THE GROUP OF OUR CONTROLLING SHAREHOLDERS

As of the Latest Practicable Date, Mr. Bao, our Founder, Controlling Shareholder and ultimate controller, had controlled an aggregate of 10,670,898 Shares (representing 44.66% of all the voting power at the general meetings of our Company), comprising (1) 4,620,748 Shares held by Bagbao Holding Limited (representing 19.34% of all the voting power at the general meetings of our Company), a company controlled by Mr. Bao and (2) 6,050,150 Shares held by Xiaoe Tech Holding Limited (representing 25.32% of all the voting power at the general meetings of our Company), our ESOP shareholding platform controlled by Mr. Bao.

As of the Latest Practicable Date, Bagbao Holding Limited is a holding company owned as to 95% by Bagbao I (BVI) Limited and 5% by Bagbao Limited. Bagbao I (BVI) Limited is held by the Bagbao I Trust, which is the family trust of Mr. Bao. The settlor of such trust is Mr. Bao. As of the Latest Practicable Date, the beneficiary of the trust is Bagbao Limited. The voting rights of shares of Bagbao Holding Limited is controlled by Mr. Bao Bagbao Limited is a holding company wholly owned by our Founder since its inception and the shares of Bagbao Holding Limited held by Bagbao Limited is controlled by Mr. Bao. Xiaoe Tech Holding Limited is a holding company owned as to 28.96%, 41.48%, 14.98% and 14.58% by Xiaoe Tech I (BVI) Limited, Xiaoe Tech II (BVI) Limited, Xiaoe Tech III (BVI) Limited and Xiaoe Technology Limited. Each of Xiaoe Tech I (BVI) Limited, Xiaoe Tech II (BVI) Limited, Xiaoe Tech III (BVI) Limited is the nominee company of our ESOP Trusts. The settlor of all the ESOP Trusts is the Company and the beneficiaries are the Grantees under the Company's Pre-[**REDACTED**] Share Incentive Plan. The voting rights of shares of Xiaoe Tech Holding Limited are ultimately controlled by Mr. Bao. See "Appendix IV—Statutory and General Information—D. Share Incentive Scheme—1. Pre-[**REDACTED**] Share Incentive Plan" for details of the Grantees and beneficiaries. Xiaoe Technology Limited is a limited company incorporated in the British Virgin Islands on January 25, 2021. As of the Latest Practicable Date, Xiaoe Technology Limited was owned as to 66.11%, 11.95%, 9.67%, 7.53% and 4.74% by Mr. Bao, Ms. FAN Xiaoxing, Mr. WANG Lianghu, Mr. ZENG Yongjun and Mr. YU Qianli, respectively, and is controlled by Mr. Bao.

Immediately upon completion of the [**REDACTED**], assuming no exercise of the [**REDACTED**], Mr. Bao will control approximately [**REDACTED**]% of all the voting power at the general meetings of our Company comprising approximately [**REDACTED**]% and [**REDACTED**]% of the interests held by Xiaoe Tech Holding Limited and Bagbao Holding Limited, respectively.

Accordingly, our Founder is the ultimate controller of our Company, and our Founder together with the holding companies controlled by him including Xiaoe Tech Holding Limited, Bagbao Holding Limited, Xiaoe Tech I (BVI) Limited, Xiaoe Tech II (BVI) Limited, Xiaoe Tech III (BVI) Limited, Xiaoe Technology Limited, Bagbao I (BVI) Limited and Bagbao Limited, are and will continue to be a group of Controlling Shareholders upon the [**REDACTED**]. See "History and Corporate Structure—Our Company, Principal Subsidiaries and Major Shareholding Changes During the Track Record Period" for details.

COMPETING INTERESTS

Our Controlling Shareholders and Directors confirm that none of them or any of their respective close associates has any interest in a business, apart from the business of our Group, that competes or is likely to compete, directly or indirectly, with our business, which would require disclosure under Rule 8.10 of the Listing Rules.

INDEPENDENCE FROM THE GROUP OF OUR CONTROLLING SHAREHOLDERS

Having considered the following factors, our Directors are satisfied that we are capable of conducting our business independently from the group of our Controlling 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 consists of four executive Directors and three independent non-executive Directors. See "Directors and Senior Management" for details. Our executive Directors and senior management are primarily responsible for overall management.

Our Directors consider that our Board and senior management will function independently of the group of our Controlling Shareholders based on the following reasons:

(a) each of our Directors is aware of his/her fiduciary duties as a Director of our Company 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 interest;

(b) in the event that there is a potential conflict of interest arising out of any transaction to be entered into between our Group and our Directors or their respective associates, the interested Director(s) shall abstain from voting at the relevant board meetings of our Company in respect of such transactions and shall not be counted in the quorum;

(c) we have three independent non-executive Directors who have extensive experience in different professions. They have been appointed pursuant to the requirements under the Listing Rules to ensure that the decisions of the Board are made only after consideration of independent and impartial opinions. Our Directors believe that the presence of our independent non-executive Directors from different backgrounds provides a balance of views and opinions; and

(d) we have adopted a series of corporate governance measures to manage conflicts of interest, if any, between our Group and the group of our Controlling Shareholders which would support our independent management. See "—Corporate Governance Measures" for more information.

Our Directors are satisfied that our Board, together with our senior management team, is able to manage our business independently from the group of our Controlling Shareholders and their close associates.

Operational Independence

Although the group of our Controlling Shareholders will retain a controlling interest in our Company after the [**REDACTED**], we have full rights to make all decisions regarding, and to conduct, our own business operations independently. Our Company (through our subsidiaries) holds or enjoys the benefit of all relevant licenses necessary to continue our business, and has sufficient capital, equipment, access to customers and suppliers, and employees to operate our business independently from the group of our Controlling Shareholders. In addition, our organizational structure is made up of individual departments, each with specific areas of responsibility. We have also established a set of internal control measures to facilitate the effective operation of our business.

Our Directors do not expect that there will be any other significant transactions between our Group and the group of our Controlling Shareholders upon or shortly after the [**REDACTED**]. Based on the above, our Directors believe that we can continue our business independently of the group of our Controlling Shareholders and their respective close associates.

Financial Independence

During the Track Record Period and up to the Latest Practicable Date, our Group had our own internal control, accounting and financial management system and we make financial decisions according to our own business needs. Our Group's major finance operations are managed by our financial management department, which operates independently from the group of our Controlling Shareholders and their close associates. We do not share any other functions or resources with any members of the group of our Controlling Shareholders or their close associates.

We have sufficient capital and banking facilities to operate our business independently and have adequate resources to support our daily operation. As of December 31, 2025, we had bank balances and cash and financial assets at fair value through profit or loss of RMB45.6 million and RMB354.4 million, respectively. As of the Latest Practicable Date, there was no outstanding loan from, or guarantees provided by, the group of Controlling Shareholders to our Group. Our Directors believe that we are capable of obtaining financing from external sources independently without reliance on the group of our Controlling Shareholders.

Based on the above, our Directors believe that we have the ability to operate independently of the group of our Controlling Shareholders and their respective close associates from a financial perspective and are able to maintain financial independence from the group of our Controlling Shareholders and their respective close associates.

CORPORATE GOVERNANCE MEASURES

Our Directors recognize the importance of good corporate governance in protecting our Shareholders' interests as a whole. We have adopted the following measures to safeguard good corporate governance standards and to avoid potential conflict of interests between our Group and the group of our Controlling Shareholders:

(a) our independent non-executive Directors will review, on an annual basis, any conflicts of interests circumstances between our Group on the one hand and the group of our Controlling Shareholders and/or our Directors on the other hand, and provide impartial and professional advice to protect the interests of our minority Shareholders;

(b) our Company will disclose decisions on matters (if any) reviewed by our independent non-executive Directors in the annual reports of our Company or in the announcements under the Listing Rules;

(c) the group of our Controlling Shareholders will provide all the information requested by our Company that is necessary for review by our independent non-executive Directors;

(d) if any of our Directors and/or their respective close associates has material interests in any matter to be deliberated by our Board in which such Directors and/or their respective close associates have material interest, he/she shall not vote on any resolution approving such matter and shall not be counted towards the quorum for the voting pursuant to the applicable provisions in the Memorandum and Articles of Association;

(e) we have appointed Rainbow Capital (HK) 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;

(f) we have established the audit committee, remuneration committee and nomination committee with written terms of reference in compliance with the Listing Rules and the Corporate Governance Code; and

(g) where the advice from independent professionals, such as that from financial adviser, is requested by our Directors (including the independent non-executive Directors), the appointment of such independent professional will be made at our Company's expenses.

Our Directors consider that the above corporate governance measures are sufficient to manage any potential conflict of interest between the group of our Controlling Shareholders and their respective associates and our Group and to protect the interests of our Shareholders, in particular, the minority Shareholders.