OUR CONTROLLING SHAREHOLDERS

As of the Latest Practicable Date, Mr. Zheng Xiaohui, Shenzhen Yun'ao and Shenzhen Yunzhong directly held 1.57%, 28.66% and 17.71% in our Company. Mr. Zheng Xiaohui and Ms. Zhao Hui, the spouse of Mr. Zheng Xiaohui, held 95.00% and 5.00% of the interest, respectively, in Shenzhen Yun'ao, which acts as the general partner of Shenzhen Yunzhong. Mr. Zheng Xiaohui and Ms. Zhao Hui are deemed to be the beneficial owners of the 17.71% equity interest in the Company held by Shenzhen Yunzhong. Accordingly, Mr. Zheng Xiaohui, Ms. Zhao Hui, Shenzhen Yun'ao and Shenzhen Yunzhong will be regarded as our Controlling Shareholders under the GEM Listing Rules before the **[REDACTED]**.

Immediately following completion of the **[REDACTED]** (assuming the **[REDACTED]** is not exercised), Mr. Zheng Xiaohui, Ms. Zhao Hui, Shenzhen Yun'ao and Shenzhen Yunzhong will collectively be entitled to exercise approximately **[REDACTED]**% voting rights in our Company and thus remain as our Controlling Shareholders. For background and biographical details of Mr. Zheng Xiaohui and Ms. Zhao Hui, please refer to the section headed "Directors and Senior Management – Board of Directors" in this document.

COMPETITION

Our Controlling Shareholders have confirmed that, as of the Latest Practicable Date, they did not have any interest in any business, apart from the business of our Group, which competes or is likely to compete, directly or indirectly, with our business and which would require disclosure under Rule 11.04 of the GEM Listing Rules.

INDEPENDENCE FROM OUR CONTROLLING SHAREHOLDERS

Having considered the following factors, we believe that our Group is capable of carrying on its business independently of our Controlling Shareholders and their respective close associates after the **[REDACTED]**:

Management Independence

Our business is managed and conducted by our Board and senior management. Upon the **[REDACTED]**, our Board will consist of three executive Directors, three non-executive Director and three independent non-executive Directors. See "Directors and Senior Management" in this document for details. Our Directors believe that our Board and senior management have been and will continue to be able to independently manage our business and function independently from our Controlling Shareholders based on the following grounds:

(i) each of our Directors is aware of his or her fiduciary duties as a Director which require, among other things, that he or she acts for the benefit and in the best interests of our Company and does not allow any conflict between his or her duties as a Director and his or her personal interest;

(ii) in the event that there is a potential conflict of interest arising out of any transaction to be entered into between us and our Directors or their respective associates, the interested Director(s) shall abstain from voting at the relevant Board meetings of our Company in respect of such transactions and shall not be counted in the quorum;

(iii) our daily management and operations are carried out by our executive Directors and our senior management team, all of whom have substantial experience in the industry in which our Company is engaged and/or business management in general, and will therefore be able to make business decisions that are in the best interest of our Company;

(iv) we have three independent non-executive Directors who have extensive experience in different professions. They have been appointed to ensure that the decisions of the Board are made only after due consideration of independent and impartial opinions. Our Directors believe that the presence of our independent non-executive Directors from different backgrounds provides a balance of views and opinions; and

(v) we have adopted a series of corporate governance measures to manage conflicts of interest, if any, between our Group and our Controlling Shareholders which would support our independent management. See "– Corporate Governance Measures" in this section below.

Having considered the above factors, our Directors are satisfied that our Board together with the senior management team as a whole is able to perform their roles independently from our Controlling Shareholders and their close associates after the **[REDACTED]**.

Operational Independence

We operate independently from our Controlling Shareholders and their respective close associates, including:

(i) we have established our own organisation structure, which comprises individual departments and each department has its own administrative and corporate governance infrastructure;

(ii) we hold all of the relevant licenses and intellectual property rights material to our business operation and have sufficient capital, facilities, equipment and employees to operate our business independently;

(iii) our Controlling Shareholders have no interest in any of our top five suppliers and customers during the Track Record Period. We do not rely on our Controlling Shareholders or their close associates and have independent access to our suppliers and customers; and

(iv) we have established a set of internal control procedures to facilitate the effective operation of our business independent from our Controlling Shareholders.

Having considered the above factors, our Directors are of the view that we are capable of carrying on our business independently from our Controlling Shareholders and their respective close associates.

Financial Independence

Our Group has an independent financial, internal control and accounting system. We make financial decisions according to our own business needs. We also have an independent finance department responsible for discharging the treasury function, and the Audit Committee to oversee our accounting and financial reporting processes. We have sufficient capital to operate our business independently, and have adequate internal resources and a strong credit profile to support our daily operations.

We do not rely on our Controlling Shareholders or their close associates to provide financial assistance to our Group. We have independent access to third party financing and our Directors believe that, if necessary, we are capable of obtaining financing from external sources without reliance on our Controlling Shareholders or their close associates. As of the Latest Practicable Date, none of our Controlling Shareholders or their close associates had provided any loans, borrowings or guarantees to our Group. Having considered the above factors, our Directors are of the view that we have no financial dependence on our Controlling Shareholders.

CORPORATE GOVERNANCE MEASURES

Our Directors recognise the importance of good corporate governance in protection of our Shareholders' interests. Our Company will comply with the provisions of the Corporate Governance Code as set out in Appendix C1 to the GEM Listing Rules, which sets out principles of good corporate governance. In addition, we have adopted the following measures to safeguard good corporate governance standards and to avoid potential conflict of interests between our Group and our Controlling Shareholders:

(i) where a General meeting is held to consider proposed transactions in which our Controlling Shareholders or any of their associates has a material interest, our Controlling Shareholders will not vote on the relevant resolutions and shall not be counted in the quorum in the voting;

(ii) our Company has established internal control mechanisms to identify connected transactions, and we will comply with the applicable provisions of the GEM Listing Rules if we enter into connected transactions with our Controlling Shareholders or any of their associates after **[REDACTED]**;

(iii) the independent non-executive Directors will review, on an annual basis, whether there is any conflict of interests between our Group and our Controlling Shareholders and provide impartial and professional advice to protect the interests of our minority Shareholders;

(iv) our Controlling Shareholders will undertake to provide all information necessary or requested by the independent non-executive Directors for their annual review, including all relevant financial, operational and market information;

(v) our Company will disclose decisions on matters reviewed by the independent non-executive Directors either in its interim and annual reports or by way of announcements as required by the GEM Listing Rules;

(vi) where our Directors reasonably request the advice of independent professionals, such as financial advisers, the appointment of such independent professionals will be made at our Company's expenses;

(vii) we have appointed Eddid Capital Limited as our compliance adviser pursuant to Rule 6A.19 of the GEM Listing Rules. Our compliance adviser will act for us from the **[REDACTED]** and up to the date on which we comply with Rule 18.03 of the GEM Listing Rules in respect of our financial results for the first full financial year commencing after the **[REDACTED]**; and

(viii) we have established our Audit Committee, Remuneration Committee and Nomination Committee with written terms of reference in compliance with the GEM Listing Rules and the Corporate Governance Code. All of the members of our Audit Committee are independent non-executive Directors, and the majority of the members, including the chairman, are independent non-executive Directors.

Based on the above, our Directors are satisfied that sufficient corporate governance measures have been put in place to manage conflicts of interest between our Group and our Controlling Shareholders, and to protect minority Shareholders' interests after the **[REDACTED]**.