
RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS

INDEPENDENCE FROM OUR CONTROLLING SHAREHOLDERS

Immediately following completion of the [REDACTED] and the [REDACTED], each of Giant Panda Group, Giant Panda Group Investment, DeMain Culture Group and Evergreen Bamboo will directly or indirectly hold [REDACTED]% of the issued share capital of our Company, which is directly or indirectly wholly-owned by Mr. Ng. As each of Giant Panda Group, Giant Panda Group Investment, DeMain Culture Group, Evergreen Bamboo and Mr. Ng is directly or indirectly entitled to exercise or control the exercise of 30% or more of the voting power at our Company’s general meeting, each of them is regarded as our Controlling Shareholder under the GEM Listing Rules.

The principal businesses carried on by the companies controlled by Mr. Ng and/or his close associates, apart from the companies within our Group and companies which are investment or holding vehicles, are consultancy and advisory, venue operation, artificial intelligence, cultural and creative, live performance organiser and production (the “**Other Businesses**”). Given the Other Businesses are not in line with our business and our business strategy, we believe that there is clear business delineation and that there is no competition or potential competition between the business of our Group and the Other Businesses. As of the Latest Practicable Date, Mr. Ng has no intention to inject the Other Businesses into our Group in the future. Our Directors do not expect there to be any overlap of or competition between the Other Businesses and our Group’s business after the Listing.

Management, operational, administrative and financial independence of our Group

Our Directors consider that our Group is capable of carrying on its business independently of our Controlling Shareholders and their respective close associates based on the following:

Management independence

Our Board comprises of two executive Directors, two non-executive Directors and three independent non-executive Directors. Mr. Ng, an executive Director, Chairman of our Board and co-chief executive officer of our Group, is one of our Controlling Shareholders.

Each of our Directors is aware of his/her fiduciary duties as a Director which require, among other things, that he/she acts for the benefit of and in the best interests of our Company and does not allow any conflict between his/her duties as a Director and his/her personal interest. In the event that there is a potential conflict of interest arising out of any transaction to be entered into between our Group 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.

The three independent non-executive Directors will also bring independent judgment to the decision-making process of our Board. Apart from our Directors, we have our senior management team to carry out the business decisions of our Group independently. Our Directors are satisfied that our senior management team is able to perform their roles in our Company independently and our Directors are of the view that we are capable of managing our business independently from our Controlling Shareholders and their respective close associates after the [REDACTED].

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Operational, administrative and financial independence

Our Group has our own independent operational, administrative and corporate governance structure comprising separate individual departments, each with specific areas of responsibilities, including financial and accounting management and business development. During the Track Record Period, our Group was operationally and administratively independent of our Controlling Shareholders and their respective close associates as we have our own operational personnel and administrative personnel.

Our Board believes that we have been operating independently from our Controlling Shareholders and their respective close associates and will continue to do so after [REDACTED]. Our Group makes business decisions independently and have sufficient capital, equipment and employees to operate our business independently from our Controlling Shareholders and their respective close associates. Our Group has also established a set of internal control measures to facilitate the effective operations of its business. We have registered two trademarks which we can use for marketing our services. During the Track Record Period, our Group provided stage lighting and sound engineering services and consultancy service to the close associates of Mr. Ng which are principally engaged in live performance production and venue operation respectively in the sum of HK\$276,000, HK\$3,230,000 and HK\$1,400,000, respectively. Save as disclosed in this document, our Group’s five largest customers and suppliers are all independent of our Controlling Shareholders. We do not rely on our Controlling Shareholders or any of their respective close associates for access to suppliers and customers, as we manage our sourcing independently to whom we have independent access.

As of 31 May 2026, a balance of approximately HK\$2.6 million in aggregate was due from Mr. Ng and/or his close associates. All outstanding balances of amounts due from related parties will be settled before [REDACTED]. Our Directors confirm that any guarantee provided by our Controlling Shareholders as security for the due performance and observance of our Group’s obligations under contracts as of the Latest Practicable Date will be released prior to [REDACTED]. Our Directors also believe that we are able to obtain financing independently of our Controlling Shareholders and their respective close associates. As of the Latest Practicable Date, we had our own finance department and independent accounting systems.

Based on the above, our Directors believe that our Group’s business operation does not rely on our Controlling Shareholders and our Group is capable of operating independently without financial reliance on our Controlling Shareholders.

RULE 11.04 OF THE GEM LISTING RULES

The Controlling Shareholders, our Directors and their respective close associates do not have any interest in a business apart from our Group’s business which competes, or may compete, directly or indirectly, with our Group’s business which requires disclosure under Rule 11.04 of the GEM Listing Rules.

CORPORATE GOVERNANCE MEASURES

Each of our Controlling Shareholders has confirmed that he/it fully comprehends his/its obligations to act in the best interests of our Company and its Shareholders as a whole. To avoid potential conflicts of interest, our Group will implement the following measures:

- (a) in the event that there is a potential conflict of interest arising out of any transaction to be entered into between our Group and our Controlling Shareholders (or their associates), the interested Directors shall abstain from voting at the relevant Board meeting and shall not be counted in the quorum;

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- (b) our Board is committed to the view that our Board should include a balanced composition of executive and independent non-executive Directors so that there is a strong independent element on our Board which can effectively exercise independent judgement. Our Company has appointed three independent non-executive Directors. Our Directors believe that our independent non-executive Directors are of sufficient calibre, are free of any business or other relationship which could interfere in any material manner with the exercise of their independent judgement and will be able to provide impartial and professional advice to protect the interests of the minority Shareholders. Details of our independent non-executive Directors are set out in the section headed “Directors and senior management” in this document;
- (c) our Company has appointed [Kingsway Capital Limited] as the compliance adviser, which will provide advice and guidance to us in respect of compliance with the GEM Listing Rules including various requirements relating to directors’ duties and internal controls. Please refer to the section headed “Directors and senior management — Compliance Adviser” in this document for details in relation to the appointment of compliance adviser;
- (d) each of our Controlling Shareholders, Mr. Chan and Mr. Choi will make an annual confirmation as to compliance with his/her/its undertaking under the Deed of Non-competition for inclusion in the annual report of our Company;
- (e) each of our Controlling Shareholders, Mr. Chan and Mr. Choi undertakes to provide all information requested by our Group which is necessary for the annual review by our independent non-executive Directors and the enforcement of the Deed of Non-competition; and
- (f) our independent non-executive Directors will, based on the information available to them, review on an annual basis (i) the compliance with the Deed of Non-competition; and (ii) all the decisions taken in relation to whether to pursue the new opportunity under the Deed of Non-competition. Findings of such review will be disclosed in our annual report after the [REDACTED].

NON-COMPETITION UNDERTAKINGS

In order to avoid any possible future competition between our Group and our Controlling Shareholders and Substantial Shareholders, our Controlling Shareholders, Mr. Chan and Mr. Choi (the “Covenantors”) entered into the Deed of Non-competition with our Company (for itself and on behalf of all members of our Group) on [date]. Pursuant to the Deed of Non-competition, each of the Covenantors has irrevocably and unconditionally undertaken to our Company (for itself and as trustee for its subsidiaries) that, as long as the Deed of Non-competition remains effective, he/she/it shall not, and shall procure his/her/its close associates (other than any member of our Group), whether on his/her/its own account or under the name of others, not to develop, acquire, invest in, participate in, carry on or be engaged in, concerned with or interested in or otherwise be involved, whether on his/her/its own account or with each other or in conjunction with or on behalf of any person, firm or company or otherwise, in any business in competition with or likely to be in competition whether directly or indirectly, with the existing business activity of any member of our Group or such other business activity our Group may engage from time to time in future.

Each of the Covenantors further undertakes that if he/she/it or his/her/its close associates other than any member of our Group is offered or becomes aware of any business opportunity which may compete with the business of our Group, he/she/it shall (and he/she/it shall procure his/her/its close associates to) notify our Group in writing and our Group shall have a right of first refusal to take up

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such business opportunity. Each of the Covenantors further undertakes that he/she/it will and he/she/it shall procure that his/her/its close associates (other than any member of our Group) will notify us of the aforesaid business opportunities and use his/her/its best endeavours to procure that the business opportunities are first offered to our Group on terms and conditions no less favourable than those offered to the relevant Covenantor or his/her/its close associates.

Within thirty (30) Business Days (or such longer period if our Group is required to complete any approval procedures as set out under the GEM Listing Rules from time to time) after receipt of written notice concerning offer of any business opportunity from the relevant Covenantor, our Company shall notify the relevant Covenantor in writing whether we intend to accept the offer. If our Group declines any such offer, the relevant Covenantor or his/her/its associates who offered the business opportunity shall then be allowed to acquire the interests offered on terms no more favourable than those offered to our Group. Whether our Company shall accept or decline the offer of business opportunity shall be solely determined by our independent non-executive Directors.

The relevant Covenantor and the other interested Directors or potential interested Directors (if any, including our independent non-executive Directors) shall abstain from participating in all meetings of the Board where there is a conflict of interest or potential conflict of interest including but not limited to the relevant meeting of the Board for considering whether or not to exercise the first right of refusal. Whether to exercise the first right of refusal shall be solely determined by our independent non-executive Directors. Where appropriate, our Company may appoint independent financial advisers and legal advisers for advising on the proposed exercise of the first right of refusal.

The non-competition undertakings under the Deed of Non-competition shall not restrict any Covenantor (or any of his/her/its close associates), either by himself/herself/itself or any other person, from holding interests in the shares of a company which is listed on a recognised stock exchange provided that:

- (a) any business that competes or is likely, directly or indirectly, to compete with our Group conducted or engaged in by such company (and assets relating thereto) accounts for less than 5% of that company's consolidated turnover or consolidated assets, as shown in that company's latest audited accounts; or
- (b) the total number of the shares directly or indirectly held by the relevant Covenantor and/or his/her/its close associates in aggregate does not exceed 5% of the issued shares of that class of that company in question or control the exercise of more than 5% of the voting rights thereof, or control the composition of a majority of the board of directors of such company and that there should exist at least another shareholder of the company who holds more shares in that company than such Covenantor and/or his/her/its close associates in aggregate.

The undertakings contained in the Deed of Non-competition are conditional on the [REDACTED] of our Company. If such condition is not fulfilled on or before the date falling 30 days after the date of this document (or if such date is not a Business Day, the immediate preceding Business Day), the Deed of Non-competition shall become null and void and cease to have any effect whatsoever and no party shall have any claim against the others under the Deed of Non-competition.

The Deed of Non-competition shall terminate on (i) in the case of the Controlling Shareholders, together with his/her/its close associates, taken together, cease to be interested in 10% of the entire issued share capital of our Company; or (ii) in the case of each of Mr. Chan and Mr. Choi, together with his close associates, taken together, cease to be interested in 10% or more of the entire issued share capital of our Company; or (iii) the date on which the Shares shall cease to be listed and traded on the Stock Exchange (except for temporary trading halt or suspension of trading of the Shares on the Stock Exchange due to any reason).