

RELATIONSHIP WITH OUR SINGLE LARGEST GROUP OF SHAREHOLDERS

OUR SINGLE LARGEST GROUP OF SHAREHOLDERS

Pursuant to the Concert Party Agreement entered into among Mr. Yao, Dr. Shen, Mr. Zhong, Shanghai Lingmou, Shanghai Huimou and Shanghai Jixuan (together, the "**Concert Parties**") dated January 5, 2026, all the Concert Parties (i) have acknowledged and confirmed that, since January 1, 2017 (or in the cases of Shanghai Lingmou, Shanghai Huimou and Shanghai Jixuan, since their respective establishment in 2019), they have been acting in concert in matters in relation to, inter alia, the Company's operation and management, and exercising the Shareholders' rights, including but not limited to the right to vote at general meetings of our Company and the right to propose resolutions, in accordance with the consensus achieved among them, (ii) agreed to continue such acting in concert relationship so long as they are directly or indirectly interested or hold directorship of the Company, and (iii) Shanghai Lingmou, Shanghai Huimou and Shanghai Jixuan shall act in accordance with the consensus achieved among Mr. Yao, Dr. Shen, Mr. Zhong.

As of the Latest Practicable Date, by virtue of the Concert Party Agreement, Mr. Yao, Dr. Shen, Mr. Zhong, Shanghai Lingmou, Shanghai Huimou and Shanghai Jixuan were collectively entitled to exercise voting rights attached to 10,144,419 Shares, representing approximately 32.84% of our total issued share capital, among which:

- (a) Mr. Yao held 2,130,882 Shares, representing approximately 6.90% of the voting rights in our Company;
- (b) Dr. Shen held 2,356,287 Shares, representing approximately 7.63% of the voting rights in our Company;
- (c) Mr. Zhong held 1,955,154 Shares, representing approximately 6.33% of the voting rights in our Company;
- (d) Shanghai Lingmou held 1,437,066 Shares, representing approximately 4.65% of the voting rights in our Company;
- (e) Shanghai Huimou held 1,365,030 Shares, representing approximately 4.42% of the voting rights in our Company; and
- (f) Shanghai Jixuan held 900,000 Shares, representing approximately 2.91% of the voting rights in our Company.

Each of Shanghai Lingmou, Shanghai Huimou and Shanghai Jixuan is a Pre-[REDACTED] Employee Incentive Platform. For further details of Shanghai Lingmou, Shanghai Huimou and Shanghai Jixuan, please refer to "History, Development and Corporate Structure — Employee Incentive Platforms" in this Document. The general partner of Shanghai Lingmou is Dr. Shen holding 1% of its partnership interests. The general partner of Shanghai Huimou is Dr. Shen holding 1% of its partnership interests. The general partner of Shanghai Jixuan is Mr. Yao holding 1% of its partnership interests.

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As such, Mr. Yao, Dr. Shen, Mr. Zhong, Shanghai Lingmou, Shanghai Huimou and Shanghai Jixuan were collectively entitled to exercise voting rights attached to 10,144,419 Shares, representing approximately 32.84% of our total issued shares as of the Latest Practicable Date, and are considered as a group of controlling shareholders before the [REDACTED] pursuant to the Listing Rules and Chapter 1.1C under the Guide for New Listing Applicants. Immediately following the completion of the [REDACTED] (assuming the [REDACTED] is not exercised), Mr. Yao, Dr. Shen, Mr. Zhong, Shanghai Lingmou, Shanghai Huimou and Shanghai Jixuan will be collectively entitled to exercise voting rights attached to [REDACTED] H Shares, representing approximately [REDACTED]% of our total issued shares, and hence none of Mr. Yao, Dr. Shen, Mr. Zhong, Shanghai Lingmou, Shanghai Huimou and Shanghai Jixuan will be our controlling shareholder as defined under the Listing Rules, but they will be our single largest group of Shareholders upon the [REDACTED]. As such, our Company will not have any controlling shareholder as defined under the Listing Rules upon the [REDACTED].

INTERESTS OF OUR SINGLE LARGEST GROUP OF SHAREHOLDERS IN OTHER BUSINESSES

Our Single Largest Group of Shareholders confirms that, as of the Latest Practicable Date, they did not have any interest in a business, apart from the business of our Group, which competes or is likely to compete, directly or indirectly, with our business that would require disclosure under Rule 8.10 of the Listing Rules. Please see "Directors and Senior Management — Confirmation from Our Directors — Rule 8.10 of the Listing Rules" in this Document for further details.

INDEPENDENCE FROM OUR SINGLE LARGEST GROUP OF SHAREHOLDERS

Having considered the following factors, our Directors are satisfied that we are capable of carrying out our business independently of our Single Largest Group of 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 Directors and three independent non-executive Directors. See "Directors and Senior Management" in this Document for more details of our Directors.

Although Mr. Yao, Dr. Shen, Mr. Zhong, being members of our Single Largest Group of Shareholders, also will serve or will keep serving as our executive Directors and senior management upon [REDACTED], we believe that our Directors and senior management are able to perform their roles in our Company independently and our Company is capable of managing its business independently from our Single Largest Group of Shareholders and their respective close associates for the following reasons:

- our executive Directors devote substantially all their time to discharge their duties of their positions at our Group;

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- each of our Directors is aware of his or her fiduciary duties as a Director which require, among other things, that he or she must act for the benefit of and in the best interests of our Company and not allow his or her personal interests to interfere with our Company's best interests. In the event that there is a potential conflict of interest arising out of any transaction to be entered into between our Company and a Director or his or her respective close associates, he or she shall abstain from voting on any Board resolutions approving any contract, arrangement or any other proposal in which he or she or any of his or her close associates has a material interest and shall not be counted in the quorum present at the relevant Board meeting;
- we have appointed three independent non-executive Directors, comprising at least one-third of our Board of Directors, to provide a balance of the number of our Board of Directors and with a view to ensuring the decisions of our Board of Directors are made only after due consideration of independent and impartial opinions and promoting the interests of our Company and our Shareholders as a whole. We believe our independent non-executive Directors individually and collectively possess the requisite knowledge and experience to provide professional and experienced advice to our Company. Our Directors are of the view that our independent non-executive Directors are able to bring impartial and sound judgment to the decision-making process of our Board and protect the interests of our Company and our Shareholders as a whole; and
- we have established corporate governance measures and adopted sufficient and effective control mechanisms to manage conflicts of interest, if any, between our Group and our Single Largest Group of Shareholders, which would support our independent management. See "— Corporate Governance Measures" in this Document for further details.

Based on the above, our Directors are of the view that our Board of Directors, together with our senior management team, are able to perform their managerial roles in our Group independently from our Single Largest Group of Shareholders and their respective close associates.

Operational Independence

Our Group is operationally independent of our Single Largest Group of Shareholders and their respective close associates. We can make decisions and carry out our own business operations independently. We have sufficient capital, facilities, technology and employees to operate our business independently. We hold or enjoy the benefits of all relevant licenses and intellectual properties necessary to operate our business. We own or have the right to use all the operational facilities relating to our business. We have our own organizational structure made up of individual functional departments, each with specific areas of responsibility. We have not shared any operational resources such as sales and marketing, risk management and general administration resources with our Single Largest Group of Shareholders or their respective close associates. We have also established a set of internal control procedures to facilitate the effective operation of our business. We independently manage and have independent access to our customers and suppliers.

Based on the above, our Directors are of the view that we are able to operate independently of our Single Largest Group of Shareholders.

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Financial Independence

We have established our own finance department with a team of financial staff, who are responsible for financial control, accounting, reporting, group credit and internal control of our Company. Our finance department is able to function without any undue influence from our Single Largest Group of Shareholders. We have also established an internal control system, an independent audit system, and a standardized financial and accounting system and have set our own accounting policy based on the applicable PRC accounting principle and standards.

As of the Latest Practicable Date, we had an outstanding loan with principal amounts and interests thereon of approximately RMB30 million guaranteed by Mr. Yao. See "Financial Information — Material Related Party Transactions" in this Document and Note 26 of the Accountants' Report as set out in Appendix I to this Document for more details. All such guarantees provided for our benefit by our Single Largest Group of Shareholders and their respective close associates will be fully discharged on the [REDACTED].

Based on the above, our Directors are satisfied that we are able to maintain financial independence from our Single Largest Group of Shareholders and their respective close associates (excluding our Group).

CORPORATE GOVERNANCE MEASURES

In order to further safeguard the interests of our minority Shareholders, we will adopt the following corporate governance measures to manage potential conflicts of interest between our Group and our Single Largest Group of Shareholders:

- our independent non-executive Directors will review, on an annual basis, whether there is any conflict of interests between our Group and our Single Largest Group of Shareholders (the "Annual Review") and provide impartial and professional advice to protect the interests of our minority Shareholders;
- our Single Largest Group of Shareholders will undertake to provide all necessary information, including all relevant financial, operational and market information and any other necessary information as required by the independent non-executive Directors for the Annual Review;
- our Company will disclose decisions on matters reviewed by the independent non-executive Directors either in our annual reports or by way of announcement to the public in compliance with the requirements of the Listing Rules;
- our Directors (including the independent non-executive Directors) will seek independent and professional opinions from external advisors at our Company's cost as and when appropriate in accordance with the Corporate Governance Code as set out in Appendix C1 to the Listing Rules;

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- any transactions between our Company and its connected persons shall be in compliance with the relevant requirements of Chapter 14A of the Listing Rules, including the announcement, annual reporting and independent shareholders' approval requirements (if applicable) under the Listing Rules;
- in the event of any potential conflict of interests, our Director(s) with an interest in the relevant transaction(s) shall abstain from voting at the relevant Board meeting and shall not be counted towards the quorum in respect of the relevant resolution(s) at such Board meeting;
- in the event of any potential conflict of interests at the shareholders' level, our Single Largest Group of Shareholders shall abstain from voting at the Shareholders' meeting of our Company with respect to the relevant resolutions; and
- we have appointed Rainbow Capital (HK) Limited as our compliance advisor to provide advice and guidance to us in respect of compliance with the Listing Rules, including various requirements relating to corporate governance.

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 Single Largest Group of Shareholders, and to protect minority Shareholders' interests after the [REDACTED].