OUR CONTROLLING SHAREHOLDERS

Pursuant to the 2026 AIC Agreement, Mr. Wu and Mr. Lin agreed to act in concert in exercising the voting rights attached to the Shares of the Company held directly and indirectly by them in relation to matters at the Shareholders' meeting. As of the Latest Practicable Date, by virtue of the 2026 AIC Agreement, Mr. Wu, Mr. Lin, Shenzhen Haokaiyi, Shenzhen Heyangsheng and Shenzhen Huakaijun as a group of Shareholders, were collectively entitled to control the voting rights attaching to approximately 84.85% of the total issued Shares of our Company including (i) 8,929,337 Shares directly held by Mr. Wu; (ii) 8,931,764 Shares directly held by Mr. Lin; (iii) 9,735,563 Shares held by Shenzhen Haokaiyi, which is is wholly owned by Mr. Wu; (iv) 9,735,563 Shares held by Shenzhen Heyangsheng, which is wholly owned by Mr. Lin; and (v) 849,110 Shares held by Shenzhen Huakaijun, which is owned by Mr. Wu and Mr. Lin as to 99.995% and 0.005%, and managed by both Mr. Wu and Mr. Lin as its general partners. For further details, see "History, Development and Corporate Structure — Acting-In-Concert Arrangement" in this document.

Immediately following the completion of the [REDACTED] (assuming the [REDACTED] is not exercised), Mr. Wu, Mr. Lin, Shenzhen Haokaiyi, Shenzhen Heyangsheng and Shenzhen Huakaijun will be collectively entitled to exercise the voting rights attaching to approximately [REDACTED]% of the total issued Shares at the general meetings of our Company. As such, Mr. Wu, Mr. Lin, Shenzhen Haokaiyi, Shenzhen Heyangsheng and Shenzhen Huakaijun constitute a group of Controlling Shareholders upon completion of the [REDACTED].

NO COMPETITION

Save and except for the interest in our Company, each of our Controlling Shareholders confirms that as of the Latest Practicable Date, they did not have any interest in any business which competes or, is likely to compete, directly or indirectly, with our 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 our Controlling Shareholders and their respective close associates upon [REDACTED].

Management Independence

Our Board consists of seven Directors, namely four executive Directors and three independent non-executive Directors. Notwithstanding that Mr. Wu and Mr. Lin, the members of our Controlling Shareholders, are executive Directors and senior management of our Company, our Directors consider that we are able to carry on our business independently from our Controlling Shareholders from a management perspective for the following reasons:

(a) 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. For details of the industry experience of our senior management team, please refer to the section headed "Directors and Senior Management" in this document;

(b) each Director 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 interest of our Company and does not allow any conflict between his/her duties as our Director and his/her personal interests. In the event that there is a potential conflict of interest arising out of any transaction to be entered into between our Group and a Director and/or his/her associate, he/she is required to declare the nature of such interest before voting at the relevant Board meetings of our Company in respect of such transactions and the interested Director, and shall abstain from voting and shall not be counted towards the quorum for the voting;

(c) our Board has a balanced composition of executive Directors and independent non-executive Directors which ensures the independence of our Board in making decisions affecting our Company. Specifically, (i) our independent non-executive Directors are not associated with our Controlling Shareholders or each of their close associates; (ii) our independent non-executive Directors account for more than one-third of the Board; and (iii) our independent non-executive Directors individually and collectively possess the requisite knowledge and experience as independent directors of [REDACTED] companies and will be able to provide professional advice to our Company. In conclusion, our Directors believe 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 interest of our Company and our Shareholders as a whole; and

(d) we will establish corporate governance measures and adopt sufficient and effective control mechanisms to manage potential conflicts of interest, if any, between our Group and our Controlling Shareholders, which would support our independent management. For details, please see "— Corporate Governance" in this section.

Based on the above, our Directors believe that our Board as a whole and together with our senior management are able to perform the managerial role in our Group independently from our Controlling Shareholders and their respective close associates after the [REDACTED].

Operational Independence

Our Group do not rely on our Controlling Shareholders and their respective close associates for our business development, staffing, administration, finance, internal audit, information technology, sales and marketing, or company secretarial functions. We have our own departments specializing in these respective areas which have been in operation and are expected to continue to operate separately and independently from our Controlling Shareholders and their respective close associates. In addition, we have our own headcount of employees for our operations and management for human resources.

Our Group independent access to suppliers and customers and an independent management team to handle our day-to-day operations. We are also in possession of all relevant licenses, certificates, facilities and intellectual property rights necessary to carry on and operate our principal businesses and we have sufficient operational capacity in terms of capital and employees to operate independently.

We have entered into certain continuing connected transactions with the associates of our Controlling Shareholders in relation to procurement of machined parts by our Group. Such transactions are and will be conducted on an arm's length basis and on normal commercial terms in the ordinary and usual course of business of our Company. See the section headed "Connected Transactions".

Based on the above, our Directors believe that we are able to operate independently of our Controlling Shareholders and their respective close associates.

Financial Independence

Our Group has an independent financial system and makes financial decisions according to our own business needs. We have internal control and accounting systems and an independent finance department in charge of our treasury function. We do not expect to rely on our Controlling Shareholders and their respective close associates for financing after [REDACTED] as we expect that our working capital will be funded by cash, cash equivalents on hand as well as the estimated net [REDACTED] from the [REDACTED]. As such, our Company's financial functions, such as cash and accounting management, invoices and bills, operate independently of our Controlling Shareholders and their respective close associates.

In addition, we are capable of obtaining financing from independent third parties without relying on any guarantee or security provided by our Controlling Shareholders and their respective close associates. As of the Latest Practicable Date, there was no outstanding loan or guarantee provided by our Controlling Shareholders and their respective close associates.

Based on the above, our Directors believe that we are capable of carrying on our business independently of, and do not place undue reliance on our Controlling Shareholders and their respective close associates upon [REDACTED].

CORPORATE GOVERNANCE

Our Company will comply with the provisions of the Corporate Governance Code in Appendix 14 to the Listing Rules (the "**Corporate Governance Code**"), which sets out principles of good corporate governance.

Our Directors recognize the importance of good corporate governance to protect the interests of our Shareholders. Our Company would adopt the following corporate governance measures to manage potential conflict of interests between our Group and our Controlling Shareholders:

(a) where a Shareholders' meeting is to be held for considering proposed transactions in which any Shareholders or any of their respective associates has a material interest, the interested Shareholders will not vote on the resolutions and shall not be counted in the quorum in the voting;

(b) our Articles of Association provides that, a Director shall be abstained from voting on any resolution approving any contract, transaction or arrangement in which such Director or any of his/her close associates has a material interest nor shall such Director be counted in the quorum present at the Board meeting;

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

(d) we are committed that our Board shall include a balanced composition of executive Directors and non-executive Directors (including independent non-executive Directors). We have appointed three independent non-executive Directors, and we believe our independent non-executive Directors (i) possess sufficient experiences, (ii) are free of any business or other relationship which could interfere in any material manner with the exercise of their independent judgment, and (iii) will be able to review whether there is any conflict of interests between our Group and our Controlling Shareholders and provide an impartial and external opinion to protect the interests of our Shareholders as a whole. For details of the independent non-executive Directors, see the section headed "Directors and Senior Management" in this document;

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

(f) we have appointed UOB Kay Hian Holdings 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 the corporate governance measures are sufficient to manage conflicts of interest that may arise between our Group and our Controlling Shareholders, and to protect our minority Shareholders' interests after the [REDACTED].