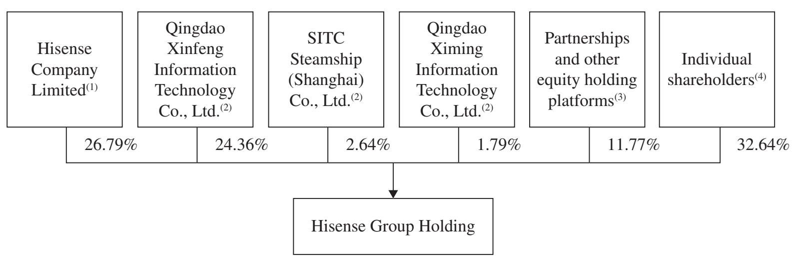
OUR CONTROLLING SHAREHOLDERS

As of the Latest Practicable Date, Hisense Group Holding, directly and indirectly via its wholly owned subsidiary CKL, held in aggregate 394,224,950 Shares, representing approximately 48.61% of our issued share capital. Immediately following the completion of the [**REDACTED**] (assuming the [**REDACTED**] is not exercised), Hisense Group Holding, directly and indirectly via CKL, will together be interested in and control [**REDACTED**] Shares, representing approximately [**REDACTED**] of our issued share capital. Therefore, Hisense Group Holding and CKL will constitute a group of Controlling Shareholders upon the [**REDACTED**].

Hisense Group Holding is a PRC-incorporated company headquartered in Qingdao, It is a Chinese multinational technology conglomerate and has built a global presence integrating R&D, production and sales. Hisense Group Holding operates across multiple business segments focusing on smart life, smart energy, semiconductor, and automotive electronics sectors. The simplified shareholding structure of Hisense Group Holding as of the Latest Practicable Date is as follows:



Notes:

(1) Hisense Company Limited was ultimately controlled by the State-Owned Assets Supervision & Administration Commission of Qingdao People's Government (青島市人民政府國有資產監管理委員會) as at the Latest Practicable Date.

(2) As at the Latest Practicable Date, Qingdao Xinfeng Information Technology Co., Ltd., SITC Steamship (Shanghai) Co., Ltd. and Qingdao Ximing Information Technology Co., Ltd. were, by virtue of an acting-in-concert arrangement, ultimately controlled by Mr. Yang Shaopeng (楊紹鵬), an independent third party of the Company.

(3) As at the Latest Practicable Date, there were in total 22 employee shareholding platforms in aggregate, through which nearly 900 individuals held interests. None of these employee shareholding platforms holds more than 2% of the equity interest in Hisense Group Holding as at the Latest Practicable Date. Save for Dr. Hong Jin, Dr. David Li Dawei, Mr. Tan Yi, Mr. Shen Wenhui and Dr. Zhang Hua, all of the other shareholders or limited partners of these shareholding platforms are independent third parties of the Company.

(4) As at the Latest Practicable Date, there were over 150 individual shareholders, and none of them holds more than 2% of the equity interest in Hisense Group Holding. Save for Mr. Yu Zhitao, Dr. Jia Shaoqian, Ms. Wang Hui, Dr. David Li Dawei, Mr. Duan Yuebin, Dr. Chen Weiqiang, Ms. Xu Min, Ms.Yu Jie and Ms. Liang Jiurong, all of the other individuals are independent third parties of the Company.

(5) Minor discrepancies in the above chart between the sum of the equity interest percentages and 100% are due to rounding.

CLEAR DELINEATION OF BUSINESS

The Controlling Shareholders have confirmed that, as of the Latest Practicable Date, the Controlling Shareholders did not have any interest in any business, other than our Group's business, which competes or is likely to compete, either directly or indirectly, with our Group's business and would require disclosure under Rule 8.10 of the Listing Rules.

INDEPENDENCE FROM OUR CONTROLLING SHAREHOLDERS

Having considered the following factors, our Directors are satisfied that we are capable of carrying on our business independently from the Controlling Shareholders and their respective close associates after the [**REDACTED**].

Management Independence

Our business is managed by our Board and senior management. Upon [**REDACTED**], our Board will consist of nine Directors, including two executive Directors, four non-executive Directors and three independent non-executive Directors. See further in "Directors and Senior Management."

Our Directors are of the view that our Board, together with our senior management team, is able to perform the managerial role in our Group independently of our Controlling Shareholders for the following reasons:

(a) Except for Mr. Yu Zhitao and Dr. Jia Shaoqian, two of our non-executive Directors, none of our Directors hold any directorship or management position in Hisense Group Holding. Mr. Yu Zhitao currently serves a director and chief executive officer of Hisense Group Holding. Dr. Jia Shaoqian currently serves as the chairman of the board of directors of Hisense Group Holding. As non-executive Directors, neither Mr. Yu nor Dr. Jia will be involved in our day-to-day management and operations. See "Directors and Senior Management" for their roles within Hisense Group Holding;

(b) Our day-to-day management and operations are carried out by our senior management team, which has substantial experience in the industry in which we operate, and will therefore be able to make business decisions that are in the best interests of our Group. None of them holds any directorship and/or any management roles within Hisense Group Holding;

(c) All of our three independent non-executive Directors are independent of Hisense Group Holding and are professionals having extensive experience in their respective areas of expertise. See further in "Directors and Senior Management". They are appointed in accordance with the Listing Rules requirements to ensure that the Board decisions are made with due consideration of independent and impartial opinions. None of our independent non-executive Directors are directors of Hisense Group Holding or otherwise connected with Hisense Group Holding in any manner that may affect their independent judgment or independence as required under the Listing Rules;

(d) Each Director is aware of his or her fiduciary duties as a Director including, to act for the benefit and in the best interest of our Company and our Shareholders as a whole and to avoid any conflicts between their personal interests and their responsibilities as a Director;

(e) 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 further in "— Corporate Governance Measures"; and

(f) Some of our Directors or chief executives, namely Mr. Yu Zhitao, Dr. Hong Jin, Ms. Wang Hui and Dr. Jia Shaoqian, are eligible to participate in the shareholding scheme of Hisense Group Holding and therefore directly or indirectly hold certain interests in Hisense Group Holding as of the Latest Practicable Date. Accordingly, such Directors or chief executives hold certain shares or interests in Hisense Group Holding but they expect such interests (if any) would not affect their ability to act in the best interest of our Company and our Shareholders as a whole. Furthermore, the relevant Directors or chief executives will comply with applicable corporate governance measures to manage conflicts of interest, if any.

Based on the above, our Directors are of the view that our management team is independent from the Controlling Shareholders and their respective close associates, and that all of our Directors have relevant experience and ability to ensure proper and effective operation of the Board.

Operational Independence

We believe that we can operate our business independently from our Controlling Shareholders and their respective close associates due to the following reasons:

(a) We independently source, acquire and serve our customers with core functions operated independently from Hisense Group Holding. We have an independent sales and marketing team comprising 70 staff members as of December 31, 2025, which sources and acquires customers independently. To the best knowledge of our Directors, save for the transactions as further described in "Connected Transactions", all of our suppliers are Independent Third Parties;

(b) We have independent access to our customers and an independent management team to operate our business. As Hisense Group Holding is a large multinational conglomerate with diverse business investments, there could be some overlap between our customer base and business partners of Hisense Group Entities. Despite so, no formal customer referral program exists between us and the Hisense Group Holding;

(c) Save as disclosed in "Connected Transactions — 2. Infrastructure and Shared Services Framework Agreement", we hold all material licenses and own all material intellectual properties (or rights to use intellectual properties) and research and development facilities necessary to carry on our business;

(d) We have sufficient capital, facilities, equipment and employees to operate our business independently from our Controlling Shareholders. We have established departments for various functions including general administration, human resources, finance, auditing and internal control. These departments operate independently from Hisense Group Holding, save for certain back-office administrative support services as described in "Connected Transaction — 2. Infrastructure and Shared Services Framework Agreement." These administrative support services only relate to the peripheral aspects of our Group's business operations that can be easily replaced by other Independent Third Party service providers should we choose to do so; and

(e) We have also adopted a set of corporate governance measures and internal control procedures to maintain effective and independent operations. See further in "— Corporate Governance Measures" in this section.

We have entered into a number of transactions with Hisense Group Holding in terms of our business cooperation, but such transactions between us and Hisense Group Holding and/or its close associates only constitute an insignificant proportion of our business transactions and collaborative arrangements.

Business Cooperation Framework Agreement

Following the [**REDACTED**], Hisense Group Entities and us expect to supply to each other various goods and related services. During the Track Record Period, (i) the terms of supply of various products and services to Hisense Group Entities are fair and comparable to those offered to our Independent Third Parties for similar products and services; and (ii) to our best knowledge, the terms of procurement of various products and services from Hisense Group Entities are fair and comparable to (i) those offered by them to independent third parties of Hisense Group Entities for similar products and services and (ii) those offered by Independent Third Parties suppliers to us for similar products and services. See "Connected Transactions — 1. Business Cooperation Framework Agreement" for further details of and reasons for entering into these transactions.

During the Track Record Period, our Company has been purchasing certain goods and services from Hisense Group Entities to satisfy our business and operational needs. They have acquired a comprehensive understanding of our business and operational requirements and established a great foundation for mutual trust. On this basis, our Directors believe that they are capable of fulfilling our demands efficiently and reliably with a stable and high quality supply of services, and entering into the such agreements would minimize disruption to the Company's operation and internal procedures.

Given the established long-term mutually beneficial relationship between our Group and Hisense Group Entities, such arrangements are unlikely to materially adversely change or terminate following the [**REDACTED**]. Nevertheless, we are not obliged to cooperate with Hisense Group Entities unless we agree to do so. We had historically developed in-house and engaged independent service providers for similar products and services. During the Track Record Period, our in-house capabilities had grown and we had increasingly engaged more independent service providers as their product offerings and services became more standardized.

Furthermore, our Directors are of the view that we are capable of procuring such goods and services from independent service providers given the sufficient choices of comparable goods and services in the market at a similar cost.

Infrastructure and Shared Services Framework Agreement

We lease properties from Hisense Group Entities for production and office uses. We also obtain certain back-office administrative support services from Hisense Group Entities, including IT and software and systems support services, installation and maintenance services, brand image promotional services and various miscellaneous support services. See "Connected Transactions — 2. Infrastructure and Shared Services Framework Agreement" for further details of and reasons for entering into these transactions.

Our Directors are of the view that these transactions will be in the best interests of our Company, taking into account the following factors:

(a) compared with Independent Third Parties, Hisense Group Entities have a better understanding of the Group's property requirements for production and office premises, and leasing properties from them also facilitates geographical proximity for business cooperation; (b) these arrangements allow our Group to better leverage the mature infrastructure and coverage already built by Hisense Group Entities; and (c) we have been using the offices and production facilities provided by Hisense Group Entities in the past. Relocating offices and production facilities and switching to other service providers will cause unnecessary disruptions to our Group's normal business operations and incur unnecessary costs.

Our Group is not obliged to lease production and office spaces owned by Hisense Group Entities, or procure the aforementioned services from Hisense Group Entities. Our Group currently also (i) leases office premises from independent property owners and (ii) procures services such as IT and software and systems support services and promotional services from independent suppliers, and will continue to do so where the terms and conditions, location or infrastructure (where applicable) offered are more favourable than those provided by Hisense Group Entities.

Based on the above, our Directors are of the view that our Company can operate its business independently from the Controlling Shareholders and their respective close associates.

Financial Independence

We have independent internal control and accounting systems. We also have an independent finance department responsible for discharging the treasury function. Moreover, our Board has established the Audit Committee to provide independent oversight to, among others, our accounting and financial reporting processes.

We are capable of making financial decisions independently according to our own needs, and the Controlling Shareholders and their respective close associates do not and will not interfere with our use of funds. We maintain and manage bank accounts independently and do not share any bank accounts with the Controlling Shareholders and their respective close associates. We are registered independently for tax and pay tax independently pursuant to applicable PRC tax laws and regulations, rather than on a combined basis with the Controlling Shareholders or other enterprises under their control.

We have obtained financing from independent commercial banks without reliance on Hisense Group Holding or its associates during the Track Record Period, and are expect to continue accessing such external financing independently of our Controlling Shareholders and their associates after [**REDACTED**]. We expect that our working capital will be primarily funded by cash generated from our business operations, and to a lesser extent, external indebtedness.

In addition, we have been receiving financial services from Hisense Finance including deposit services, loan services and other financial services in connection with our ordinary course of business operation. Hisense Finance is regulated by National Financial Regulatory Administration and complies with the regulations and operation requirements issued by the relevant regulatory authorities in its provision of financial services. See further in "Connected Transactions." Our Directors consider that the financial services arrangements are fair and reasonable and are in the interests of the Company and the Shareholders as a whole. The Group is able to choose financial services provided by other independent commercial banks and financial institutions, even if the arrangements with Hisense Finance is terminated. As of December 31, 2025, there were no outstanding loans, pledges or guarantees provided for our benefit by the Controlling Shareholders or their respective close associates.

Financial Services Framework Agreement

Our Group has deposited funds with Hisense Finance, and intends to continue to have deposits with Hisense Finance upon completion of the [**REDACTED**] in our ordinary course of business. However, such deposit arrangement does not affect the financial independence of our Company from Hisense Group Holding, as no financial assistance is being provided by Hisense Group Holding or us to each other. See "Connected Transactions — 3. Financial Services Framework Agreement" for further details of and reasons for entering into these transactions.

Our Group has also been engaging Hisense Finance for various other financial services, and intends to continue to engage Hisense Finance for financial services, including loan and electronic finance company acceptance bill services, draft discount services, settlement and sale of foreign exchange services and agency services in our ordinary course of business, after [**REDACTED**]. These services are short-term in nature and operate on commercial terms with market-based pricing. We believe that we are capable of obtaining such financial services from independent financial institutions given there are the sufficient choices of comparable services in the market at a comparable cost. Accordingly, the financial services arrangements are reasonable and are in the interests of the Company and the Shareholders as a whole.

Based on the above, our Directors are of the view that the Board, together with our senior management team, are capable of maintaining financial independence from the Controlling Shareholders and their respective close associates after the [**REDACTED**].

CORPORATE GOVERNANCE MEASURES

Our Directors recognize the importance of good corporate governance in protecting our Shareholders' interests. We have adopted the following corporate governance measures to resolve actual or potential conflicts of interests between our Group and the Controlling Shareholders:

(a) where a Shareholders' meeting is to be held to consider a proposed transaction in which the Controlling Shareholders or any of their associates has a material interest, the Controlling Shareholders shall abstain from voting on the resolutions and shall not be counted in the quorum for the voting in respect of such transactions;

(b) the Company has established internal control mechanisms to identify connected transactions. Upon [**REDACTED**], if the Company enters into connected transactions with the Controlling Shareholders or their respective associates, the Company will comply with the applicable Listing Rules;

(c) all non-fully exempt continuing connected transactions between our Group and our connected persons will be subject to annual review by our independent non-executive Directors and the auditors of the Company. Our independent non-executive Directors will provide impartial and professional advice to protect the interests of our Shareholders as a whole;

(d) there are and will be four non-executive Directors and three independent non-executive Directors on our Board to ensure that our Board can effectively exercise independent judgment in its decision-making process and provide independent advice to our Shareholders. Our independent non-executive Directors will review whether there is any conflict of interest between our Group and the Controlling Shareholders annually (including review of the composition of the Board and consider whether the Board, in light of the management overlap and the matters requiring the overlapping Directors to abstain from voting, can maintain effective functioning) and provide impartial and professional advice to protect the interests of our minority Shareholders;

(e) where the advice from independent professionals, such as that from a financial advisor, is reasonably requested by our Directors (including the independent non-executive Directors), the appointment of such independent professional will be made at our Company's expense; and

(f) we have appointed Quam Capital Limited as our compliance advisor, which will provide advice and guidance to us in respect of compliance with the applicable laws and 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 that may arise between our Group and the Controlling Shareholders, and to protect minority Shareholders' interests after the [**REDACTED**].