OVERVIEW

As of the Latest Practicable Date, our Company was owned as to 15.48% by Mr. Chen and 4.98% by Mr. Zhou. In addition, Mr. Chen is the general partner of (i) Chengtech VC, our employee shareholding platform, of which Mr. Zhou holds 62.5% partnership interest therein, (ii) Huacheng VC and Chengyan VC, the shareholding platforms for our early-stage individual investors, which held 15.33% of the total number of Shares. Mr. Chen, Mr. Zhou, Chengtech VC, Chengyan VC and Huacheng VC are also parties of the Acting-in-Concert Arrangement. See "History, Development and Corporate Structure – Acting-in-Concert Arrangement" for details.

Immediately upon completion of the **[REDACTED]** (without taking into account any Shares which may be issued pursuant to the exercise of the **[REDACTED]**), Mr. Chen, Mr. Zhou, Chengtech VC, Huacheng VC and Chengyan VC will be directly interested in an aggregate of **[REDACTED]**% of the total share capital of our Company. Accordingly, immediately upon completion of the **[REDACTED]** (without taking into account any Shares which may be issued pursuant to the exercise of the **[REDACTED]**), Mr. Chen, Mr. Zhou, Chengtech VC, Huacheng VC and Chengyan VC will be our Controlling Shareholders under the Listing Rules.

INTERESTS OF OUR CONTROLLING SHAREHOLDERS AND THEIR CLOSE ASSOCIATES IN OTHER BUSINESS

As of the Latest Practicable Date, none of our Controlling Shareholders and their close associates had any interest in a business, apart from our business, which competes or is likely to compete, either directly or indirectly, with our business, which would require disclosure under Rule 8.10 of the Listing Rules.

INDEPENDENCE FROM OUR CONTROLLING SHAREHOLDERS AND THEIR CLOSE ASSOCIATES

We believe that we are capable of carrying on our business independently from our Controlling Shareholders and their respective close associates (other than our Group) after the **[REDACTED]**.

Management Independence

Our Board comprises four executive Directors, two non-executive Directors and three independent non-executive Directors. None of our Directors or members of our senior management team (other than members of our Controlling Shareholders themselves) holds any position in the businesses of our Controlling Shareholders or their respective close associates.

Our daily management and operations are carried out by a senior management team, all of whom have substantial experience in the industry in which our Company is engaged, and will therefore be able to make business decisions that are in the best interests of our Group.

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 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 interests. In the event that there is any potential conflict of interest arising out of any contract or arrangement or any other proposal in which our Directors or any of his/her close associates has any material interest, the interested Director(s) is required to declare the nature of such interest before voting at the relevant Board meetings in respect of such transactions and shall abstain from voting on (nor shall be counted in the quorum in relation to) any resolutions approving any contract or arrangement or any other proposal in which he/she or any of his/her close associates is materially interested in.

We have appointed three independent non-executive Directors with extensive experience in their respective areas of expertise to ensure that the decision of our Board are made after due consideration of independent and impartial opinions and in the best interests of our Company and our Shareholders as a whole. Matters including connected transactions are required to be referred to our independent non-executive Directors for review and approval. In addition, we have adopted a series of corporate governance measures to manage conflicts of interests, if any, between our Group and our Controlling Shareholders which would support our independent management. See "– Corporate Governance Measures."

Based on the reasons above, our Directors are of the view that our Board as a whole and our senior management members are capable of managing our business independently from our Controlling Shareholders following the completion of the **[REDACTED]**.

Operational Independence

We have full rights to make all decisions on and to carry out our own business operations independently. Our Group holds the relevant licenses, approvals and permits from the relevant regulatory authorities that are material to our operations. We have sufficient capital, facilities and employees to operate our business independently from our Controlling Shareholders and their respective close associates. We also have independent access to our customers and suppliers and an independent management team to operate our business.

Based on the above, our Directors are of the view that our Group is capable to operate independently from our Controlling Shareholders and their respective close associates following the completion of the **[REDACTED]**.

Financial Independence

We have our own internal control and accounting systems, accounting and finance department, independent treasury function for cash receipts and payment. As of December 31, 2025, we had total bank loans of RMB[291.0] million, of which RMB[219.0] million were guaranteed by Mr. Chen. All guarantees provided by Mr. Chen on our bank loans will be released upon **[REDACTED]**. As such, upon the **[REDACTED]**, our Group will have independent access to third party financing without relying on any guarantee from our Controlling Shareholders and their respective close associates.

Based on the above, our Directors are of the view that our Group is capable to maintain financial independence from our Controlling Shareholders and their respective close associates following the completion of the **[REDACTED]**.

CORPORATE GOVERNANCE MEASURES

Each of our Controlling Shareholders has confirmed that it/he has fully comprehended its/his obligations to act in our Shareholders' best interests as a whole. Our Directors recognize the importance of good corporate governance in protecting our Shareholders' interests. We would adopt the following measures to safeguard good corporate governance standards and to avoid potential conflict of interests between our Group and our Controlling Shareholders:

(a) as part of our preparation for the **[REDACTED]**, we have amended our Articles of Association to comply with the Listing Rules. In particular, our Articles of Association provided that, unless otherwise provided, a Director shall not vote on any resolution approving any contract or arrangement or any other proposal in which such Director or any of his/her associates have a material interest nor shall such Director be counted in the quorum present at the meeting;

(b) we are committed that our Board should include a balanced composition with not less than one-third of independent non-executive Directors to ensure that our Board is able to effectively exercise independent judgment in its decision-making process and provide independent advice to our Shareholders. We have appointed three independent non-executive Directors and we believe our independent non-executive Directors possess sufficient experience and they are free of any business or other relationship which could interfere in any material manner with the exercise of their independent judgment and will be able to provide an impartial, external opinion to protect the interests of our public Shareholders. For details of our independent non-executive Directors, see "Directors and Senior Management – Board of Directors – Independent non-executive Directors";

(c) our Directors were provided with formal induction with regards to the requirements under the Listing Rules that are applicable to them as directors of a **[REDACTED]** issuer in Hong Kong. They were also reminded of their fiduciary duties to act for the benefit and in the best interests of our Company as Directors, not to profit themselves to the detriment of our Company and avoid actual and potential conflicts of interest and duty, including in situations where directors have business interests which are similar to those of our Company or material interests in the matters to be considered before the Board;

(d) after **[REDACTED]**, all Directors must participate in continuous professional development to develop and refresh their knowledge and skills for a proper understanding of the issuer's business, operations and governance policies and full awareness of their responsibilities under the Listing Rules and other applicable legal and regulatory requirements;

(e) we have established internal control mechanisms to identify connected transactions. Upon and after the **[REDACTED]**, if our Company enters into connected transactions with our Controlling Shareholders or any of their associates, our Company will comply with the applicable Listing Rules;

(f) we have appointed Guotai Junan 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 Directors' duties and corporate governance;

(g) as required by the Listing Rules, our independent non-executive Directors shall review any continuing connected transaction annually and confirm in our annual report that such transactions have been entered into in our ordinary and usual course of business, are either on normal commercial terms or on terms no less favorable to us than those available to or from independent third parties and on terms that are fair and reasonable and in the interests of our Shareholders as a whole; and

(h) after **[REDACTED]**, our Nomination Committee will be responsible for supporting the regular evaluation of the Board's performance.