HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

OVERVIEW

Our history can be traced back to January 2003, when our Company was established as a limited liability company under the name of Zibo Ande Medical Technology Co., Ltd. (淄博安得醫療科技有限公司) in the PRC, which was primarily engaged in the manufacturing of disposable syringe products. Under the leadership of Mr. Ji, our Company has adhered to an innovation-driven strategy. Through over 20 years of continuous investment in research and development, we have grown into a leading innovation-driven medical consumables provider in China. In June 2022, we were converted from a limited liability company into a joint stock limited company and renamed as Shandong Ande Healthcare Apparatus Co., Ltd. (山東安得醫療用品股份有限公司).

BUSINESS MILESTONES

The following is a summary of our key business development milestones.

Year	Event
2003	Our Company was established in the PRC.
2010	Patrick Choay SAS became one of our Shareholders, transforming the Company into a Sino-foreign joint venture.
2011	We obtained the first registration certificate for TPE infusion sets in the PRC.
2012	We obtained the first registration certificate for multi-layer tubing light-protective infusion sets in the PRC and successfully developed the first smart infusion set in the PRC.
2014	We obtained the first registration certificate for polyurethane needle-free connector PIVC in the PRC.
2017	Our infusion set products were certified by the U.S. FDA.
2017	Our Shanghai R&D center was established.
2020	We obtained the first registration certificate for closed-system medication transfer devices and the first power injectable peripherally inserted central catheter ("**PICC**") registration certificate in the PRC.
2022	Our Company was converted into a joint stock limited company and renamed as Shandong Ande Healthcare Apparatus Co., Ltd. (山東安得醫療用品股份有限公司).
	Our independently developed mini midline catheters was launched, representing the first entry into the PRC market for such products.
	We obtained the CE certificate under the EU MDR regulations.
2023	We obtained the first registration certificate for umbilical arterial and venous catheters for infants in China, and we established the Shenzhen International Marketing Centre.
2024	We have been approved to establish a national-level Postdoctoral Research Workstation in the PRC.

Year	Event
2025	We obtained the registration certificate for the "peripherally punctured midline catheter" product, bringing our total number of Class III medical device registration certificates in China to 100; and our polyurethane PIVC was recognized as National-level Manufacturing Single Champion product.

OUR SUBSIDIARIES

The following sets out the principal business activities, place of establishment, date of establishment and equity interest attributable to our Group of our subsidiaries as of the Latest Practicable Date. For further details of these subsidiaries, see "— Corporate Structure" in this section. For changes in the registered capital of our subsidiaries, see "Statutory and General Information — Further Information about Our Group — Changes in the Share Capital of Our Subsidiaries" in Appendix VI to this document.

Name of subsidiary	Place of establishment	Date of establishment	Equity interest attributable to our Group	Principal business activities
Ande Sales.	PRC	November 29, 2016	100%	Sales of medical devices
Shandong Toge . . .	PRC	July 25, 2022	100%	R&D, manufacturing and sales of medical devices

CORPORATE DEVELOPMENT AND MAJOR SHAREHOLDING CHANGES

Establishment of our Company and Early Shareholding Changes

Our Company was established on January 23, 2003 as a limited liability company under the laws of the PRC with the name of Zibo Ande Medical Technology Co., Ltd. (淄博安得醫療科技有限公司) and an initial registered capital of RMB5.875 million. Our initial Shareholders were 196 employees of Shandong Xinhua Medical Device Group (山東新華醫療器械集團) ("**Device Group**"). To facilitate the administration of the equity interests held by these employees, the equity interests of our Company were registered under the names of Li Qin (李勤) and Ruan Xi'an (阮希安) as nominee shareholders on behalf of such employees pursuant to an arrangement of Device Group. In May 2003, Li Qin transferred her entire equity interest in our Company to Ruan Xi'an as a nominal holder adjustment.

In June 2003, our Company entered into a capital increase agreement with Shinva Medical Instrument Co., Ltd. (山東新華醫療器械股份有限公司) ("**Shinva Medical**"), China Machinery & Electronics Export Products Investment Corporation (中國機電出口產品投資公司) ("**China Machinery & Electronics Export**"), Zibo Qilu Venture Capital Co., Ltd. (淄博齊魯創業投資有限責任公司) ("**Qilu Venture Capital**") and Ruan Xi'an, pursuant to which Shinva Medical, China Machinery & Electronics Export, Qilu Venture Capital and Ruan Xi'an subscribed for newly issued registered capital of our Company in the amounts of RMB15 million, RMB13 million, RMB2.97 million and RMB25,000, respectively. In June 2004, Shinva Medical further subscribed for RMB11.13 million of newly increased registered capital of our Company. Upon completion of the aforesaid capital increase, the Company was held by Shinva Medical, China Machinery & Electronics Export, Ruan Xi'an and Qilu Venture Capital as to 54.44%, 27.08%, 12.29% and 6.19%, respectively, and the registered capital of our Company increased to RMB48 million.

In March 2008, Ruan Xi'an and Qilu Venture Capital transferred all their respective equity interests in our Company to Zibo Huide Investment Co., Ltd. (淄博匯德投資有限公司) ("**Zibo Huide**"), a company controlled by Device Group. Zibo Huide replaced Ruan Xi'an and became the nominee shareholder on behalf of the employees of Device Group. Upon completion of the aforesaid equity transfer, our Company was held by Shinva Medical, China Machinery & Electronics Export and Zibo Huide as to 54.44%, 27.08% and 18.48%, respectively.

The consideration for all the above capital increases and equity transfers was RMB1 per RMB1 of registered capital.

Acquisition of our Company by Patrick Choay SAS and Shanghai Yirui in 2010

Pursuant to the share transfer agreements entered into in January 2010 and April 2010, (i) Shinva Medical transferred 35.69% of the equity interest in our Company held by it to Patrick Choay SAS; and (ii) China Machinery & Electronics Export and Zibo Huide transferred 27.08% and 18.48% of the equity interest in our Company to Shanghai Yirui, respectively. Pursuant to the capital increase agreements entered into in April 2010, Patrick Choay SAS and Shanghai Yirui, subscribed for RMB5.07 million and RMB6.93 million, respectively, of newly increased registered capital of our Company. The consideration for the aforesaid equity transfers and capital increases was RMB1 per RMB1 of registered capital. Such consideration was determined after arm's length negotiations between the parties with reference to a valuation report prepared by an independent professional valuer based on the net asset value of our Company, and was fully settled in July 2010.

Upon completion of the above equity transfers and capital increases, our Company was held as to 48%, 37% and 15% by Shanghai Yirui, Patrick Choay SAS and Shinva Medical, respectively, and the registered capital of our Company increased to RMB60.0 million.

Patrick Choay SAS

Patrick Choay SAS is a French pharmaceutical group primarily engaged in the manufacture and sale of pharmaceutical products and medical devices as well as equity investment. The embryo transfer catheter manufactured by its subsidiary, Laboratoire CCD, was used in the successful delivery of the first in vitro fertilization (IVF) babies in France and China, and has established a good reputation in the assisted reproductive medical device industry. Patrick Choay SAS was owned as to approximately 89.34% by Dr. Patrick Henri Jean Choay.

Shanghai Yirui

Shanghai Yirui was established under the laws of the PRC on November 17, 2009 as a limited liability company. The equity interests of Shanghai Yirui once was held as to 4.50%, 3.50% and 2.00% by Li Shiliang (李世良), Wang Wenbo (王文博) and Zhang Zhu (張竹), who are Independent Third Parties, respectively, with the remaining 90% held by such three individuals as nominee holders on behalf of Device Group. Pursuant to the instructions of the competent governmental authority of Device Group on equity clarification, in May 2021, Li Shiliang, Wang Wenbo and Zhang Zhu transferred the equity interests they had held on behalf of Device Group to Zibo Weilan, Zibo Xinye and Zibo Chuangyue, being employee shareholding platforms established for over 300 key employees of our Group, and the nominee shareholding arrangement was terminated. The consideration for the equity transfers was determined after arm's length negotiations among the parties with reference to a valuation report issued by an independent valuer. As of the Latest Practicable Date, Shanghai Yirui was owned as to 73.29%, 7.12%, 7.08%, 5.63%, 4.38% and 2.50%, by Zibo Weilan, Zibo Xinye, Zibo Chuangyue, Li Shiliang, Wang Wenbo and Mr. Zhang Zhu, respectively.

Equity Transfer in May 2012

In May 2012, Shanghai Yirui, Patrick Choay SAS and Shinva Medical entered into a share transfer agreement, pursuant to which Shinva Medical transferred 8.47% and 6.53% equity interests in our Company to Shanghai Yirui and Patrick Choay SAS, at a consideration of RMB8.13 million and RMB6.26 million, respectively, which were determined by the parties with reference to a valuation report prepared by an independent professional valuer based on the net assets value of our Company, and were fully settled by December 2012. Upon completion of the aforesaid equity transfer, our Company was held as to 56.47% and 43.53% by Shanghai Yirui and Patrick Choay SAS.

Capital Increase in August 2012 and December 2014

For the purpose of implementing the employee shareholding incentive, Shanghai Zhuanjingle, an employee shareholding platform of the Company, subscribed for newly increased registered capital of our Company in the amounts of RMB4.0 million and RMB2.66 million in June 2012 and December 2014, respectively. For details of Shanghai Zhuanjingle, please see "— Employee Shareholding Platforms" below. Upon completion of the aforesaid capital increases, the registered capital of our Company increased from RMB60.0 million to RMB66.66 million, and our Company was held as to 50.83%, 39.18% and 9.99% by Shanghai Yirui, Patrick Choay SAS and Shanghai Zhuanjingle, respectively.

Conversion into a Joint Stock Company

On June 1, 2022, our Company was converted from a limited liability company into a joint stock company with limited liability. Upon completion of the conversion, our Company had a total share capital of RMB66.66 million divided into 66,660,000 Shares, which was held as to 50.83%, 39.18% and 9.99% by Shanghai Yirui, Patrick Choay SAS and Shanghai Zhuanjingle, respectively.

Share Transfer in June 2023

To optimize the key employee equity incentive arrangement, six Direct Employee Shareholding platforms, namely Zibo Zhongce, Zibo Zhongjie, Zibo Zhongcheng, Zibo Zhonghui, Zibo Zhonghe and Zibo Zhongyue, were established. In June 2023, Shanghai Yirui transferred approximately 10.17% of the equity interest in our Company to these six Employee Shareholding Platforms. For details of these six Employee Shareholding Platforms, please see "— Employee Shareholding Platforms" below.

Share Repurchase in December 2025

In order to enhance sustainable development capabilities of the Company and further incentivize employees, in December 2025, the Company repurchased 3,333,000 Shares held by Patrick Choay SAS at a price of RMB13.75 per Share, representing 5% of the Company's total share capital. In January 2026, the Company issued 2,788,000 and 545,000 repurchased Shares respectively to Zibo Zunxin and Zibo Tongxinyuan, two newly established Employee Shareholding Platforms at a price of RMB6.5 per Share. For details of Zibo Zunxin and Zibo Tongxinyuan, please see "— Employee Shareholding Platforms" below.

PRC Legal Advisor's Confirmation

As advised by our PRC Legal Advisor, our Company has made all necessary registrations or filings with the relevant local branch of SAMR in respect of the equity transfers, capital increases and share transfers set out above, and such equity transfers, capital increases and share transfers were conducted in compliance with the applicable PRC laws and regulations in all material respects.

EMPLOYEE SHAREHOLDING PLATFORMS

In order to incentivize employees and further promote our development, we have established the following Employee Shareholding Platforms in the PRC.

Zibo Weilan

Zibo Weilan was established in the PRC as a limited partnership on February 7, 2021. Zibo Heyi is the executive general partner of Zibo Weilan and is responsible for its management. Zibo Heyi was owned as to approximately 55% by Mr. Ji. As of the Latest Practicable Date, Zibo Weilan was owned as to 48.52% by Mr. Ji as the general partner and had 27 limited partners, including (i) Mr. Zou Peng (an executive Director), holding 9.65% of the partnership interest; (ii) Ms. Wang Huimin (an executive Director), holding 4.60% of the partnership interest; (iii) Mr. Tian Xiaolei (an executive Director), holding 3.43% of the partnership interest; (iv) Ms. Xu Xuemei (a connected person of our Company), holding 1.39% of the partnership interest; and (v) 23 other limited partners, who are employees of our Group. None of them holds 10% or more of the partnership interest therein.

Zibo Xinye

Zibo Xinye was established in the PRC as a limited partnership on February 9, 2021. Zibo Heyi is the executive general partner of Zibo Xinye and is responsible for its management. As of the Latest Practicable Date, Zibo Xinye was owned as to 7.51% by Mr. Ji as the general partner and had 40 limited partners, who are employees of our Group. None of those limited partners held 10% or more of the partnership interest therein.

Zibo Chuangyue

Zibo Chuangyue was established in the PRC as a limited partnership on February 9, 2021. Zibo Heyi is the executive general partner of Zibo Chuangyue, and is responsible for its management. As of the Latest Practicable Date, Zibo Chuangyue was owned as to 0.52% by Mr. Ji as the general partner and had 47 limited partners, who are employees of our Group. None of those limited partners held 10% or more of the partnership interest therein.

Shanghai Zhuanjingle

Shanghai Zhuanjingle was established in the PRC as a limited company on June 26, 2012. As of the Latest Practicable Date, Shanghai Zhuanjingle was owned by Mr. Ji, Mr. Zou Peng (an executive Director), Ms. Wang Huimin (an executive Director), Mr. Tian Xiaolei (an executive Director), Ms. Xu Xuemei (a connected person of our Company) as to 53.45%, 6.46%, 3.30%, 3.30% and 2.25%, respectively, and by other 17 employees of our Group as to 31.23%, respectively. Shanghai Zhuanjingle held approximately 9.99% of the registered capital of our Company. The voting rights attaching to the Shares held by Shanghai Zhuanjingle are exercisable by Mr. Ji.

Zibo Zhongce

Zibo Zhongce was established in the PRC as a limited partnership on April 25, 2023. Zibo Heyi is the executive general partner of Zibo Zhongce and is responsible for its management. As of the Latest Practicable Date, Zibo Zhongce was owned as to 3.72% by Mr. Ji as the general partner and had 47 limited partners, including (i) Mr. Zou Peng (an executive Director), holding 26.39% of the partnership interest; (ii) Ms. Wang Huimin (an executive Director), holding 14.53% of the partnership interest; (iii) Mr. Tian Xiaolei (an executive Director), holding 12.93% of the partnership interest; (iv) Ms. Xu Xuemei (a connected person of our Company), holding approximately 1.90% of the partnership interest; and (v) 43 other limited partners, who are employees of our Group. None of those limited partners held 10% or more of the partnership interest therein. As of the Latest Practicable Date, Zibo Zhongce held approximately 5.44% of the share capital of our Company. The voting rights attaching to the Shares held by Zibo Zhongce are exercisable by Zibo Heyi.

Zibo Zhongjie

Zibo Zhongjie was established in the PRC as a limited partnership on April 26, 2023. Zibo Heyi is the executive general partner of Zibo Zhongjie and is responsible for its management. As of the Latest Practicable Date, Zibo Zhongjie was owned as to 9.38% by Mr. Ji as the general partner and had 44 limited partners, who are employees of our Group. None of those limited partners held 10% or more of the partnership interest therein. As of the Latest Practicable Date, Zibo Zhongjie held approximately 1.44% of the share capital of our Company. The voting rights attaching to the Shares held by Zibo Zhongjie are exercisable by Zibo Heyi.

Zibo Zhongcheng

Zibo Zhongcheng was established in the PRC as a limited partnership on April 25, 2023. Zibo Heyi is the executive general partner of Zibo Zhongcheng and is responsible for its management. As of the Latest Practicable Date, Zibo Zhongcheng was owned as to 0.75% by Mr. Ji as the general partner and had 47 limited partners, who are employees of our Group. None of those limited partners held 10% or more of the partnership interest therein. As of the Latest Practicable Date, Zibo Zhongcheng held approximately 1.01% of the share capital of our Company. The voting rights attaching to the Shares held by Zibo Zhongcheng are exercisable by Zibo Heyi.

Zibo Zhonghui

Zibo Zhonghui was established in the PRC as a limited partnership on April 26, 2023. Zibo Heyi is the executive general partner of Zibo Zhonghui and is responsible for its management. As of the Latest Practicable Date, Zibo Zhonghui was owned as to 7.14% by Mr. Ji as the general partner and had 44 limited partners, who are employees of our Group. None of those limited partners held 10% or more of the partnership interest therein. As of the Latest Practicable Date, Zibo Zhonghui held approximately 0.84% of the share capital of our Company. The voting rights attaching to the Shares held by Zibo Zhonghui are exercisable by Zibo Heyi.

Zibo Zhonghe

Zibo Zhonghe was established in the PRC as a limited partnership on April 25, 2023. As of the Latest Practicable Date, Zibo Heyi is the executive general partner of Zibo Zhonghe, holding approximately 2.04% partnership interest therein. Zibo Zhonghe had 48 limited partners, who are employees of our Group. None of them holds 10% or more of the partnership interest therein. As of the Latest Practicable Date, Zibo Zhonghe held approximately 0.74% of the share capital of our Company. The voting rights attaching to the Shares held by Zibo Zhonghe are exercisable by Zibo Heyi.

Zibo Zhongyue

Zibo Zhongyue was established in the PRC as a limited partnership on April 26, 2023. Zibo Heyi is the executive general partner of Zibo Zhongyue and is responsible for its management. As of the Latest Practicable Date, Zibo Zhongyue was owned as to 7.45% by Mr. Ji as the general partner and had 42 limited partners, who are employees of our Group. None of those limited partners held 10% or more of the partnership interest therein. As of the Latest Practicable Date, Zibo Zhongyue held approximately 0.71% of the share capital of our Company. The voting rights attaching to the Shares held by Zibo Zhongyue are exercisable by Zibo Heyi.

Zibo Zunxin

Zibo Zunxin was established in the PRC as a limited partnership on December 17, 2025. As of the Latest Practicable Date, Si Zhenyun (司振云), an employe of our Group, is the general partner of Zibo Zunxin, holding approximately 1.43% partnership interest therein. Zibo Zunxin had 35 limited partners, including (i) Mr. Chen Xingang (陳心剛) (a connected person of our Company), holding 8.21% of the partnership interest; (ii) Ms. Xu Xuemei (許雪梅) (a connected person of our Company), holding 1.94% of the partnership interest; and (iii) 33 other limited partners, who are employees of our Group. None of those limited partners held 10% or more of the partnership interest therein. As of the Latest Practicable Date, Zibo Zunxin held approximately 4.18% of the share capital of our Company. The voting rights attaching to the Shares held by Zibo Zunxin are exercisable by Si Zhenyun.

Zibo Tongxinyuan

Zibo Tongxinyuan was established in the PRC as a limited partnership on January 14, 2026. As of the Latest Practicable Date, Fan Yujing (范玉婧), an employe of our Group, is the general partner of Zibo Tongxinyuan, holding approximately 4.59% partnership interest therein. Zibo Tongxinyuan had 22 limited partners, who are employees of our Group. None of them holds 10% or more of the partnership interest therein. As of the Latest Practicable Date, Zibo Tongxinyuan held approximately 0.82% of the share capital of our Company. The voting rights attaching to the Shares held by Zibo Tongxinyuan are exercisable by Fan Yujing.

Save for the Directors and connected persons of the Company as disclosed above, all other limited partners of the Employee Shareholding Platforms are Independent Third Parties.

MAJOR ACQUISITIONS, DISPOSALS AND MERGERS

During the Track Record Period and up to the Latest Practicable Date, we did not conduct any material acquisitions, disposals or mergers.

THE PREVIOUS LISTING TUTORING

In July 2023, to explore the opportunity of establishing a capital market platform via the A share market in the PRC (the "**Proposed A Share Listing**"), our Company entered into an IPO tutoring agreement (the "**Tutoring Agreement**") with China Securities Co., Ltd. (中信建投證券股份有限公司) ("**CSC**"), appointing CSC as our A Share pre-listing tutoring institution to provide tutoring services. In August 2023, CSC, acting on behalf of our Company, submitted the pre-listing tutoring filing (上市前輔導備案) to the Shandong Regulatory Bureau of the CSRC (中國證券監督管理委員會山東監管局) ("**CSRC Shandong**").

Considering that the Stock Exchange would provide us with an international [REDACTED] platform, attract diverse overseas [REDACTED] and raise our profile and market awareness, we voluntarily decided to terminate the Proposed A Share Listing and formally submitted the cessation notification to the CSRC Shandong on May 12, 2026.

The Directors confirm that, since the execution of the Tutoring Agreement and up to the Latest Practicable Date, (a) our Company did not receive any comments or inquiries from the CSRC Shandong in connection with the Proposed A Share Listing; (b) our Company had not submitted any formal listing application for the Proposed A Share Listing; and (c) there are no material matters or unresolved issues relating to Proposed A Share Listing that need to be brought to the attention of the Stock Exchange. Based on the independent due diligence conducted by the Sole Sponsor, nothing material has come to the attention of the Sole Sponsor relating to the Proposed A Share Listing that need to be brought to the attention of the Stock Exchange given the Company has confirmed that (a) the Company has not received any comments or inquiries from the CSRC Shandong in connection with the Proposed A Share Listing; and (b) the Company has not submitted any formal listing application for the Proposed A Share Listing.

SHAREHOLDING STRUCTURE OF OUR COMPANY

The table below sets forth the shareholding structure of our Company as of the Latest Practicable Date and the [REDACTED] (assuming that the [REDACTED] is not exercised):

	As of the Latest Practicable Date		Immediately upon completion of the [REDACTED] and the conversion of Unlisted Shares into H Shares (assuming the [REDACTED] are not exercised)			
Shareholders	Number of Shares	Approximate shareholding percentage	Number of Unlisted Shares	Number of H Shares[(1)]	Number of total Shares	Approximate shareholding percentage
Shanghai Yirui	27,105,920	40.66%	[REDACTED]	[REDACTED]	27,105,920	[REDACTED]%
Patrick Choay SAS	22,784,600	34.18%	[REDACTED]	[REDACTED]	22,784,600	[REDACTED]%
Shanghai Zhuanjingle	6,660,000	9.99%	[REDACTED]	[REDACTED]	6,660,000	[REDACTED]%
Zibo Zhongce	3,626,480	5.44%	[REDACTED]	[REDACTED]	3,626,480	[REDACTED]%
Zibo Zunxin	2,788,000	4.18%	[REDACTED]	[REDACTED]	2,788,000	[REDACTED]%
Zibo Zhongjie	960,000	1.44%	[REDACTED]	[REDACTED]	960,000	[REDACTED]%
Zibo Zhongcheng	670,000	1.01%	[REDACTED]	[REDACTED]	670,000	[REDACTED]%
Zibo Zhonghui	560,000	0.84%	[REDACTED]	[REDACTED]	560,000	[REDACTED]%
Zibo Tongxinyuan	545,000	0.82%	[REDACTED]	[REDACTED]	545,000	[REDACTED]%
Zibo Zhonghe	490,000	0.74%	[REDACTED]	[REDACTED]	490,000	[REDACTED]%
Zibo Zhongyue	470,000	0.71%	—	[REDACTED]	470,000	[REDACTED]%
[REDACTED] participating in the [REDACTED]	—	—	—	[REDACTED]	[REDACTED]	[REDACTED]%
Total	**66,660,000**	**100.00%**	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**	**100.00%**

Note:

(1) Subject to the completion of relevant filings, the [REDACTED] Unlisted Shares held by all our existing Shareholders will be converted to H Shares upon [REDACTED].

PUBLIC FLOAT

[REDACTED] H Shares to be converted from Unlisted Shares held by the existing Shareholders (other than Zibo Zunxin and Zibo Tongxinyuan), representing [REDACTED]% of our total issued Shares upon [REDACTED] (assuming the [REDACTED] is not exercised), will not be considered as part of the public float as the aforesaid Shareholders are core connected persons of our Group or their respective close associate.

[REDACTED] H Shares to be converted from the Unlisted Shares held by Zibo Zunxin and Zibo Tongxinyuan (excluding [REDACTED] H Shares corresponding to the partnership interests in Zibo Zunxin held by the core connected persons of our Company) will be treated as part of the public float of our Company following [REDACTED] for the purpose of Rule 19A.13A(1) of the Listing Rules.

Upon [REDACTED], our Company will satisfy the public float requirement under Rule 19A.13A(1) of the Listing Rules. This calculation assumes that (i) [REDACTED] H Shares are [REDACTED] and [REDACTED] in the [REDACTED] (assuming the [REDACTED] is not exercised), and (ii) [REDACTED] Unlisted Shares held by our existing Shareholders are converted into H Shares. Based on these assumptions, [REDACTED] H Shares, equivalent to [REDACTED]% of the total number of issued Shares of our Company, will be counted towards the public float upon the [REDACTED]. Assuming that the [REDACTED] is not exercised, based on the [REDACTED] of HK$[REDACTED] per [REDACTED] and HK$[REDACTED] per [REDACTED] (being the low-end and the high-end of the indicative [REDACTED] range), the expected [REDACTED] of the Company upon the [REDACTED] would not exceed HK$[REDACTED]. Accordingly, the minimum prescribed public float percentage applicable to our H Shares under Rule 19A.13A(1) of the Listing Rules is [REDACTED]. Therefore, our Company is expected to satisfy the minimum public float requirement under Rule19A.13A(1) of the Listing Rules.

FREE FLOAT

Rule 19A.13C of the Listing Rules provides that, where a new applicant is a PRC issuer with no other listed shares at the time of listing, this will normally mean that the portion of H shares for which listing is sought, that are held by the public and not subject to any disposal restrictions (whether under contract, the Listing Rules, applicable laws or otherwise), at the time of listing, must: (a) represent at least 10% of the total number of issued shares in the class to which H shares belong at the time of listing (excluding treasury shares), with an expected market value at the time of listing of not less than HK$50,000,000; or (b) have an expected market value at the time of listing of not less than HK$600,000,000.

Based on an [REDACTED] of HK$[REDACTED] per H Share, being the low-end of the indicative [REDACTED], the Company will satisfy the free float requirement under Rule 19A.13C of the Listing Rules.

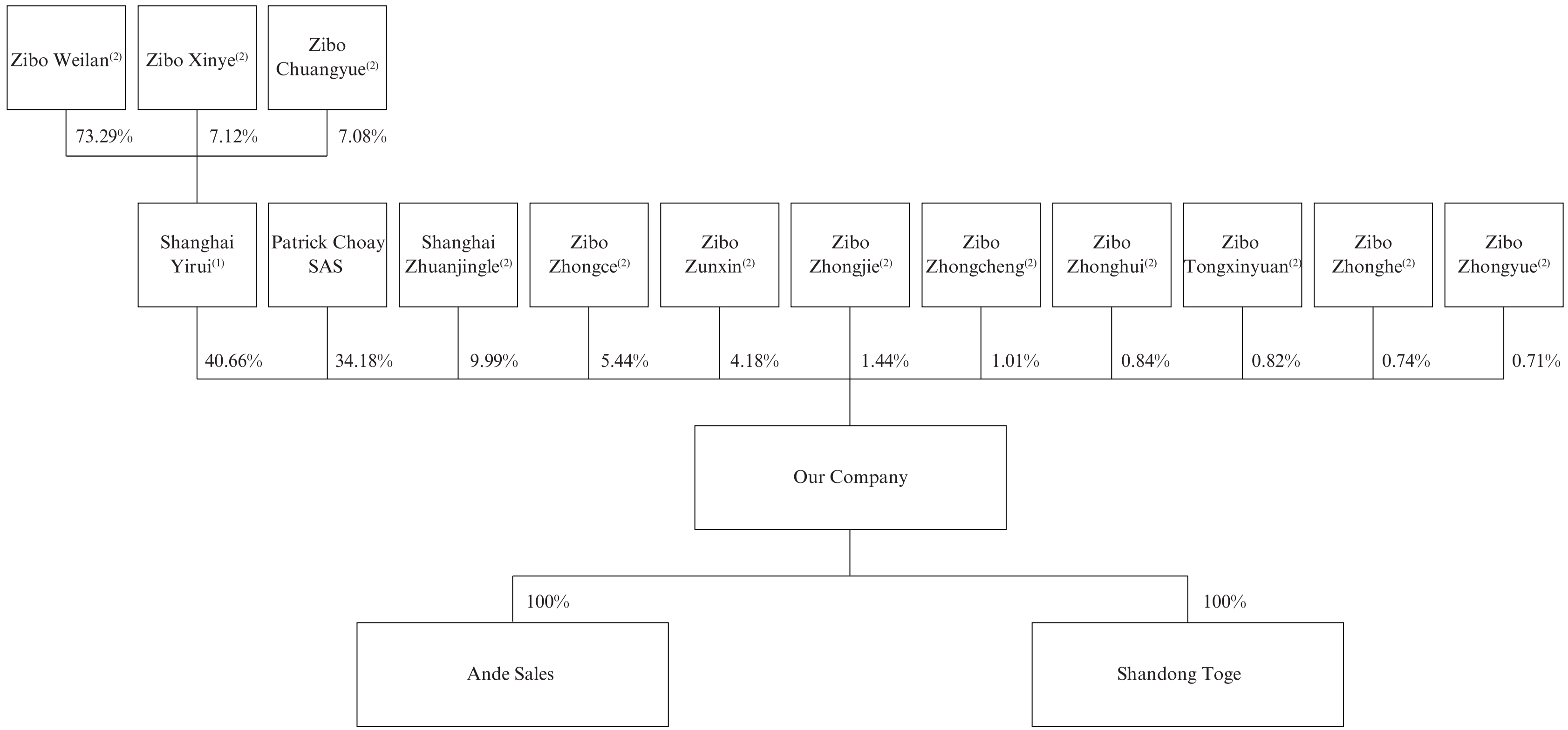
REASONS FOR THE [REDACTED]

Our Company is seeking a [REDACTED] of its H Shares on the Stock Exchange in order to establish a [REDACTED] and [REDACTED] platform in the international capital market, further expand the Company's international business, deepen the Company's brand influence and market awareness, optimize the [REDACTED] structure, improve the internal governance structure and build a modern enterprise management system. For further details of our future plans, see "Future Plans and Use of [REDACTED]".

CORPORATE STRUCTURE

Corporate Structure Immediately Before the [REDACTED]

The following chart sets forth the simplified shareholding and corporate structure of our Group immediately before the [REDACTED], assuming that no changes are made to the issued share capital of our Company between the Latest Practicable Date and [REDACTED].



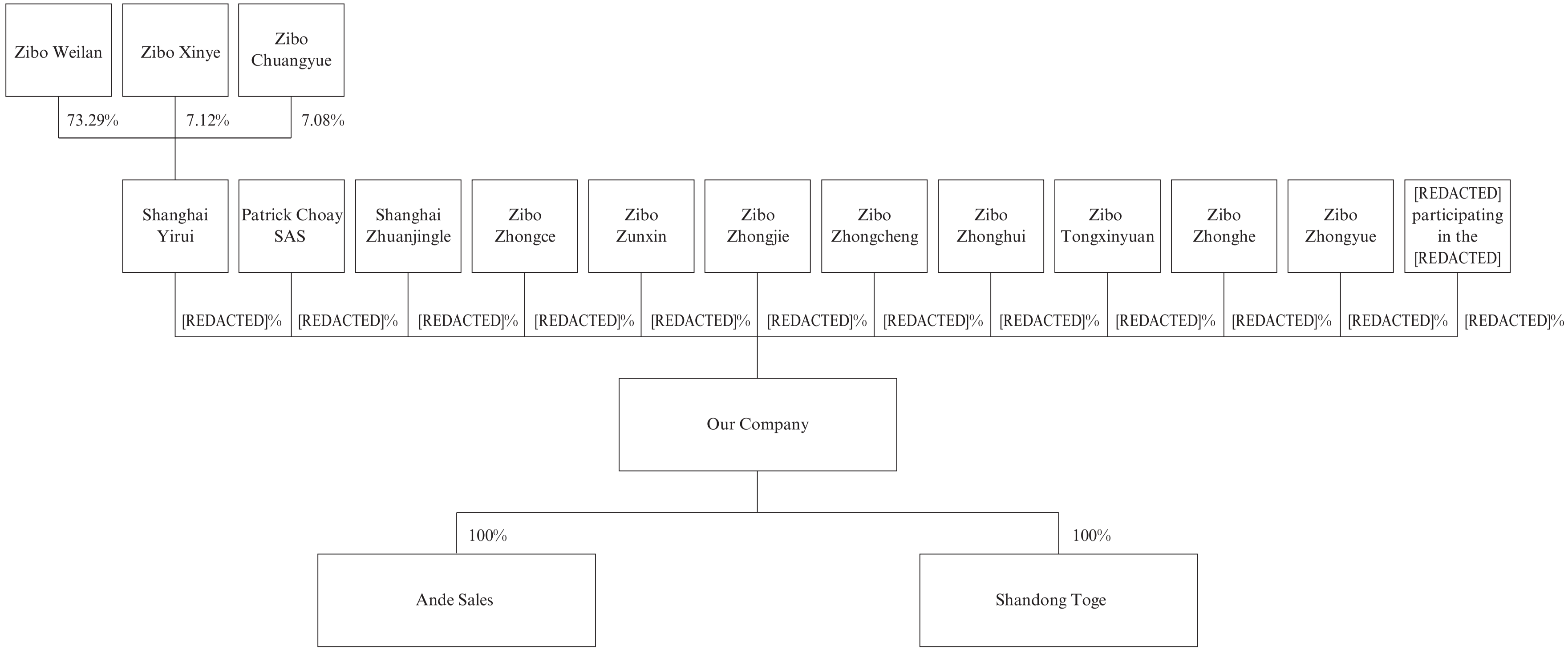
Notes:

(1) As of the Latest Practicable Date, Shanghai Yirui was held by Zibo Weilan, Zibo Xinye, Zibo Chuangyue, as to approximately 73.29%, 7.12%, 7.08%, respectively, and Li Shiliang, Wang Wenbo and Zhang Zhu, who are Independent Third Parties, as to approximately 5.63%, 4.38% and 2.50%, respectively.

(2) For further details, see "— Employee Shareholding Platforms" in this section.

Corporate Structure Immediately After the [REDACTED]

The following chart sets forth the simplified shareholding and corporate structure of our Group immediately after the completion of the [REDACTED], assuming that the [REDACTED] is not exercised and that no changes are made to the issued share capital of the Company between the Latest Practicable Date and [REDACTED].



Note: See the notes in "Corporate Structure Immediately Before the [REDACTED]" above.