

Article 6 Representations and Warranties

6.1 Representations and warranties or Party A:

6.1.1 Party A has all necessary corresponding rights, powers, and authorizations to sign this Agreement, fulfill their respective obligations hereunder and complete the proposed Transaction.

6.1.2 This Agreement constitutes the legal, valid, and binding obligations of Party A, and may be enforced against it in accordance with the terms hereof.

6.1.3 The execution, delivery and performance of this Agreement by Party A does not and will not violate or conflict with any laws or government directives applicable to it and any binding agreements, contracts and other legal documents entered into by it.

6.1.4 Party A has obtained any and all written consents, approvals and authorizations from third parties, which are necessary to execute, deliver and perform this Agreement and complete the transactions hereunder.

6.2 Representations and warranties of Target Company and the Original Shareholders:

In order to induce Party A to enter into this Agreement, the Target Company and Party B hereby jointly and severally make the following representations and warranties to Party A, which, are true, accurate, complete and not misleading as of the date hereof and as of the Closing Date.

Unless specified or otherwise required by the context, Target Company for purpose of the representations and warranties shall include Lianlian Holdings Inc. and any of its consolidated entities.

Capacity:

6.2.1 Each of the Target Company and the Original Shareholders has all necessary corresponding rights, powers, and authorizations to sign this Agreement, fulfill their respective obligations hereunder and complete the proposed Transaction.

6.2.2 This Agreement constitutes the legal, valid, and binding obligations of each of the Target Company and the Original Shareholders, and may be enforced against it in accordance with the terms hereof.

6.2.3 The execution, delivery and performance of this Agreement by each of the Target Company and the Original Shareholders does not and will not violate or conflict with any laws or government directives applicable to it and any binding agreements, contracts and other legal documents entered into by it.

6.2.4 Each of the Target Company and the Original Shareholders has obtained any and all written consents, approvals and authorizations from third parties, which are necessary to execute, deliver and perform this Agreement and complete the transactions hereunder.

Purchased Shares:

6.2.5 The particulars shown in of Schedule 1 are true, accurate and not misleading.

6.2.6 Each Original Shareholder is the lawful owner, of record and beneficially, of its respective Purchased Shares. Each Original Shareholder has good, valid and marketable title to its respective Purchased Shares, free and clear of any Encumbrances, and with no restriction on the voting rights and other incidents of record and beneficial ownership pertaining thereto. Except for this Agreement, there are no outstanding contracts or understandings between the Target Company or either of the Original Shareholders and any other person with respect to the acquisition, disposition, transfer, registration or voting of or any other matters in any way pertaining or relating to, or any other restrictions on any of the Purchased Shares. At Closing, Party A shall own all of the Purchased Shares, free and clear of all Encumbrances.

6.2.7 The Purchased Shares comprise 95% of the issued and outstanding share capital of the Target Company on a fully diluted basis, have been validly issued and allotted and each is fully paid and non-assessable common share in the capital of the Target Company. Except for the Purchased Shares, no shares of capital stock, warrants, options or other securities of the Target Company are issuable and no rights in connection with any shares, warrants, options or other securities of the Target Company accelerate or otherwise become triggered (whether as to vesting, exercisability, convertibility or otherwise).

6.2.8 All consents for the transfer of the Purchased Shares have been obtained or will be obtained before Closing.

Consequence of this Agreement

6.2.9 The entering into and performance of this Agreement and any other document to be entered into pursuant to or in connection with this Agreement will not nor is likely to:

(a) so far as the Original Shareholders are aware, cause the Target Company to lose the benefit of any right or privilege it presently enjoys;

(b) so far as the Original Shareholders are aware, cause any person who normally does business with or gives credit to the Target Company not to continue to do so on the same basis as previously;

(c) result in a breach or constitute (with or without the lapse of time and/or the giving of any notice, certificate, declaration or demand) a default or give rise to any right of termination, variation, payment or acceleration, under any contract to which the Target Company is a party or result in the imposition of an Encumbrance on the assets of the Target Company or the Purchased Shares; or

(d) so far as the Original Shareholders are aware, adversely affect the attitude or action of customers, clients, suppliers, employees and other persons with regard to the Target Company.

Legal Compliance and Litigation

6.2.10 A corporate structure chart showing the Target Company and its shareholdings in all of its consolidated entities are shown in Schedule 3. The corporate structure of the Target Company complies with all applicable laws and regulations, and neither the ownership structure nor any VIE contracts in respect of the Target Company violate, breach, contravene or otherwise conflict with any applicable laws. The Target Company and its consolidated entities are legally incorporated, validly existing, and qualified limited liability companies under their respective jurisdictions of incorporation, with all necessary rights and powers to engage in their current and proposed business operations. The Target Company and its consolidated entities have at all times carried on their business and affairs in all respects in accordance with its constitutional documents from time to time in force.

6.2.11 The Target Company and its consolidated entities comply with the requirements of relevant government regulatory agencies in terms of law, finance, management, technology, intellectual property, business, company licenses, and government regulations.

6.2.12 The Target Company and its consolidated entities have at all times conducted its business and operations in accordance with all applicable laws in all material respects and there is no investigation, notice or enquiry by, or order, decree, decision, prosecution or judgment of, any governmental entity against the Target Company or its consolidated entities, their respective officers or employees or any other person for whose acts or defaults the Target Company or its consolidated entities may be vicariously liable with respect to an alleged, actual or potential material breach of, and/or material failure to comply with, any applicable law.

6.2.13 All licences required for or in connection with the carrying on of the business and the operations of the Target Company in the manner and in the places in which such business and operations are carried on or proposed to be carried on:

(a) have been obtained and are in full force and effect;

(b) have been provided to Party A together with complete and accurate copies thereof;

(c) are not limited in duration or subject to onerous conditions; and

(d) have been and are being complied with.

6.2.14 There are no circumstances which indicate that any of the licences may be modified, revoked or not renewed or which confer a right of modification, revocation or non-renewal.

6.2.15 None of the Target Company, its consolidated entities or any person acting on their behalf has:

(a) made any unlawful contribution or gift or provided any unlawful entertainment or expenditure relating to political activity in connection with the business of the Target Company;

(b) made any direct or indirect unlawful payment to any foreign or domestic governmental entity or government official or employee in connection with the business of the Target Company;

(c) paid any bribe, rebate, pay-off, influence payment or other unlawful payment; or

(d) breached any provision of the U.S. Foreign Corrupt Practices Act of 1977 or the regulations issued thereunder or any similar any similar anticorruption or anti-bribery laws of any other jurisdiction.

6.2.16 Party B do not directly or indirectly own or control any other company, partnership, partnership, enterprise or other investment that forms a competitive relationship with the Target Company. Party B currently does not own or control, directly or indirectly, any interest in any other company, legal person, partnership, trust, joint venture, association or other business entity, nor is it a participant in any joint venture, partnership or similar arrangement; nor is there any real or potential obligation to engage in such arrangements or to make any equity investment.

6.2.17 There is lawsuit, arbitration, administrative penalty, claim, investigation or other legal proceeding that is brought by any third party, court, government agency, or arbitration institution against or in connection with the Target Company, nor is there any unenforced rulings or judgments that will result in a Material Adverse Change. So far as the Original Shareholders are aware, there are no facts or circumstances which might give rise to any material proceedings.

Date Protection:

6.2.18 The Target Company complies with and has at all times complied with all of its obligations under applicable data protection legislation.

6.2.19 No notice or allegation has been received by the Target Company from a competent authority alleging that the Target Company has not complied with any applicable data protection laws.

6.2.20 No individual has claimed, and no grounds exist for an individual to claim, compensation from the Company for breaches of applicable data protection laws.

Accounts:

6.2.21 The Accounts have been prepared in accordance with all applicable laws and the U.S. GAAP at the date of publication of the Accounts and any other management accounts of the Target Company provided to Party A has been prepared on the same basis as the Accounts.

6.2.22 The Accounts give a true and fair view of the state of affairs of the Company for the two years ended and as at December 31, 2022 (the "**Accounts Date**") and of the balance sheet, profits and losses for the financial period to which they relate and there is no liability that is not adequately provided for or noted in the Accounts.

6.2.23 The accounting records of the Target Company are up-to-date, have been maintained on a proper and consistent basis and in accordance with all applicable laws and the accounting standards. They contain an accurate and complete record of all matters required to be entered in them or which are otherwise entered in them. No notice or allegation that any of the accounting records is incorrect or should be rectified has been received.

Finance:

6.2.24 The Target Company has:

(a) no outstanding loan capital nor has it incurred any borrowing which it has not repaid or satisfied;

(b) not been a party to or under any obligation in relation to any loan agreement, debenture, acceptance credit facility, bill of exchange, promissory note, finance lease, debt or inventory financing, discounting or factoring or sale and loan arrangement or any other arrangement the purpose of which is to raise money or provide finance or credit; and

(c) not engaged in any financing of a type which would not be required to be shown or reflected in the Accounts.

6.2.25 The Target Company has not lent or agreed to lend any money to any person, is not responsible for the indebtedness or other liability of any person and has not given any guarantee, indemnity or other assurance of loss in relation to any indebtedness or other Liability of any Person.

6.2.26 The Target Company has not created or agreed to create any Encumbrance (except liens arising by operation of law in the ordinary and usual course of business) over or entered into any factoring arrangement in relation to any of the Assets (as defined below) and all of the Assets are free from any hire or hire purchase agreement, conditional sale or credit sale agreement, leasing or rental agreement or agreement for payment on deferred terms or other Encumbrance.

6.2.27 The Target Company does not own the benefit of any debt (whether present or future) other than debt owing to it in the ordinary course of trading.

6.2.28 The Target Company has sufficient working capital for the purpose of continuing to carry on its business in its present form and at its present level of turnover and of performing all orders, projects and contractual obligations which have been placed with, or undertaken by, the Target Company in accordance with their terms.

Events since the Accounts Date:

6.2.29 Since the Accounts Date and except as disclosed in Schedule 5:

(a) the Target Company has carried on its business in the ordinary and usual course (including as to nature and scope) and so as to maintain its business as a going concern;

(b) there has been no material adverse change in the financial or trading position or prospects of the Target Company;

(c) the Target Company has not acquired or disposed of any asset nor agreed to acquire or dispose of an asset, other than the sale of inventory or products in the ordinary and usual course of business;

(d) the Target Company has not made or agreed to make any capital expenditure;

(e) there has been no unusual or material increase or decrease in the level of the Target Company's trading stock (including work-in-progress) or the price paid for its trading stock;

(f) the profits and losses of the Target Company and the trend of profits and losses have not been affected by changes or inconsistencies in accounting treatment;

(g) there has been no change in the manner or time of payment of creditors and there has been no change in the manner or time of collection of debts or the policy of reserving for debtors;

(h) the Target Company has not cancelled or delayed, in whole or in part, any capital expenditure or other material item of discretionary spending that is set out in the Company's business plan in force as at the date of this Agreement;

(i) the Target Company has not allotted or issued, nor has it granted any option over or other right to subscribe for or purchase, any of its share or loan capital or other securities and it has not made any agreement or arrangement to do the same;

(j) the Target Company has not reduced, redeemed or repaid any of its share or loan capital or other securities;

(k) no change has been made to the accounting reference date of the Target Company; and

(l) no resolution of shareholders has been passed or signed other than resolutions to approve the Transaction.

The Target Company undertakes not to have any undisclosed liabilities prior to Closing.

Assets

6.2.30 The Target Company has legal and beneficial title to and is, where capable of possession, in possession and control of, all assets included in the Accounts or which were acquired by the Company since the Accounts Date (except for assets sold, realised or applied in the ordinary and usual course of business) ("**Assets**"). All the Assets, which comprise all the assets necessary for the carrying on of the business of the Target Company fully and effectively in the manner and to the extent it is now conducted, are free from Encumbrances and no third party has or claims any rights in relation to the Assets (or to the proceeds of sale of the Assets).

6.2.31 All Assets owned or used by the Target Company are in good condition and state of repair, have been regularly and properly maintained, are serviceable and in satisfactory working order and the vehicles are correctly licensed (where applicable) and roadworthy. All such assets are capable of being efficiently and properly used in the Target Company's business and none is dangerous, obsolete, surplus to requirements, inefficient or in need of renewal or replacement.

Insurance

6.2.32 The Targe Company has at all times maintained adequate insurance cover against risks normally insured against by companies carrying on similar businesses or owning property and/or assets of a similar nature to the Company (the "**Policies**") and, in particular, has maintained all insurance required by Law. Full details of the Policies held by the Company have been provided to Party A together with complete and accurate copies of the Policies.

6.2.33 All premiums due on the Policies have been duly paid and all the Policies are valid and in force and are not void or voidable or unenforceable for any reason. There are no claims outstanding under the Policies which have been rejected by the insurer and no event has occurred which might give rise to a material claim.

6.2.34 Details of all claims made under insurance policies held by the Target Company during the period of five years prior to the date of this Agreement have been provided to Party A.

Intellectual Properties:

6.2.35 Details of all registered intellectual property rights (and applications for any such rights) and material unregistered intellectual property rights owned by the Target Company have been provided to Party A and the Target Company is the sole legal and beneficial owner of such rights free from all Encumbrances. The employees, consultants, and independent partners of the Target Company have not infringed on the legitimate rights of former employer or other intellectual property holders, or engaged in any violations of confidentiality obligations, non-competitive obligations, and non-collusion obligations agreed with the corresponding the Target Company, the former employer, and any other third party, or failed to serve the interests of the Target Company due to constraints of agreements or government directives or been in conflict with the interests of the Target Company.

6.2.36 None of the intellectual property rights owned by the Target Company is the subject of any dispute or proceedings and no dispute or proceedings are threatened.

6.2.37 Details of all contracts (including licences) that are material to the business of the Target Company relating to intellectual property rights have been provided to Party A together with complete and accurate copies of any written terms relating thereto.

6.2.38 No third party is infringing or making unauthorised use of, or has in the past twelve months infringed or made unauthorised use of, any intellectual property rights owned or used by the Target Company. The Target Company is not infringing or making unauthorised use of, nor has it in the past twelve months infringed or made unauthorised use of, any intellectual property rights owned or used by a third party.

Information Technology:

6.2.39 All of the business IT used in the twelve months prior to the date of the Agreement is owned by or validly licensed (on written terms) to the Target Company and is in good repair and condition.

6.2.40 There are, and since January 1, 2021 there have been, no performance reductions or breakdowns of, or logical or physical intrusions to, any information technology or loss of data which have had (or are having) a material adverse effect on the use of the business IT by the Target Company.

6.2.41 Disaster recovery plans are in place and are appropriate and adequate to ensure that the Business IT and the data stored on it ("**Data**") can be replaced or substituted without disruption to the Company in the event of a failure of any part of the business IT. All Data has been regularly archived in properly stored, catalogued and secure hard copy form, to which, following the Closing, Party A will have unimpeded access.

ESG-related:

6.2.42 The Target Company and each Subsidiary has complied with relevant laws and regulations (including but not limited to laws and regulations relating to medical institutions, environmental protection, labour, anti-unfair competition and anti-commercial bribery) in its corporate operations and all aspects of the Target Company's and each of its consolidated entities' business are in compliance with the requirements of laws and government orders.

6.2.43 The full names of and offices held by each person who is a director of the Target Company and its consolidated entities have been provided to Party A. No other person is a director or shadow director of the Target Company or any of its consolidated entities.

6.2.44 The Target Company has not entered into any informal or formal agreement to amend or change the terms or conditions of employment or engagement of any of the officers or employees of the Target Company or any of its consolidated entities (whether such amendment or change is to take the effect prior to or after Closing).

6.2.45 The Company is in compliance with in all material respects all employment legislation applicable in relation to the employees and has not done any act or made any omission and is not aware of any act or omission of any of the employees within the last five years which could give rise to any material cause of action by any employee under or by virtue of any such employment legislation. There are no material breaches by the Company within the last five years of any term or condition of employment or engagement or agreement (whether express, implied, oral or in writing) of any employee.

6.2.46 The Target Company has fully complied with in all material respects and has not acted in contravention of the applicable laws, regulations and requirements in respect of social security, housing provident funds or other mandatory pension schemes.

Taxation

6.2.47 The Target Company and each of tis consolidated entiteshave paid all taxes on time and in full, and all tax statements, reports and forms required to be submitted by or on behalf of such entities ("**Tax Statements**") have been provided to the appropriate governmental authorities in a timely manner, and all Tax Statements accurately reflected, in all material respects, the tax liability of the Target Company or its consolidated for the period, property or event recorded. All taxes, including the taxes in the Tax Statement or taxes deemed by any governmental authority to be payable by the Target Company or any consolidated entities, or levied on the Target Company's or any of its consolidated entities' property, assets, capital, turnover or income, have been paid in full (except for taxes adequately reserved in the relevant Accounts). There are no pending or potential inspections, inquiries, or audits by any regulatory authorities against the Target Company or any of its consolidated entities. All taxes required by law to be withheld by the Target Company or any of its consolidated entities have been withheld and submitted to the competent governmental authorities or are in the proper custody of the Target Company or its relevant consolidate entities. The Target Company has no other tax liabilities or obligations of any nature unless such tax liabilities or obligations are (i) adequately reflected in the Accounts or (ii) incurred in the ordinary course of business activities since the Accounts Date (as defined below). There is no dispute or disagreement, nor is any contemplated, with any Tax Authority regarding tax recoverable from the Target Company or regarding the availability of any relief from tax to the Target Company.

6.2.48 No act or transaction has been or will, on or before the Closing, be effected by the Target Company, the Original Shareholders or any other person (including the sale of the Purchased Shares), in consequence of which the Target Company is or may be held liable for tax primarily chargeable against some other person.

Insolvency:

6.2.49 The business operations of the Target Company and its consolidated entities are normal and there is no court judgment in the PRC declaring the Target Company or any of its consolidated entities bankrupt or insolvent (or similar circumstances). There are no for insolvency or bankruptcy (or similar circumstances) and no third party is about to commence such proceedings. There are no requests for termination, liquidation or dissolution of the Target Company or any of its consolidated entities, and no resolutions for liquidation or dissolution have been passed. The Target Company and its consolidated entities are able to meet its obligations as they come due and its assets are sufficient to satisfy all of their liabilities.

Trading and Contracts:

6.2.50 The Target Company has provided to the Party A complete and accurate copies of each contract to which the Target Company or any of its consolidated entities is a party or subject to and of any other arrangement or understanding ("**Material Contracts**") which:

(a) is not in the ordinary course of business;

(b) is not on an arm's length basis;

(c) is long-term (meaning unlikely to be performed in full in accordance with its terms within six months of its commencement or being incapable of termination without compensation by the Target Company in six months or less);

(d) is loss making;

(e) cannot readily be performed by the Target Company without undue or unusual expenditure of money or effort;

(f) restricts its freedom to carry on its business in any part of the world in such manner as it thinks fit;

(g) requires or is likely to require consideration payable by the Target Company or to the Target Company for the material contract or which obliges the Target Company to take any minimum purchases;

(h) involves or is likely to involve the supply of goods or services by the Target Company, the aggregate sales value of which will represent a material portion of the revenue of that Target Company (in the case of a customer of the Target Company) or of the goods or services supplied to the Target Company (in the case of a supplier to the Target Company) for the year ended on the date of this Agreement, where the contract is in writing;

(i) requires or is likely to require the Target Company to pay any commission or any of its consolidated entities, finder's fee, brokerage or similar payment;

(j) provides for payments to or by the Target Company based on sales, profits or other benchmarks;

(k) involves an agency, distributorship or management relationship;

(l) is a joint venture, consortium, partnership or other contract, arrangement or understanding under which it participates with any other person in any business;

(m) can be terminated upon a change of control of the company or would entitle any party upon a change of control of the Company to exercise rights not otherwise available to such party;

(n) is material to the carrying on of the business and the operations of the Target Company whether or not it is material in terms of expenditure or revenue expectations;

(o) any VIE contracts in respect of the Target Company; or

(p) involves liabilities which may fluctuate in accordance with an index, or notes of currency exchange or interest or movements in the price of any securities or commodities or the credit rating of any reference person.

Schedule 4 sets forth a true, correct and complete list of the Material Contracts.

6.2.51 All Material Contracts of the Target Company and its consolidated entities are legally valid, binding and enforceable on the parties thereto. The Target Company and its consolidated entities have complied with or performed under such agreements, there is no material breach, cancellation or invalidity of such agreements and there is no ground for rescission, avoidance or repudiation of any Material Contracts and the Target Company and its consolidated entities have not given or received any notice of any attempt to terminate or not to renew such agreements.

As of the Closing Date, the Target Company has not received any notice from the Target Company's or any of its consolidated entities' major customers, suppliers and partners, indicating that at any time after the Closing Date they will stop the use of the Target Company's products or services or other business relationships with the Target Company, or that they will materially reduce the use of the products or services or change the terms of the business relationship; The Target Company also has no reason to believe that the above situation may occur or that the proposed transaction hereunder will lead to the occurrence of the above situation.

There is no legal or governmental proceeding, inquiry or investigation pending against the Target Company or any of its consolidated entities and their shareholders challenging the validity of any of VIE contracts, and no such proceeding, inquiry or investigation is threatened in any jurisdiction.

6.2.52 There are no outstanding agreements or arrangements to which the Target Company or any of its consolidated entities is a party which (1) require the allotment or issue of any shares, equity, debentures or other securities of the Target Company or any of its consolidated entities now or at any time in the future; (2) require the entering into of any joint venture, partnership or profit-sharing (or loss-sharing) agreement or arrangement; (3) require the granting to any person of a purchase of material assets or property of the Target Company or any (2) enter into any joint venture, partnership or profit -sharing (or loss -sharing) agreement or arrangement; (3) enter into any contract, agreement or other arrangement granting to any person any preemptive right to purchase material assets or property or any equity interest in the Target Company or any of its consolidated entities (other than a purchase made in the ordinary course of business consistent with past practice); or (4) enter into any other agreement or arrangement that has or may have a material effect on the financial or business condition or prospects of the Target Company or any of its consolidated entities.

Agreements between the Target Company and the Original Shareholders:

6.2.53 Between the Original Shareholders, directors, officers or employees of the Target Company or their respective spouses or children, or any affiliates of any of the foregoing (the "**Sellers Group**") and the Target Company, (i) there is no agreement, undertaking or any transaction that have been, are being, or are proposed to be conducted; (ii) there is no direct or indirect, unilateral or bidirectional, debt (except for wages yet to be paid consistent with prior practice), or commitment to provide loans or guarantees; (iii) no member of the Seller Group directly or indirectly enjoys interests in or have significant business relationships with the agreement of the Target Company and the agreements signed by the Target Company; (iv) no member of the he Sellers' Group has direct or indirect ownership interests (except for those who obtain no more than 1% of shares through the open securities market) in any enterprise or company associated with, having business relationships with, or competing with the Target Company, or control such enterprise through loans, agreements, or other means, or serve as an executive, director, or partnership in such enterprise.

Properties:

6.2.54 The particulars of the properties owned or occupied by the Target Company (the "**Properties**") have been provided to Party A and are true and accurate and not misleading. Except the Properties, the Company has no other estate or interest in or over land or premises and does not occupy any other land or premises and has not entered into any agreement to acquire or dispose of any land or premises or any estate or interest therein which has not been completed.

6.2.55 Except for the leased real estate, the Target Company and each of its consolidated entities owns a complete, market-valued rights to all the Properties, rights and assets and there is no guarantee, lease, sub-lease, tenancy, licence or right of occupation, rent-charge, exception, reservation, right, easement, quasi-easement or privilege (or agreement for any of the same) in favour of a third party (other than the Target Company) or other Encumbrance on such rights, and is in possession of all relevant title documents in respect of such Property and is solely legally and beneficially entitled to and has good and marketable title to and exclusive occupation of such Property.

6.2.56 The leases, sub-leases, tenancies, licences or agreements for any of the same under which any of the Properties held are valid and subsisting against all persons, including any person in whom any superior estate or interest is vested.

6.2.57 None of the Properties or any part thereof is affected by any of the following matters or is to the best knowledge of the Original Shareholders likely to become so affected: (a) any outstanding dispute, notice or complaint or any exception, reservation, right, covenant, restriction or condition which is of an unusual nature or which affects or might in the future affect the use of any of the Properties for the purpose for which it is now used (the "**Current Use**"); or (b) any outstanding claim or Liability under all relevant laws.

6.2.58 All restrictions, conditions and covenants (including any imposed by or pursuant to any lease, sub-lease, tenancy or agreement for any of the same and whether the Target Company is the landlord or tenant thereunder and any arising in relation to any superior title) affecting any of the Properties have been observed and performed and no notice of any material breach of any of the same has been received or is to the Original Shareholders' best knowledge likely to be received.

6.2.59 The current use of the Properties and all equipment therein and the conduct of any business therein complies in all material respects with all relevant laws and all necessary governmental authorizations required under any law have been obtained.

6.2.60 Except in relation to the Properties, the Target Company has no liability arising out of the conveyance, transfer, lease, sublease, tenancy, licence, agreement or other document relating to land or premises or an estate or interest in or over land or premises, including leasehold premises assigned or otherwise disposed of.

Quality of Disclosure:

6.3.61 Any information and facts related to the Target Company, any of its consolidated entities, or their business which are material for disclosure to a purchaser of the Purchased Share on the terms of this Agreement have been fully disclosed to Party A, and there is no untrue statement of a material fact, nor is there is omission of a material fact that is necessary make the statements not misleading. , This Agreement, any other transaction documents, or any delivery documents delivered to Party A under this Agreement or any other transaction documents, or any other information, in written or electronic form, provided to Party A or its advisers by management shareholders, the Target Company itself or by proxy in the course of Party A's due diligence and negotiations regarding this Agreement and other transaction documents, do not contain any untrue, inaccurate, or incomplete, or misleading information, nor do they omit any information that makes the information provided in such documents untrue, inaccurate, incomplete, or misleading. All estimates, forecasts, expressions of opinion, statements of intention and expectation related to the aforesaid information which have been provided to Party A are made on reasonable grounds and are truly and honestly held and have been made after due and careful enquiry and consideration of all relevant circumstances.

6.3.62 The statements and warranties shall be made separately. Each statement and warranty shall be deemed to be a separate statement or warranty, and (Unless there is a clear provision to the contrary) shall not be subject to any limitations due to reference to or induction of the terms of any other statement or warranty or any other provision hereof.

Article 7 Confidentiality

7.1 Confidentiality Obligation

Each party undertakes and shall promote its affiliates, their officers, directors, employees, agents, representatives, accountants, legal advisors, and other professional advisors to regard all of the following information as confidential information and keep it confidential (do not disclose the information or provide any party with access to such information to): (i) this Agreement and the terms of other transaction documents and negotiations regarding this Agreement and any other transaction documents; and (ii) all other confidential or proprietary information provided by other parties relating to business secrets, technology, copyrights, patents, trademarks, pricing and marketing plans, detailed information of customers and consultants, business plans, business acquisition plans, new personnel recruitment plans, and all other parties and their respective affiliates.

7.2 The confidentiality obligation stipulated in this article shall not apply to the following situations:

7.2.1 Information independently developed by a party concerned or obtained from a third party, provided that such third party has the right to disclose such information;

7.2.2 The disclosure of information is required by binding judgments, orders, requirements, rules or regulations of laws, courts or government departments or relevant stock exchanges, provided that Party A shall be notified of such requirement in advance within a reasonable time prior to disclosure;

7.2.3 Information disclosed in confidence to a party's professional advisers or information that needs to be reasonably disclosed for the purpose of evaluating the party's investment in the Target Company;

7.2.4 Information disclosed to any prospective lender or investor with the prior written consent of Party A and the Target Company;

7.2.5 Information that becomes freely available in the public domain (not as a result of breach of this provision);

7.2.6 Information disclosed by Party A or the Target Company to any bona fide potential investors (including prospective buyers of transaction) of any equity the Target Company, provided that such potential investors shall provide a confidentiality commitment in favor of the Target Company.

7.3 No publicity

Each Party shall not and shall ensure that its affiliates shall not make any announcement or notice in respect of the existence or content of this Agreement and any other transaction documents without Party A's prior written approval. The aforementioned provisions shall not affect any announcement or notice required by any law or regulatory authority or relevant stock exchange, provided that the party under the obligation to issue such announcement or notice shall, within a reasonable and feasible range, consult with Party A before complying with such obligation.

Article 8 Liabilities

Any and all liabilities incurred by, or arising from the operations or any action of, the Target Company or any of its consolidated entities prior to the Closing, shall be borne by the Original Shareholders. Any obligations determined by proposals, notices, orders, judgments, decisions, etc. made by relevant administrative or judicial departments against the Target Company for its behavior prior to the Closing shall also be borne by the Original Shareholders. After the Closing, Party A shall enjoy and bear all the debts and credits generated by the operation and management of the Target Company.

Article 9 Others

9.1 Liability for Breach

9.1.1 If one party fails to perform or suspends its obligations under this Agreement, or if any statements and guarantees made by the party are untrue or inaccurate in any material respect, the party shall be deemed to have breached this Agreement.

9.1.2 The defaulting party shall commence remedying the non-performance of the Agreement within seven (7) days after receiving a written notice from the other party in respect of such breach (which must reasonably and specifically describe the nature of the breach) and shall complete the remedy within thirty (30) days after receiving such a notice. Furthermore, if any party's breach of this Agreement causes any expense, liabilities, or losses to be incurred by the other party, the defaulting party shall compensate the complying party for any of the foregoing expenses, liabilities, or losses (including but not limited to interest and attorney's fees or losses as a result of the breach, but excluding any indirect losses) and shall hold the complying party harmless from any harm.

9.1.3 The Original Shareholders shall jointly and severally indemnify Party A and Target Company from and against all losses suffered or incurred by Party A and the Target Company as a consequence of or which would not have arisen but for:

(a) any breach or inaccuracy of any representation or warranty made by either Original Shareholders in this Agreement or any certificate or other document delivered by the Original Shareholders pursuant to this Agreement;

(b) any failure by any Original Shareholder to perform any of his/her obligations in this Agreement;

(c) any breach or non-compliance with any applicable law by the Target Company or the Original Shareholders on or before Closing; and

(d) any liability for tax of the Target Company (i) resulting from or by reference to any event, state of affairs, payment, transaction, act, omission or occurrence of whatever nature occurring on or before Closing, (ii) resulting from the Transaction, (iii) in respect of any gross receipts, income, profits or gains earned, accrued or received on or before Closing, or (iv) resulting from potential denial of corporate income tax deduction on personal expenses on the basis they were not incurred for the purposes of gaining or producing income.

The remedies provided in this Article 9.1.3 shall not be exclusive of or limit any other remedies that may be available to Party A. For the purposes of this Article 9.1.3, Party A contracts on its own behalf and also as trustee for the Target Company and accordingly may take action in that capacity to recover on behalf of the Target Company.

9.2 Effectiveness and Term

This Agreement shall come into effect on the date of signature and shall have full binding force on all parties to this Agreement.

9.3 Termination

9.3.1 Notwithstanding any provision to the contrary in this Agreement or any other transaction document, this Agreement may be terminated prior to the Closing Date in the following circumstances:

(1) by either party: Closing has not occurred within 180 days after the signing of this Agreement, each party may terminate this Agreement by written notice to the other parties; provided, however, that if the failure to achieve Closing on or before such date is caused or contributed to by any party's failure to perform any of its obligations under this Agreement, such party shall not be entitled to terminate this Agreement pursuant to this Section 9.3.2.

(2) by Party A upon (i) any occurrence of any Material Adverse Change, (ii) any statement or warranty of the Target Company or the Original Shareholders contained in this Agreement is untrue or inaccurate or (iii) the Target Company engaging in an overall transfer of its interests to creditors or initiates or is subject to any legal proceedings that result in the declaration of the Target Company's bankruptcy or the liquidation, closure, restructuring, or reorganization of its debt under any law;

(3) This Agreement may be terminated with the unanimous written consent of all parties;

(4) If the Target company or Party B materially breaches any provision of this Agreement or any other transaction document and fails to remedy such breach within thirty (30) days after receipt of a notice of default from Party A, and which such breach has resulted in a Material Adverse Change, Party A may terminate this Agreement and abandon the proposed transaction;

(5) If Party A materially breaches any provision of this Agreement or any other transaction document and fails to remedy such breach within thirty (30) days after receipt of a notice of default from the Target Company or Party B, and which such breach has resulted in a Material Adverse Change, the Target Company may terminate this Agreement and abandon the proposed transaction;

(6) If any government department issues an order, decree, or ruling, or has taken any other action that restricts, prevents, or prohibits the proposed Transaction under this Agreement in other ways, and such order, decree, ruling, or other action is finalized and not subject to appeal, review, or appeal, then either parties may terminate this Agreement.

In the event of unilateral termination of this Agreement, the terminating party shall immediately send written notice to the other parties, and this Agreement shall terminate upon receipt of the notice by the other parties.

9.3.2 If this Agreement is terminated in accordance with the provisions of Section 9.3.1 above, this Agreement shall terminate and no longer have legal effect. However, the rights and obligations of the parties under this Agreement shall continue to be valid and binding after the termination of this Agreement. Any remedies arising from any breach of this Agreement prior to the termination of this Agreement or the dissolution and liquidation of the Target Company shall continue to be fully effective. Except for any liability arising from any breach of this Agreement by a party, no party shall be liable for any other obligations to any other party arising from the termination of this Agreement.

9.4 Notice

All notices, requirements, or other communications sent out, delivered or made under this Agreement shall be in written form and delivered or sent to the following addresses (or other addresses notified by the recipient in written form ten (10) days in advance) or email addresses of the relevant parties.

9.5 Applicable Laws

This Agreement and any obligation arising out of or in connection with it shall be governed by and construed in accordance with Hong Kong law.

9.6 Dispute Resolution

(a) Any disputes, controversy, difference or claim arising out of or relating to this Agreement, including the existence, validity, interpretation, performance, breach or termination thereof or any dispute regarding non-contractual obligations arising out of or relating to it shall be referred to and finally resolved by arbitration administered by the Hong Kong international Arbitration Centre ("HKIAC") under the HKIAC Administered Arbitration Rules in force when the Notice of Arbitration is submitted.

(b) The seat of arbitration shall be Hong Kong.

(c) The number of arbitrators shall be three.

(d) The arbitration proceedings shall be conducted in English.

(e) Any party may seek interim injunctive relief, provisional rulings or other interim relief from a court of competent jurisdiction, both before and after the arbitrators have been appointed, at any time up until the arbitrators have made their final award.

9.7 Entire Agreement

This Agreement constitutes the complete agreement between the parties with respect to the contemplated equity transfer and capital increase matters, and shall supersede any and all prior oral or written agreements, letters of intent, memoranda, or Agreements of the parties relating thereto, and shall take precedence over any subsequent agreements signed solely for the purpose of completing the equity transfer and capital increase related government approvals.

9.8 Successors and Assigns

Subject to the provisions of this Agreement, this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns, and shall ensure the interests of the successors and permitted assigns. In the event of such succession or assignment, the parties shall cause the successors and permitted assigns to execute an agreement recognized by all parties.

9.9 Separability

If any provision or provisions of this Agreement is adjudicated invalid, illegal, or unenforceable in any respect under any applicable law or regulation, such invalidity, illegality, or unenforceability shall not affect or impair the validity, legality, or enforceability of the remaining provisions of this Agreement. The parties shall mutually negotiate new provisions that are lawful, valid, acceptable, and consistent with the original intent of the parties in this Agreement to replace such invalid, illegal, or unenforceable provisions.

9.10 Further Assurance

Each party agrees to execute timely documents and take further actions as may be reasonably necessary or practicable to perform or enforce the provisions and purposes of this Agreement.

9.11 Waiver/Amendment

The failure or delay by either party to exercise any right, power, or remedy (individually, a “Right”) relating to this Agreement shall not constitute a waiver of such Right, and the exercise or partial exercise of any Right shall not preclude any further or additional exercise of such Right or the exercise of any other Right granted by this Agreement, which Rights are cumulative and not exclusive of any other rights (whether statutory or otherwise) that may be waived expressly or impliedly for any breach of this Agreement shall not constitute a waiver of any subsequent breach. Any amendment or modification to this Agreement (including any revision or amendment hereto) shall be invalid unless in writing and signed by authorized representatives of all parties and submitted to and approved by the relevant governmental authorities, if required.

9.12 Expenses

The Original Shareholders shall bear all expenses related to this investment, including but not limited to fees for external lawyers, accountants, and investment advisors, as well as any registration, filing, or approval fees required by any government departments for the establishment, change, or other requirements of the Target Company.

9.13 Taxes

Unless otherwise agreed by the parties, each party shall bear the taxes and fees incurred in connection with the execution and performance of this Agreement and any other agreements, documents, or instruments under this Agreement in accordance with applicable laws.

For the avoidance of doubt, the Original Shareholders shall bear all taxes, including stamp duty or other documentary or registration duties or taxes and capital gain or income taxes (including in each case any related interest or penalties) arising as a result of the entry into of this Agreement or the sale of the Purchased Shares.

9.14 Any amendment, change, or supplement to this Agreement shall be agreed upon by all parties in writing and shall be effective upon being formally signed by all parties. Any matters not covered in this Agreement shall be supplemented by the parties through a separate agreement.

This Agreement has been signed by all parties on the date first written above, hereby certified.

(No text follows below)

(This page has no text and is the signature page of the Equity Acquisition Agreement.)

Party A: **FLJ Group Limited**

Director or Authorized Representative (Signature): /s/ Chengcai Qu

Party B:

Steward LianLian Investment Limited

Director or Authorized Representative (Signature): /s/ Jian Sun

Lesta LianLian Investment Limited

Director or Authorized Representative (Signature): /s/ Jia Lian

Xenia LianLian Investment Limited

Director or Authorized Representative (Signature): /s/ Siying Xu

Zabulon LianLian Investment Limited

Director or Authorized Representative (Signature): /s/ Zhixiao Zhang

Regina LianLian Investment Limited

Director or Authorized Representative (Signature): /s/ Linyan Wu

LLZ Investment Holdings Limited

Director or Authorized Representative (Signature): /s/ Lianle Zhang

Betop Capital INC

Director or Authorized Representative (Signature): /s/ Chao Qi

Wealth Booster Investments Limited

Director or Authorized Representative (Signature): /s/ Jing Fang

Bambooming Ltd

Director or Authorized Representative (Signature): /s/ Huiquan Cai

Party C:

Lianlian Holdings Inc.

Director or Authorized Representative (Signature): /s/ Jian Sun

Party D

Lianlian Yongchuang Co., Ltd. (Chengdu) (联联永创科技（成都）有限公司)

Director or Authorized Representative (Signature): /s/ Jian Sun

Schedule 1

Particulars of the Target Company

Name:	Lianlian Holdings Inc.
Jurisdiction of incorporation:	The Cayman Islands
Date of incorporation:	9 August 2023
Registration number	No. 402362
Registered office:	Ogier Global (Cayman) Limited, 89 Nexus Way, Camana Bay, Grand Cayman, KY1-9009
Authorized share capital:	50,000
Issued share capital	50,000
Registered shareholders and shares held:	Steward LianLian Investment Limited: 13,050 Lesta LianLian Investment Limited: 5,280 Xenia LianLian Investment Limited: 5,280 Zabulon LianLian Investment Limited: 2,640 Regina LianLian Investment Limited: 2,640 LLZ Investment Holdings Limited: 5,280 Betop Capital Inc: 6,595 Wealth Booster Investments Limited: 6,595 Bambooming Ltd: 2,640
Beneficial shareholders and shares held:	Same as the registered shareholders and shares held set out above.
Directors:	Jian Sun
Secretary:	Rich International Accountant Service Limited
Auditors:	Not applicable

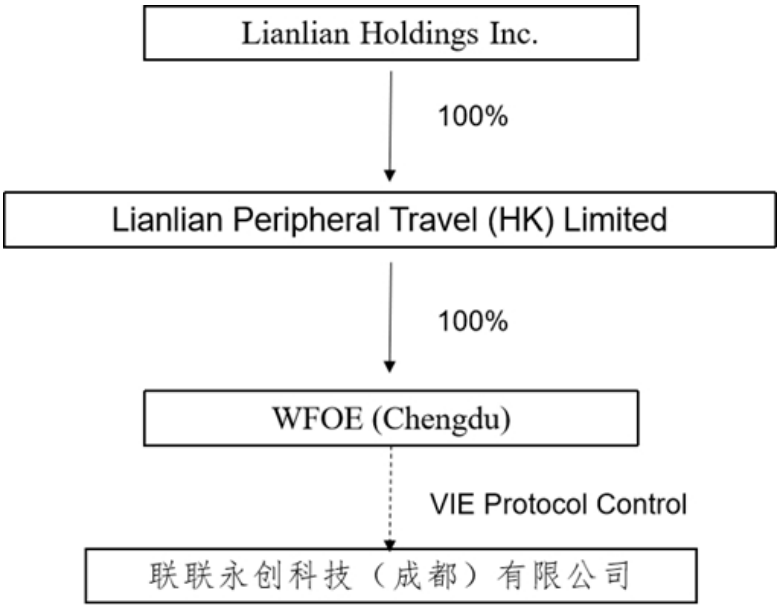
Schedule 2

Retained Management

Director: Jian Sun

Schedule 3

Corporate Structure Chart of Target Company



Schedule 4

Material Contracts

签约商户列表

排名	签约商户	销售流水(万)	核销流水(万)
1	杭州市拱墅区锦氏许府牛餐厅	44,891.20	17,963.09
2	王品(中国)餐饮有限公司济南泺源大街分公司	9,494.03	2,415.75
3	王品(中国)餐饮有限公司广州天河分公司	7,548.08	3,634.80
4	杭州多辉餐饮有限公司	3,697.22	2,176.02
5	上海九堂餐饮管理有限公司	2,990.59	623.68
6	重庆地心科技有限公司	2,254.42	1,965.50
7	泰安乐优企业管理咨询有限公司	1,896.05	1,738.35
8	悦旅汇文化传媒(武汉)有限公司	1,731.75	1,306.58
9	上海金山嘴渔村投资管理有限公司	1,633.81	184.37
10	外婆家餐饮集团有限公司	1,461.85	547.58

Schedule 5

Events Since the Accounts Date

None

Exhibit 8.1

Significant Subsidiaries of the Registrant

Subsidiaries	Place of Incorporation
QK365.COM INC	British Virgin Islands
Alpha Mind Technology Limited	British Virgin Islands
Fenglinju Property (China) Limited	Hong Kong
Alpha Mind Technology Limited	Hong Kong
Jiachuang Yingan (Beijing) Information & Technology Co., Ltd	China

VIEs	Place of Incorporation
Huaming Insurance Agency Co., Ltd	China
Huaming Yunbao (Tianjin) Technology Co., Ltd	China

Exhibit 15.1

MARCUMASIA

INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM'S CONSENT

We consent to the incorporation by reference in the Registration Statement of FLJ Group Limited on Form F-3 (File No. 333-258187) of our report dated January 20, 2023, which includes an explanatory paragraph as to the Company's ability to continue as a going concern and emphasis of matter related to events (unaudited) occurred after the report date with respect to our audits of the consolidated financial statements of FLJ Group Limited as of September 30, 2022 and 2021 and for each of the three years in the period ended September 30, 2022, which report is included in this Shell Company Report on Form 20-F.

We were dismissed as auditors on June 30, 2023 and, accordingly, we have not performed any audit or review procedures with respect to any financial statements appearing in this Shell Company Report on Form 20-F for the periods after the date of our dismissal. We also consent to the reference to our firm under the heading "Experts" in the Form F-3 (File No. 333-258187).

/s/ Marcum Asia CPAs LLP

Marcum Asia CPAs LLP
New York, NY
December 28, 2023

Exhibit 15.2

WWC, P.C. CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM'S CONSENT

We consent to:

a) the use in this Shell Company Report on Form 20-F of FLJ Group Limited of our report dated August 29, 2023, with respect to the combined financial statements and schedules of Alpha Mind Technology Limited as of December 31, 2022 and 2021, and for the years ended December 31, 2022 and 2021, which are included in this Shell Company Report on Form 20-F.

b) the incorporation by reference in the Registration Statement of FLJ Group Limited on Form F-3 (FILE NO. 333-258187) of our report dated August 29, 2023, with respect to the combined financial statements and schedules of Alpha Mind Technology Limited as of December 31, 2022 and 2021, and for the years ended December 31, 2022 and 2021, which are included in this Shell Company Report on Form 20-F.

/s/ WWC, P.C.
WWC, P.C.
San Mateo, California

December 28, 2023

2010 PIONEER COURT, SAN MATEO, CA 94403 TEL.: (650) 638-0808 FAX.: (650) 638-0878
E-MAIL: INFO@WWCCPA.COM WEBSITE: WWW.WWCCPA.COM

Exhibit 15.3

December 28, 2023

FLJ Group Limited
Room 1610
No.917, East Longhua Road
Huangpu District, Shanghai, 200023
People's Republic of China

Dear Sir/Madam:

We hereby consent to the references to our firm's name under the headings "Item 3. Key Information—D. Risk Factors" in FLJ Group Limited's shell company report on Form 20-F (the "Shell Company Report"), which will be filed with the Securities and Exchange Commission (the "SEC") on the date hereof. We also consent to the filing of this consent letter with the SEC as an exhibit to the Shell Company Report.

In giving such consent, we do not thereby admit that we come within the category of persons whose consent is required under Section 7 of the Securities Act of 1933, or under the Securities Exchange Act of 1934, in each case, as amended, or the regulations promulgated thereunder.

Very truly yours,

/s/ JunHe LLP
JunHe LLP

Exhibit 16.1

MARCUMASIA

December 28, 2023

Securities and Exchange Commission
100 F Street, N.E.
Washington, DC 20549

Commissioners:

We have read the statements made by FLJ Group Limited under Item 16F of the Shell Company Report on Form 20-F dated December 28, 2023. We agree with the statements concerning our Firm in such Shell Company Report on Form 20-F; we are not in a position to agree or disagree with other statements of FLJ Group Limited contained therein.

Very truly yours,

/s/ Marcum Asia CPAs LLP
Marcum Asia CPAs LLP

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Phone 646.442.4845 ● Fax 646.349.5200 ● www.marcumasia.com