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## HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

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### OVERVIEW

We are a fruit snack company focusing on the plum-based products. Our history dates back to when our founder Mr. Yang founded Anhui Liuliu in 1999 and explored business opportunities in the snack-food industry. Our “溜溜 LIUM” trademark was recognized as a “Renowned Chinese Trademark” since 2015. Guided by our plum-centric product development strategy, we have built a diverse portfolio of plum-based products including dried plum snacks, prune-based products and plum jelly, as well as other plum-based products, such as plum gummy and plum tea concentrate. In 2024, we ranked first in China’s fruit snacks industry in terms of the retail sales value, with a market share of 4.9%.

### KEY MILESTONES

The following table summarises the key development milestones of our Group:

<u>Year</u>	<u>Milestones</u>
1999	<ul style="list-style-type: none"><li>● Anhui Liuliu was established in Wuhu City, Anhui Province.</li></ul>
2000	<ul style="list-style-type: none"><li>● We built the Wuhu Plant in Wuhu City, Anhui Province.</li></ul>
2001	<ul style="list-style-type: none"><li>● We registered the “溜溜LIUM” trademark and launched our iconic brand.</li></ul>
2009	<ul style="list-style-type: none"><li>● Our Company was founded and we built the Anhui Plant.</li><li>● We also established presence in Fujian Province, a green plum production area in southern China, and built the Zhangpu Plant.</li></ul>
2010	<ul style="list-style-type: none"><li>● We continued to expand the Fujian production base and built the Zhaoan plant.</li></ul>
2013	<ul style="list-style-type: none"><li>● We introduced well-known celebrity as product ambassador to enhance our brand and product awareness.</li></ul>
2014	<ul style="list-style-type: none"><li>● We were recognized as the National Key Leading Enterprise in Agricultural Industrialization* (農業產業化國家重點龍頭企業).</li></ul>
2015	<ul style="list-style-type: none"><li>● Our “溜溜LIUM” trademark was recognized as a “Renowned Chinese Trademark”* (中國馳名商標).</li><li>● We started introducing strategic institutional investors to optimize the Company’s capital structure.</li></ul>
2016	<ul style="list-style-type: none"><li>● We established Liuliu Research Institute and Zhongnongan Testing to enhance product research and development and testing capabilities.</li><li>● We hosted the Plum Industry Development Conference* (梅產業發展大會) at the China National Convention Center in Beijing.</li></ul>
2019	<ul style="list-style-type: none"><li>● We launched the plum jelly products.</li><li>● We were recognized as a National Green Factory* (國家綠色工廠).</li></ul>

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Year	Milestones
2021	<ul style="list-style-type: none"> <li>● We expanded into Guangxi Zhuang Autonomous Region, a green plum producing area in southwestern China, and built the Guangxi plant.</li> <li>● We participated in the drafting of the national standard “General Rules for Preserved Fruit Quality”* (《蜜餞質量通則》) and the industry standard “Technical Conditions for Plums (Types)”* (話梅(類)技術條件)).</li> <li>● “Liuliu Mei No. 1” was granted the new plant variety right certificate.</li> </ul>
2022	<ul style="list-style-type: none"> <li>● We expanded the Anhui production base and built the plum jelly plant.</li> <li>● Our “Liuliu Mei No. 2” was granted the new plant variety right certificate.</li> </ul>
2023	<ul style="list-style-type: none"> <li>● We launched the zero-additive pitted prune products.</li> </ul>
2024	<ul style="list-style-type: none"> <li>● We partnered with well-known membership chain store to launch customized premium plum product.</li> </ul>
2025	<ul style="list-style-type: none"> <li>● We launched electrolyte-infused slushy jelly, pioneering a new plum jelly product series.</li> <li>● We introduced “Fiber Life” as a dedicated brand for our prune-based products.</li> </ul>
2026	<ul style="list-style-type: none"> <li>● We were awarded the 2025 “China Consumer Premium Brands” by the Ministry of Industry and Information Technology of the PRC.</li> </ul>

### OUR PRINCIPAL OPERATING SUBSIDIARIES

As of the Latest Practicable Date, we had nine principal operating subsidiaries in the PRC which were material to our performance during the Track Record Period. The following table sets out the details of such subsidiaries:

No.	Name of subsidiary	Place of establishment	Date of establishment	Registered capital as of the Latest Practicable Date <i>RMB'000</i>	Equity holding of our Company	Principal business activities
1.	Anhui Liuliu	PRC	April 18, 1999	5,000	100%	Manufacture of food
2.	Fujian Liuliu	PRC	May 25, 2009	15,000	100%	Processing of agricultural products
3.	Zhaoan Liuliu	PRC	September 27, 2010	22,000	100%	Processing of agricultural products
4.	Fujian LIUM	PRC	December 17, 2014	10,000	100%	Procurement and preliminary processing of agricultural products
5.	Anhui LIUM	PRC	March 11, 2015	10,000	100%	Procurement and preliminary processing of agricultural products
6.	Liuliu Research Institute	PRC	November 28, 2016	10,000	100%	Research and development of new products

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No.	Name of subsidiary	Place of establishment	Date of establishment	Registered capital as of the Latest Practicable Date <i>RMB'000</i>	Equity holding of our Company	Principal business activities
7.	Liuliu Sales	PRC	July 2, 2018	10,000	100%	Sale of food
8.	Liuliu New Retail	PRC	August 23, 2018	10,000	100%	Sale of food
9.	Plum Jelly Tech	PRC	February 24, 2022	50,000	100%	Manufacture of food

### MAJOR ACQUISITIONS, DISPOSALS AND MERGERS

During the Track Record Period and up to the Latest Practicable Date, we had not conducted any major acquisitions, disposals or mergers that we consider to be material to us.

### CORPORATE DEVELOPMENT

Our Company underwent the following several rounds of change in registered capital and equity transfers.

#### Establishment of our Company

The following table sets forth the equity ownership structure of our Company upon its establishment in September 2009:

Name of shareholder	Amount of registered capital subscribed <i>(RMB)</i>	Percentage ownership <i>(%)</i>
Mr. Yang	9,000,000	90.00
Ms. Li	1,000,000	10.00
<b>Total</b>	<b>10,000,000</b>	<b>100.00</b>

#### Increase in the Share Capital in April 2010

In April 2010, the registered capital of our Company was increased from RMB10,000,000 to RMB30,000,000. The following table sets forth the equity ownership structure of our Company upon the completion of the increase in share capital:

Name of shareholder	Amount of registered capital subscribed <i>(RMB)</i>	Percentage ownership <i>(%)</i>
Mr. Yang	27,000,000	90.00
Ms. Li	3,000,000	10.00
<b>Total</b>	<b>30,000,000</b>	<b>100.00</b>

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### Increase in the Share Capital in February 2012

In February 2012, the registered capital of our Company was increased from RMB30,000,000 to RMB60,000,000. The following table sets forth the equity ownership structure of our Company upon the completion of the increase in share capital:

<u>Name of shareholder</u>	<u>Amount of registered capital subscribed</u> (RMB)	<u>Percentage ownership</u> (%)
Mr. Yang	54,000,000	90.00
Ms. Li	6,000,000	10.00
<b>Total</b>	<b>60,000,000</b>	<b>100.00</b>

### Equity Transfer in January 2015

In January 2015, Mr. Yang and Ms. Li transferred approximately 45.90% and 5.10% equity interests in our Company, representing a registered capital of RMB27,540,000 and RMB3,060,000, to Jurun Investment at assessed value of RMB47,290,402.80 and RMB5,254,489.20, respectively. Jurun Investment was owned as to 90% by Mr. Yang and 10% by Ms. Li.

The following table sets forth the equity ownership structure of our Company upon the completion of the equity transfer:

<u>Name of shareholder</u>	<u>Amount of registered capital subscribed</u> (RMB)	<u>Percentage ownership</u> (%)
Jurun Investment	30,600,000	51.00
Mr. Yang	26,460,000	44.10
Ms. Li	2,940,000	4.90
<b>Total</b>	<b>60,000,000</b>	<b>100.00</b>

### Equity Transfer in June 2015

In June 2015, Jurun Investment transferred approximately 4.00% equity interests in our Company, representing a registered capital of RMB2,400,000, to Kailai Star for employee incentive purpose at a consideration of RMB7,200,000, and approximately 6.00% equity interests in our Company, representing a registered capital of RMB3,600,000, to Kaixuan Star as a shareholding platform for Mr. Yang and his family at a consideration of RMB10,800,000, respectively. For details of Kailai Star, please refer to “Pre-[REDACTED] Share Incentive Plan” in this section below.

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The following table sets forth the equity ownership structure of our Company upon the completion of the equity transfers:

<u>Name of shareholder</u>	<u>Amount of registered capital subscribed</u> (RMB)	<u>Percentage ownership</u> (%)
Mr. Yang	26,460,000	44.10
Jurun Investment	24,600,000	41.00
Kaixuan Star	3,600,000	6.00
Ms. Li	2,940,000	4.90
Kailai Star	2,400,000	4.00
<b>Total</b>	<b>60,000,000</b>	<b>100.00</b>

### Series A Financing in July 2015

On June 25, 2015, our Company, our then Shareholders and Beijing Sequoia entered into a capital increase agreement, pursuant to which Beijing Sequoia subscribed for a registered capital of RMB10,588,235 (i.e. Series A Shares) at a consideration of RMB135,000,000. The registration of capital increase was completed on July 13, 2015. The consideration was fully settled on June 30, 2015.

The following table sets forth the equity ownership structure of our Company upon the completion of the Series A Financing:

<u>Name of shareholder</u>	<u>Amount of Registered Share Capital Subscribed</u> (RMB)	<u>Percentage ownership</u> (%)
Mr. Yang	26,460,000	37.49
Jurun Investment	24,600,000	34.85
Beijing Sequoia	10,588,235	15.00
Kaixuan Star	3,600,000	5.10
Ms. Li	2,940,000	4.17
Kailai Star	2,400,000	3.40
<b>Total</b>	<b>70,588,235</b>	<b>100.00</b>

### Conversion into a Joint Stock Limited Company in April 2016

On April 21, 2016, our Company was converted from a limited liability company into a joint stock limited company. Upon completion of the conversion, the registered capital of our Company became RMB70,588,235 divided into 70,588,235 Shares with a nominal value of RMB1.00 each, which were subscribed by all the then Shareholders in proportion to their respective equity interests in our Company before the conversion.

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Immediately after the conversion into a joint stock company, our Company is held by the following shareholders who acted as promoters for the purpose of the stock conversion of our Company. The information of our promoters is set forth as follows:

<u>Name of shareholder</u>	<u>Number of Shares</u>	<u>Shareholding percentage (%)</u>
Mr. Yang	26,460,000	37.49
Jurun Investment	24,600,000	34.85
Beijing Sequoia	10,588,235	15.00
Kaixuan Star	3,600,000	5.10
Ms. Li	2,940,000	4.17
Kailai Star	2,400,000	3.40
<b>Total</b>	<b>70,588,235</b>	<b>100.00</b>

### Series B Financing in December 2016

On October 25, 2016, Mr. Li Qing (李青) and our Company entered into a capital increase agreement pursuant to which Mr. Li Qing subscribed for 3,715,170 Shares (i.e. Series B Shares), representing approximately 5.00% of the shareholding of our Company, at a consideration of RMB102,631,578.95. The consideration was fully settled on October 31, 2016. The registration of the capital increase was completed on December 6, 2016. Mr. Li Qing is an experienced investor who was acquainted with our Company through mutual business connection and an Independent Third Party.

The following table sets forth the equity ownership structure of our Company upon the completion of the Series B Financing:

<u>Name of shareholder</u>	<u>Number of Shares</u>	<u>Shareholding percentage (%)</u>
Mr. Yang	26,460,000	35.61
Jurun Investment	24,600,000	33.11
Beijing Sequoia	10,588,235	14.25
Mr. Li Qing	3,715,170	5.00
Kaixuan Star	3,600,000	4.85
Ms. Li	2,940,000	3.96
Kailai Star	2,400,000	3.23
<b>Total</b>	<b>74,303,405</b>	<b>100.00</b>

### Share Transfer in 2019

On December 22, 2019, Mr. Li Qing and Shenzhen Junrong entered into a share transfer agreement pursuant to which Mr. Li Qing transferred 3,715,170 Shares (i.e. Series B Shares), representing 5.00% shareholding of our Company, to Shenzhen Junrong at a consideration of RMB118,500,000. The consideration was fully settled on January 6, 2020.

### Series C Financing in 2020

On August 29, 2020, Nuoxiang Jinhong and Mr. Yang entered into a share transfer agreement pursuant to which Mr. Yang transferred 891,641 Shares (i.e. Series C1 Shares), representing 1.18% shareholding of our Company, to Nuoxiang Jinhong at a consideration of RMB28,800,000. The consideration was fully settled on October 19, 2020.

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On December 15, 2020, our Company and Nuoxiang Dongchen entered into a capital increase agreement pursuant to which Nuoxiang Dongchen subscribed for 1,361,977 Shares (i.e. Series C2 Shares), representing approximately 1.80% of the shareholding of our Company, at a consideration of RMB43,991,857. The consideration was fully settled on December 29, 2020. The registration of the capital increase was completed on September 8, 2021.

The following table sets forth the equity ownership structure of our Company upon the completion of the share transfer in 2019 and the Series C Financing:

<u>Name of shareholder</u>	<u>Number of Shares</u>	<u>Shareholding percentage (%)</u>
Mr. Yang	25,568,359	33.79
Jurun Investment	24,600,000	32.51
Beijing Sequoia	10,588,235	13.99
Shenzhen Junrong	3,715,170	4.91
Kaixuan Star	3,600,000	4.76
Ms. Li	2,940,000	3.89
Kailai Star	2,400,000	3.17
Nuoxiang Dongchen	1,361,977	1.80
Nuoxiang Jinhong	891,641	1.18
<b>Total</b>	<b>75,665,382</b>	<b>100.00</b>

### **Capital Reduction in January 2025**

On June 25, 2024, our Company and Beijing Sequoia entered into a share purchase agreement pursuant to which our Company agreed to repurchase all Shares held by Beijing Sequoia by way of capital reduction. On September 30, 2024, our then Shareholders resolved to reduce the registered share capital of our Company by RMB10,588,235. The registration of the capital reduction was completed on January 23, 2025, upon which Beijing Sequoia ceased to be our Shareholder. The following table sets forth the equity ownership structure of our Company upon the completion of the capital reduction:

<u>Name of shareholder</u>	<u>Number of Shares</u>	<u>Shareholding percentage (%)</u>
Mr. Yang	25,568,359	39.29
Jurun Investment	24,600,000	37.80
Shenzhen Junrong	3,715,170	5.71
Kaixuan Star	3,600,000	5.53
Ms. Li	2,940,000	4.52
Kailai Star	2,400,000	3.69
Nuoxiang Dongchen	1,361,977	2.09
Nuoxiang Jinhong	891,641	1.37
<b>Total</b>	<b>65,077,147</b>	<b>100.00</b>

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### Series D Financing in February 2025

On December 8, 2024, our Company, our then Shareholders, Huaan Fund and Xingnong Fund entered into a capital increase agreement pursuant to which (i) Huaan Fund subscribed for 1,210,646 Shares (i.e. Series D1 Shares), representing approximately 1.80% of the shareholding of our Company, at a consideration of RMB40,000,000; and (ii) Xingnong Fund subscribed for 1,059,315 Shares (i.e. Series D2 Shares), representing approximately 1.57% of the shareholding of our Company at a consideration of RMB35,000,000. The respective consideration was fully settled by Huaan Fund on December 26, 2024 and by Xingnong Fund on January 3, 2025.

The following table sets forth the equity ownership structure of our Company upon the completion of the Series D Financing:

Name of shareholder	Number of Shares	Shareholding percentage (%)
Mr. Yang	25,568,359	37.97
Jurun Investment	24,600,000	36.53
Shenzhen Junrong	3,715,170	5.52
Kaixuan Star	3,600,000	5.35
Ms. Li	2,940,000	4.37
Kailai Star	2,400,000	3.56
Nuoxiang Dongchen	1,361,977	2.02
Huaan Fund	1,210,646	1.80
Xingnong Fund	1,059,315	1.57
Nuoxiang Jinhong	891,641	1.32
<b>Total</b>	<b>67,347,108</b>	<b>100.00</b>

### PREVIOUS APPLICATION FOR LISTING ON THE SHENZHEN STOCK EXCHANGE

Our Company submitted an application for listing of our Shares on the ChiNext Board of the Shenzhen Stock Exchange on June 17, 2019 (the “A-Share Listing Application”). At that time, in response to the slowing pace of sales growth, we initiated a strategic upgrade of our brand, shifting from general snack consumption to positioning green plum products as a mainstream food category. The strategy aimed to differentiate green plums by highlighting their natural health benefits and to open up broader market opportunities by appealing to everyday consumption scenarios, thereby strengthening consumer purchase motivation.

Since 2013, we had promoted our products through celebrity endorsements, which initially enhanced brand awareness. However, by 2017, sales growth began to slow. In 2019, we engaged a branding consultancy with experience advising leading domestic consumer product brands, to support a comprehensive brand repositioning. Based on market research, we strengthened messaging around the health value of green plums and launched extensive nationwide marketing campaigns in major cities, including Hefei, Chengdu, Zhengzhou, Wuhan, Xi’an, Hangzhou and other cities. This repositioning involved significant marketing and promotional expenditures. Moreover, we also discontinued non-core dried fruit products, streamlined our distributor network, and focused on key distributors aligned with our new strategic direction of green plum products. While these measures enhanced brand focus and operational efficiency, they also led to a short-term decline in revenue during the transition period.

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The strategic upgrade led to a temporary decline in revenue and a significant increase in marketing and promotional expenditure, therefore our net profit was expected to decrease substantially and fail to meet the substantive financial requirements for an A-share listing application. Accordingly, following discussions with the then sponsor, we voluntarily withdrew the A-Share Listing Application on December 8, 2019. As confirmed by the Directors, no response had been prepared or submitted in respect of the comments raised by the CSRC regarding the A-Share Listing Application. The application remained valid and had not been returned or rejected by the CSRC prior to our withdrawal. During the process of the A-Share Listing Application, save for the reason as disclosed above, we did not encounter any material difficulties or legal impediments which led us to withdraw the A-Share Listing Application.

To the best of our Directors’ knowledge, our Directors are not aware of any matters relating to the A-Share Listing Application, including enquiries from the CSRC, that may pose a material adverse implication on the [REDACTED] or would affect our Company’s suitability for [REDACTED] on the Stock Exchange, which should be brought to the attention of the Stock Exchange. As confirmed by our Directors, there were no key outstanding comments from the CSRC remained unresolved, and all information that is relevant to the [REDACTED] and reasonably necessary for potential investors to form an informed assessment of our Company has been disclosed in this document. There were no disagreements between our Company and any of the professional parties involved in the A-Share Listing Application. Based on the due diligence work conducted by the Joint Sponsors, the Joint Sponsors did not identify any material facts that would reasonably cause them to cast doubt on the view of the Directors mentioned above.

### PRE-[REDACTED] INVESTMENTS

Our Company engaged in four rounds of Pre-[REDACTED] Investments from 2015 to 2025, details of which are set out below:

Round of Pre-[REDACTED] Investment	Name of Pre-[REDACTED] Investors	Date of Agreement	Date of Settlement of Consideration	Amount of Registered Capital Subscribed for (RMB)	Consideration (RMB)	Cost Per Share (RMB)	Discount to the [REDACTED] <sup>(4)</sup>	Shareholding in the Company upon [REDACTED] assuming the [REDACTED] is not exercised
Series A	Beijing Sequoia <sup>(1), (2)</sup>	June 25, 2015	June 30, 2015	10,588,235	135,000,000	12.75	[REDACTED]%	N/A
Series B	Mr. Li Qing <sup>(1), (3)</sup>	October 25, 2016	October 31, 2016	3,715,170	102,631,579	27.63	[REDACTED]%	N/A
	Shenzhen Junrong	January 6, 2020	January 6, 2020	3,715,170	118,500,000	31.90	[REDACTED]%	[REDACTED]%
Series C1	Nuoxiang Jinhong	August 29, 2020	October 19, 2020	891,641	28,800,000	32.30	[REDACTED]%	[REDACTED]%
Series C2	Nuoxiang Dongchen	December 15, 2020	December 29, 2020	1,361,977	43,991,857	32.30	[REDACTED]%	[REDACTED]%
Series D1	Huaan Fund	December 8, 2024	December 26, 2024	1,210,646	40,000,000	33.04	[REDACTED]%	[REDACTED]%
Series D2	Xingnong Fund	December 8, 2024	January 3, 2025	1,059,315	35,000,000	33.04	[REDACTED]%	[REDACTED]%

Notes:

- (1) As of the Latest Practicable Date, such investors had ceased to be our Shareholders.
- (2) Beijing Sequoia is a private equity fund established in June 2012 and invested in our Company in June 2015. Pursuant to the capital increase agreement, Beijing Sequoia had the right to request our Company to repurchase the Shares held by it if our Company had not submitted a listing application by June 2020. In view of its continued confidence in our Company’s development prospects, Beijing Sequoia agreed to extend the repurchase timeline to December 2023. However, as Beijing Sequoia’s underlying fund is approaching the end of its term in September 2025, Beijing Sequoia will no longer be able to further extend its investment in our Company. Accordingly, as discussed with Beijing Sequoia, our Company repurchased all Shares held by Beijing Sequoia in January 2025 pursuant to the aforesaid repurchase mechanism.

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- (3) Mr. Li Qing is a private equity investor with a focus on the consumer and food-related sectors. He has invested in a number of food companies, including Tianye Innovation Corporation\* (田野創新股份有限公司) (NEEQ: 832023). Mr. Li became a Shareholder of our Company in 2016, having identified our Company as a leading player in the green plum product segment, with plans to pursue an [REDACTED] that year. Following our Company’s decision to withdraw listing application from the Shenzhen Stock Exchange in December 2019, Mr. Li reassessed his investment in light of his typical investment strategy, which focused on companies actively pursuing capital market listings. As a result, he sold all of the equity interest in our Company to Shenzhen Junrong in December 2019.
- (4) Assuming the [REDACTED] is fixed at HK\$[REDACTED], being the mid-point of the indicative [REDACTED] range.

### **Basis of consideration**

The consideration of each round of Pre-[REDACTED] Investments were determined based on arm’s length negotiation with our respective Pre-[REDACTED] Investors and our Group and/or the then Shareholders. Key factors considered included the timing of the investments, our valuation at the time the investment agreement was entered into, the status of our business operations, financial performance of our Group, and the prospect of our business.

In general, the valuations were assessed with reference to a price-to-earnings (“P/E”) multiple based on our Group’s net profits for the most recent financial year prior to each investment and taking into account the Pre-[REDACTED] Investors’ then assessment of the Group’s historical financial performance and expectation on the Group’s future business prospects. The P/E multiples adopted in these investments were broadly in line with P/E multiples of various snack or food companies listed in Hong Kong or the PRC at the relevant time. The final consideration was negotiated either between our Company and the Pre-[REDACTED] investors (in the case of equity subscriptions) or among the relevant Shareholders (in the case of share transfers).

### **Use of Proceeds from the Pre-[REDACTED] Investments**

As of the Latest Practicable Date, the net proceeds from the Pre-[REDACTED] Investments (other than the transfers of Shares between our Shareholders where our Group did not receive any proceed) has been fully utilized for our general operation and business development.

### **Strategic benefits of the Pre-[REDACTED] Investments**

Our Company was of the view that we could benefit from the insight for industry, the knowledge and experience of the Pre-[REDACTED] Investors and the additional funds provided by them. We obtained capital for development and expansion of our business. Moreover, their investments showed their confidence in our Group’s operations and served as an endorsement of our Group’s performance and prospects.

### **Lock-up Period**

Pursuant to the applicable PRC laws, within the 12 months following the [REDACTED], all existing Shareholders (including our Pre-[REDACTED] Investors) shall not dispose of any of the Shares held by them.

### **Special Rights of Our Pre-[REDACTED] Investors**

The Pre-[REDACTED] Investors were granted certain special rights, including, without limitation, the right to require redemption of the Shares by the Company or Mr. Yang (the “**Redemption Rights**”), as well as information rights, the right to appoint Directors or Supervisors, rights of first refusal, drag-along rights, pre-emptive rights, and most-favored-nation rights (collectively, the “**Non-Redemption Special Rights**”, and together with the Redemption Rights, the “**Special Rights**”). In respect of the Redemption Rights, (i) Shenzhen Junrong (holder of Series B Shares) was entitled to request redemption from the Company or shareholders including Mr. Yang, Ms. Li, Jurun Investment, Kaixuan Star and Kailai Star (or their designed third party) if a qualified [REDACTED] had not been consummated by 30 December 2025; (ii) each of Nuoxiang Jinhong (holder of Series C1 Shares) and Nuoxiang Dongchen (holder of Series C2 Shares) was entitled to

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request redemption from the Company or Mr. Yang if a qualified [REDACTED] had not been consummated by 30 June 2025; and (iii) each of Huaan Fund (holder of Series D1 Shares) and Xingnong Fund (holder of Series D2 Shares) was entitled to request redemption from the Company, Mr. Yang, or Ms. Li if a qualified [REDACTED] had not been consummated by 31 December 2025.

In June 2024, with respect to Series B Shares, Series C1 Shares and Series C2 Shares, the Company, Mr. Yang and Ms. Li entered into a supplemental agreement (the “**2024 Supplemental Agreement**”) with Shenzhen Junrong, Nuoxiang Jinhong and Nuoxiang Dongchen, pursuant to which the Redemption Rights granted to the aforesaid three investors and borne by the Company, as well as the Non-Redemption Special Rights, were irrevocably terminated with effect from the date of execution of the supplemental agreement. In March 2025, with respect to Series D1 Shares and Series D2 Shares, a supplemental agreement (the “**2025 Supplemental Agreement**”) was entered into with Huaan Fund and Xingnong Fund, pursuant to which the Redemption Rights granted to such two investors and borne by the Company, as well as the Non-Redemption Special Rights, were irrevocably terminated with effect from the day immediately prior to the first filing date of the Company’s [REDACTED] application. The Redemption Rights borne by the Company, as terminated pursuant to the above supplemental agreements, shall not be reinstated under any circumstances.

However, (i) in respect of Shenzhen Junrong, Nuoxiang Jinhong and Nuoxiang Dongchen, pursuant to the supplemental agreement entered into in April 2026 amending the 2024 Supplemental Agreement, in the event that our Company fails to achieve a [REDACTED] on any domestic or overseas stock exchange by 30 June 2026 (including cases where the Company withdraws the [REDACTED] application, the application is terminated, rejected, not registered, or not approved by the competent authorities, or where the application receives formal [REDACTED] approval but the [REDACTED] and [REDACTED] are not ultimately completed), and (ii) in respect of Huaan Fund and Xingnong Fund, pursuant to the 2025 Supplemental Agreement, in the event that our Company fails to achieve a [REDACTED] on any domestic or overseas stock exchange (including the circumstances described above), the Redemption Rights borne by Mr. Yang, Ms. Li, Jurun Investment, Kaixuan Star and Kailai Star (or their designed third party) (as the case may be but excluding the Company), shall be reinstated. No Special Rights will survive after the [REDACTED].

As confirmed by our Directors, our Company is not a party to, and does not guarantee or bear any obligation in respect of, the Redemption Rights borne solely by Mr. Yang, Ms. Li, Jurun Investment, Kaixuan Star and Kailai Star or any third party designated by them. Our Company further confirms that there are no side agreements or arrangements relating to such Redemption Rights or other special rights. See Note 33 to the Accountants’ Report to this document for further details.

### **Information regarding our Pre-[REDACTED] Investors**

#### *Shenzhen Junrong*

Shenzhen Junrong was established as a limited partnership on September 8, 2015 under the PRC laws. As of the Latest Practicable Date, Shenzhen Junrong was owned as to approximately (i) 84.03% by Ms. Fan Wenhua (樊文花), who is a limited partner; (ii) 3.05% by Mr. Xu Lianzheng (徐連政), who is our non-executive Director and a limited partner of Shenzhen Junrong; and (iii) 12.92% by three general partners, namely Sun Baoquan (孫寶全), Yao Rongjun (姚榮君) and Xie Weishan (謝衛山), and one limited partner, namely Nan Liu (南流), with their respective interest in Shenzhen Junrong ranging from 0.10% to 8.40%. To the best knowledge of our Directors, save as Mr. Xu Lianzheng, each of the general partners and the limited partners of Shenzhen Junrong are Independent Third Parties.

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## HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

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### *Nuoxiang Jinhong and Nuoxiang Dongchen*

Nuoxiang Jinhong was established as a limited partnership on May 25, 2020 under the PRC laws. As of the Latest Practicable Date, Nuoxiang Jinhong was owned as to approximately (i) 41.27% by Guiyang Zhongtian Jiachuang Investment Co., Ltd. (貴陽中天佳創投資有限公司) (“**Guiyang Zhongtian**”) as limited partner; (ii) 3.17% by its general partner Shanghai Nuoxiang Wealth Asset Management Co., Ltd.\* (上海諾享財富資產管理有限公司) (“**Shanghai Nuoxiang**”); and (iii) 55.56% by other seven limited partners, namely Gong Shaoxiang (龔少祥), Luo Xiaogui (羅小桂), Li Yi (李意), Jiang Xiang (蔣香娥), Lin Xiaoqi (林驍騎), Zhang Quansheng (張全生), and Deng Shailiang (鄧曬良), with their respective interest in Nuoxiang Jinhong ranging from 3.17% to 15.87%. Guiyang Zhongtian is indirectly controlled by Zhongtian Financial Group Company Limited\* (中天金融集團股份有限公司), which was delisted from the Shenzhen Stock Exchange on June 30, 2023 and is ultimately controlled by Mr. Luo Yuping (羅玉平). Shanghai Nuoxiang was owned as to (i) 20% by Mr. Hu Xiang (胡翔), who is our Supervisor; (ii) 40% by Mr. Hu Xiaozhao (胡小舟), who is Mr. Hu Xiang’s father; and (iii) 40% by four other individuals, namely Yang Lin (楊林), Luo Xiaogui (羅小桂), Gong Shaoxiang (龔少祥), and Wu Wenhai (鄔文海). To the best knowledge of our Directors, each of the general partner and the limited partners of Nuoxiang Jinhong are Independent Third Parties.

Nuoxiang Dongchen was established as a limited partnership on October 13, 2020 under the PRC laws. As of the Latest Practicable Date, Nuoxiang Dongchen was owned as to (i) 38.26% by Nanjing Hongzhuo Venture Capital Partnership (Limited Partnership) (南京弘卓創業投資合夥企業(有限合夥)) (“**Nanjing Hongzhuo**”) as limited partner; (ii) 2.12% by its general partner Shanghai Nuoxiang; (iii) 18.91% by Yangzhou Hongchuang Equity Investment Partnership (Limited Partnership) (揚州弘創股權投資合夥企業(有限合夥)) (“**Yangzhou Hongchuang**”) as limited partner; and (iv) 40.71% by four other limited partners, namely Luo Xiaogui (羅小桂), Yang Ling (楊林), Chen Cheng (陳程), and Hunan Lianzhen Supply Chain Co., Ltd.\* (湖南聯振供應鏈有限公司) (“**Hunan Lianzhen**”) with their respective interest in Nuoxiang Dongchen ranging from 6.35% to 13.19%. Nanjing Hongzhuo and Yangzhou Hongchuang share the same general partner, Shanghai Hongzhang Investment Management Co., Ltd. (上海弘章投資管理有限公司), which is owned 99% by Weng YINUO (翁怡諾) and 1% by Miao Lihua (繆麗華). Hunan Lianzhen, which owned 6.35% partnership interest in Nuoxiang Dongchen, was owned as to 64% by Zhang Xia (張霞) and 36% by Chen Qi (陳琦). To the best knowledge of our Directors, each of the general partner and the limited partners of Nuoxiang Dongchen are Independent Third Parties.

### *Huaan Fund*

Huaan Fund was established as a limited partnership on July 29, 2023 under the PRC laws. As of the Latest Practicable Date, Huaan Fund was owned as to (i) 25% by Wuhu Fanchang Chungu Industrial Investment Fund Co.\* (蕪湖市繁昌春穀產業投資基金有限公司) (“**Fanchang Chungu**”) as limited partner, which is ultimately owned by Wuhu Fanchang District Finance Bureau (Wuhu Fanchang District Government State-owned Assets Supervision and Administration Commission)\* (蕪湖市繁昌區財政局(蕪湖市繁昌區政府國有資產監督管理委員會)) (“**Wuhu Fanchang District Finance Bureau**”); (ii) 25% by Anhui Carbon Neutral Fund Co.\* (安徽省碳中和基金有限公司) as limited partner, which is ultimately owned by the State-owned Assets Supervision and Administration Commission of Anhui Provincial People’s Government\* (安徽省人民政府國有資產監督管理委員會); (iii) 20% by Wuhu Industrial Investment Fund Co.\* (蕪湖產業投資基金有限公司) as limited partner, which is ultimately controlled by the State-owned Assets Supervision and Administration Commission of Wuhu Municipal People’s Government\* (蕪湖市人民政府國有資產監督管理委員會); (iv) 20% by Huaan Jiaye Investment Management Co.\* (華安嘉業投資管理有限公司) (“**Huaan Jiaye**”) as general partner; and (v) 10% by Anhui Jingrui Advanced Manufacturing Industry Investment Fund Partnership (Limited Partnership)\* (安徽晶瑞先進製造產業投資基金合夥企業(有限合夥)) (“**Anhui Jingrui**”) as limited partner. Huaan Jiaye is wholly-owned by Huaan Securities Co., Ltd.\* (華安證券股份有限公司), which is a company listed on Shanghai Stock Exchange (stock code: 600909). Anhui Jingrui was owned as to 50% by Wuhu Yinhu Industrial Co., Ltd.\* (蕪湖銀湖實業有限公司) as general partner, which is ultimately owned by Wuhu Economic and

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## HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

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Technological Development Zone Management Committee\* (蕪湖經濟技術開發區管理委員會), and three limited partners, namely Anhui Railway Development Fund Co., Ltd.\* (安徽省鐵路發展基金股份有限公司), Wuhu Chery Technology Co., Ltd.\* (蕪湖奇瑞科技有限公司), and Wuhu Zhong'an Jingrui Advanced Manufacturing Industry Investment Management Partnership (Limited Partnership)\* (蕪湖中安晶睿先進製造產業投資管理合夥企業(有限合夥)) with their respective interest in Anhui Jingrui ranging from 1.00% to 29.7%. To the best knowledge of our Directors, each of Huaan Fund, Huaan Jiaye, Anhui Jingrui and the other two limited partners are Independent Third Parties.

### *Xingnong Fund*

Xingnong Fund was established as a company with limited liability on December 21, 2021 under the PRC laws. As of the Latest Practicable Date, Xingnong Fund was indirectly wholly-owned by Wuhu Fanchang District Finance Bureau. To the best knowledge of our Directors, Xingnong Fund and its ultimate beneficial owner are Independent Third Parties.

### **PRC Legal Advisor's Confirmation**

As advised by our PRC Legal Advisor, our Company has obtained all necessary approvals from competent authorities or made all necessary registration or filings with the relevant local branch of the State Administration for Market Regulation (國家市場監督管理總局) in respect of the Pre-[REDACTED] Investments in material aspects set out above.

### **Compliance with Pre-[REDACTED] Investment Guidance**

The Joint Sponsors confirm that the Pre-[REDACTED] Investments are in compliance with Chapter 4.2 of the Guide for New Listing Applicants published by the Stock Exchange, on the basis that (i) the consideration for the Pre-[REDACTED] Investments was settled more than 28 clear days before the first filing of the [REDACTED] application by our Company with the Stock Exchange, and (ii) no special rights will survive the [REDACTED].

### **PUBLIC FLOAT**

Out of the [REDACTED] H Shares to be converted from Domestic Shares and [REDACTED] on the Stock Exchange following the [REDACTED]:

- (i) [REDACTED] H Shares, representing approximately [REDACTED]% of the total issued share capital of our Company immediately after the [REDACTED] (assuming that the [REDACTED] is not exercised), which will be held by Shenzhen Junrong, Nuoxiang Dongchen, Nuoxiang Jinhong, Huaan Fund and Xingnong Fund, will be counted towards the public float; and
- (ii) [REDACTED] H Shares, representing approximately [REDACTED]% of the total issued share capital of our Company immediately after the [REDACTED] (assuming that the [REDACTED] is not exercised), which will be held by Mr. Yang, Ms. Li, Jurun Investment, Kaixuan Star and Kailai Star, who/which are core connected persons of our Company, will not be counted towards the public float.

Immediately following the conversion of the Domestic Shares into H Shares and completion of the [REDACTED], and assuming the [REDACTED] is not exercised, the expected market [REDACTED] of the H Shares at the time of [REDACTED] will be approximately HK\$[REDACTED] billion, HK\$[REDACTED] billion and HK\$[REDACTED] billion, respectively, based on HK\$[REDACTED], HK\$[REDACTED] and HK\$[REDACTED] per [REDACTED] (being the low-end, mid-point and upper-end of the [REDACTED]), respectively. To the best knowledge of our Directors, save as disclosed above, upon completion of the [REDACTED] and Conversion of the Domestic Shares into H Shares, [REDACTED] H Shares held or controlled by our Shareholders who are not our core connected persons, representing approximately [REDACTED]% of the total issued H Shares will be counted towards the public float.

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## HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

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Therefore, the Company will be able to meet the public float requirement under Rule 19A.13A of the Listing Rules.

### FREE FLOAT

Based on an [REDACTED] of HK\$[REDACTED] per [REDACTED] (being the low-end of the indicative [REDACTED] range), it is expected that [REDACTED] H Shares will not be subject to any disposal restrictions (whether under contract, the Listing Rules, applicable laws or otherwise), representing approximately [REDACTED]% of our total issued share capital upon Listing (assuming that the [REDACTED] is not exercised) and a market [REDACTED] of approximately HK\$[REDACTED] million. Therefore, our Company will be able to satisfy the free float requirement under Rule 19A.13C(1)(a) of the Listing Rules.

### PRE-[REDACTED] SHARE INCENTIVE PLAN

In recognition of the contributions of our employees and to incentivize them to further promote our development, Kailai Star, Liuliu Star, Liuliu LIUM, Liuliu Orchard and Liuliu Ren were established as our employee shareholding platforms in the PRC. As of the Latest Practicable Date, Kailai Star held approximately 3.56% shareholding in our Company. Kailai Star was held as to approximately 1.00% by Mr. Yang as general partner, and other limited partners including approximately 44.83% by 35 employees (which includes our executive Directors, namely, Mr. Mei Huixiang, Mr. Ning Pengfei and Ms. Hu Yan, and our Supervisor, namely, Ms. Zhang Wenxia), approximately 41.67% by Liuliu Star and approximately 12.50% by Liuliu LIUM. Liuliu Star was held as to approximately 14.90% by Mr. Yang as general partner, and other limited partners including approximately 34.10% by 31 employees, approximately 36.00% by Liuliu Orchard and approximately 15.00% by Liuliu Ren. Liuliu LIUM was held as to approximately 24.67% by Mr. Yang as general partner and approximately 75.33% by 37 employees as limited partners. Liuliu Orchard was held as to approximately 23.33% by Mr. Yang as general partner and approximately 76.67% by 42 employees as limited partners. Liuliu Ren was held as to approximately 12.67% by Mr. Yang as general partner and approximately 87.33% by 49 employees as limited partners. Each of Kailai Star, Liuliu Star, Liuliu LIUM, Liuliu Orchard and Liuliu Ren is an Pre-[REDACTED] Share Incentive Platform of our Company. Pursuant to the partnership agreements of Kailai Star, Liuliu Star, Liuliu LIUM, Liuliu Orchard and Liuliu Ren, Mr. Yang, being the general partner, can independently exercise the direct or indirect voting rights attached to the Shares owned by each of Kailai Star, Liuliu Star, Liuliu LIUM, Liuliu Orchard and Liuliu Ren.

All awards granted had been vested and all partnership interests in Kailai Star, Liuliu Star, Liuliu LIUM, Liuliu Orchard and Liuliu Ren have been subscribed by and fully paid up by the grantees, and the relevant registration had been completed. As of the Latest Practicable Date, there were no outstanding options or awards under the Pre-[REDACTED] Share Incentive Plan, and no such options or awards will be outstanding upon [REDACTED]. The Pre-[REDACTED] Share Incentive Plan will not cause any dilution of the shareholding of our Shareholders after the [REDACTED].

THIS DOCUMENT IS IN DRAFT FORM, INCOMPLETE AND SUBJECT TO CHANGE AND THAT THE INFORMATION MUST BE READ IN CONJUNCTION WITH THE SECTION HEADED “WARNING” ON THE COVER OF THIS DOCUMENT.

## HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

Set out below the details of the partnership interests in the Pre-[REDACTED] Share Incentive Platforms and/ or list of the grantees under the Pre-[REDACTED] Share Incentive Plan that are granted with the awards:

Name of grantee	Percentage of Capital Contribution in Pre-[REDACTED] Share Incentive Platforms					As of the Latest Practicable Date and Immediately Prior to the [REDACTED]	
	Kailai Star	Liuliu Star	Liuliu LIUM	Liuliu Orchard	Liuliu Ren	Approximate number of Shares corresponding to the awards held by the grantee <sup>(Note)</sup>	Approximate shareholding percentage corresponding to the awards held by the grantee in the total number of Shares in issue
<b>Directors</b>							
Mr. Yang	1.00%	14.90%	24.67%	23.33%	12.67%	350,000	0.52%
Mr. Mei Huixiang	8.33%	–	–	–	–	199,998	0.30%
Mr. Ning Pengfei	6.25%	–	–	–	–	150,000	0.22%
Ms. Hu Yan	2.08%	–	–	–	–	49,998	0.07%
<b>Supervisors of the Company</b>							
Ms. Zhang Wenxia	1.25%	–	–	–	–	30,000	0.04%
<b>Senior management of the Company (other than the Directors)</b>							
Mr. Zhang Shuai	–	10.00%	–	–	–	100,000	0.15%
Other grantees being employees of our Group	25.88%	18.50%	75.33%	76.67%	87.33%	1,520,004	2.25%

*Note:* For illustrating the indirect interests of grantee in our Company, the number of Shares are presented and calculated by multiplying their respective percentage of limited partnership interests by the total number of Shares held by the Pre-[REDACTED] Share Incentive Platforms.

See “Appendix VI — Statutory and General Information — D. Pre-[REDACTED] Share Incentive Plan” for further details of the principal terms of the Pre-[REDACTED] Share Incentive Plan.

As of the date of this document, there was no share or loan capital of our Company is under option or is agreed conditionally or unconditionally to be put under option.

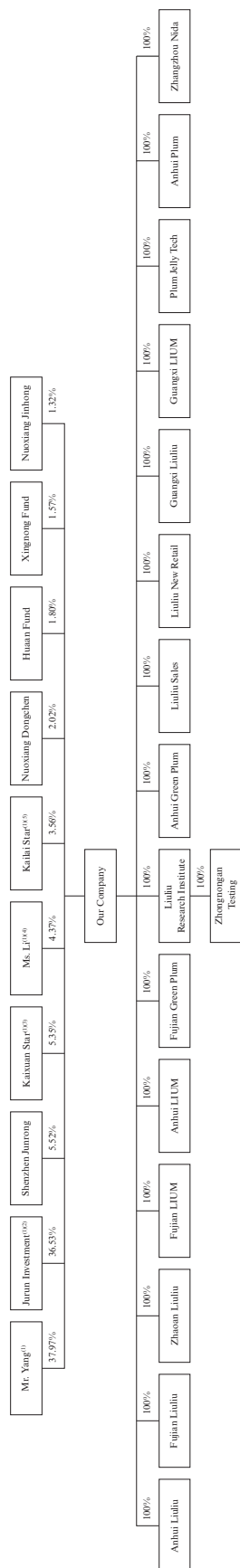
### RELATED PARTY TRANSACTIONS

For details about our related party transactions during the Track Record Period, see “Financial Information — Material Related Party Transactions” and Note 33 to the Accountants’ Report in Appendix I to this document. We enter into transactions with our related parties from time to time. Our Directors are of the view that each of the related party transactions set out in Note 33 to the Accountants’ Report in Appendix I to this document was conducted in the ordinary course of business on an arm’s length basis and on normal commercial terms between the relevant parties. Our Directors are also of the view that our related party transactions during the Track Record Period would not distort our track record results or cause our historical results to become non-reflective of our future performance.

## HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

### CORPORATE STRUCTURE

The following chart sets forth our corporate structure immediately prior to the [REDACTED]:

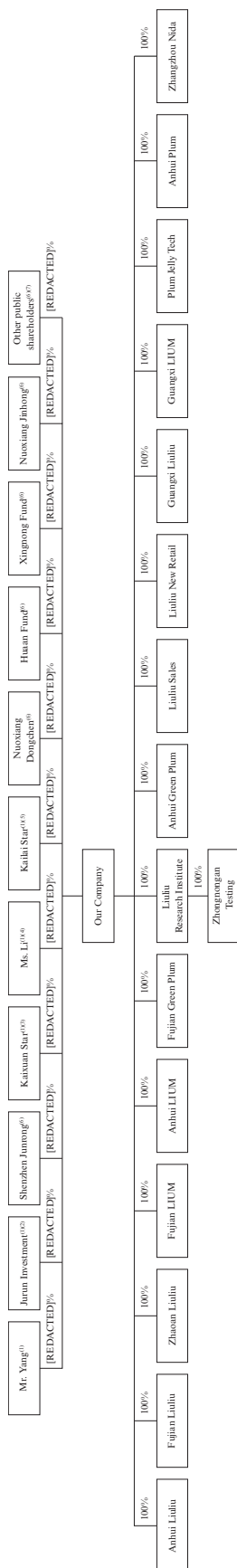


*Notes:*

1. Mr. Yang is deemed to be interested in the Shares held by Ms. Li, who is Mr. Yang's spouse, Jurun Investment, Kaixuan Star and Kailai Star. See “Substantial Shareholders”.
2. As of the Latest Practicable Date, Jurun Investment was held as to 90% and 10% by Mr. Yang and Ms. Li, respectively.
3. Kaixuan Star is owned as to approximately 1.39% by Mr. Yang, approximately 5.56% by Ms. Li, approximately 84.72% in aggregate by Mr. Yang's family members (with no individual family member holding 30% or more), and approximately 8.33% by Independent Third Parties, and Mr. Yang was the general partner of Kaixuan Star.
4. Ms. Li is Mr. Yang's spouse, and therefore is deemed to be interested in the Shares held by Mr. Yang. See “Substantial Shareholders”.
5. Kailai Star is our Pre-[REDACTED] Share Incentive Platform controlled by the general partner, Mr. Yang, in accordance with the Pre-[REDACTED] Share Incentive Plan. See “— Pre-[REDACTED] Share Incentive Plan” for details.

## HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

The following chart sets forth our corporate structure immediately after the completion of the [REDACTED], without taking into account any H Share which may be issued upon the exercise of the [REDACTED]:



*Notes:*

1. Mr. Yang is deemed to be interested in the Shares held by Ms. Li, who is Mr. Yang's spouse, Jurun Investment, Kaixuan Star and Kailai Star. See “Substantial Shareholders”.
2. As of the Latest Practicable Date, Jurun Investment was held as to 90% and 10% by Mr. Yang and Ms. Li, respectively.
3. Kaixuan Star is owned as to approximately 1.39% by Mr. Yang, approximately 5.56% by Ms. Li, approximately 84.72% in aggregate by Mr. Yang's family members (with no individual family member holding 30% or more), and approximately 8.33% by Independent Third Parties, and Mr. Yang was the general partner of Kaixuan Star.
4. Ms. Li is Mr. Yang's spouse, and therefore is deemed to be interested in the Shares held by Mr. Yang. See “Substantial Shareholders”.
5. Kailai Star is our Pre-[REDACTED] Share Incentive Platform controlled by the general partner, Mr. Yang, in accordance with the Pre-[REDACTED] Share Incentive Plan. See “— Pre-[REDACTED] Share Incentive Plan” for details.
6. Such Shares will be counted towards the public float for the purpose of Rule 19A.13A of the Listing Rules upon the [REDACTED].
7. Such Shares will be counted towards the free float for the purpose of Rule 19A.13C(1) of the Listing Rules upon the [REDACTED].