
RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS

OUR CONTROLLING SHAREHOLDERS

As of the Latest Practicable Date, our Controlling Shareholders include Mr. Wang, Qingyuan Tiantong, Ningbo Tiantong and WX Technology. Mr. Wang was interested in approximately 40.83% of our share capital through (i) his direct interest of approximately 27.86%; (ii) his indirect interest of approximately 8.62% through Qingyuan Tiantong, an Employees Shareholding Platform, of which Mr. Wang held as to 99% of Ningbo Tiantong, the general partner of Qingyuan Tiantong; (iii) his indirect interest of approximately 4.36% through WX Technology, an Employees Shareholding Platform, of which Mr. Wang is the sole director and as the administrator of the Company's incentive plan with respect to the shares held by WX Technology, he controls the management decisions of WX Technology.

Immediately following the completion of the [REDACTED], our Controlling Shareholders will be interested in approximately [REDACTED]% interest of our share capital (assuming the [REDACTED] is completed and the [REDACTED] is not exercised) or approximately [REDACTED]% interest of our share capital (assuming the [REDACTED] is exercised in full). Accordingly, Mr. Wang, Qingyuan Tiantong, Ningbo Tiantong and WX Technology will remain as our Controlling Shareholders upon the [REDACTED].

Apart from the above, Mr. Wang is also the chairman of our Board, an executive Director and the chief executive officer of our Company. For further background details of Mr. Wang, please see the section headed "Directors and Senior Management — Executive Directors" in this document.

NO COMPETITION AND CLEAR DELINEATION OF BUSINESS

Each of the Controlling Shareholders confirms that, as of the Latest Practicable Date, they did not have any interest in a business, apart from the business of our Group, which competes or is likely to compete, directly or indirectly, with our business that would require disclosure under Rule 8.10 of the Listing Rules.

INDEPENDENCE FROM OUR CONTROLLING SHAREHOLDERS

Taking into consideration the following factors, our Directors are of the view that we are capable of carrying on our business independently from the Controlling Shareholders and their close associates after completion of the [REDACTED].

Management Independence

- (a) Our Board consists of nine Directors, including four executive Directors, two non-executive Directors and three independent non-executive Directors. Our daily operational and management decisions are made collectively by our Board and our senior management. We believe that our Directors and senior management can independently perform their duties in our Company and we can operate independently from our Controlling Shareholders for the following reasons: 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 a 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 shall abstain from voting at relevant Board meetings and shall not be counted towards the quorum for the voting;
- (b) 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, (a) our independent non-executive Directors are not associated with our Controlling Shareholders or each of his or its associates; (b) our independent non-executive Directors account for one-third of the Board; and (c) our independent non-executive

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Directors individually and collectively possess the requisite knowledge and experience as independent directors of listed companies and will be able to provide professional and experienced 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

- (c) We will establish a series of corporate governance measures and adopt sufficient and effective control mechanisms to manage conflicts of interest, if any, between our Group and our Controlling Shareholders, which would support our independent management. For details, see “— Corporate Governance” in this section.

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

Operational Independence

Our Group holds all the relevant material intellectual properties rights, licenses, qualifications and permits required for conducting our Group’s business. Our Group has sufficient capital, facilities and employees to operate our business independently from our Controlling Shareholders and each of his or its close associates. Our Group also has independent access to our customers. We have our own accounting and financial department, human resources and administration department, internal control department and technology department. We have also established a set of internal control procedures and adopted corporate governance practices to facilitate the effective operation of our business.

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

Financial Independence

Our Group has its own internal control, accounting, funding, reporting and financial management system as well as an accounting and finance department. Moreover, our Group opens and manages bank accounts independently, and does not share any bank accounts with our Controlling Shareholders. Our Group has independent taxation registration according to the relevant laws, and makes tax payments independently according to the applicable PRC taxation laws and regulations. Our Group has never made any tax payment jointly with Controlling Shareholders or any other entities controlled by it.

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 December 31, 2025, credit facilities of our Group in an aggregate amount of approximately RMB298.5 million were guaranteed by Mr. Wang. We expect that the personal guarantee granted by Mr. Wang to the Group will be released before the [REDACTED]. Furthermore, as of December 31, 2025, we had cash and cash equivalents amounted to approximately RMB234.9 million.

Based on the above, our Directors believe that we are capable to maintain financial independence from our Controlling Shareholders or their close associates after the [REDACTED].

CORPORATE GOVERNANCE

Our Company will comply with the provisions of the Corporate Governance Code in Appendix C1 to the Listing Rules (the “**Corporate Governance Code**”), which sets out principles of good corporate governance.

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Our Directors recognize the importance of good corporate governance in protection of our Shareholders' interests. We would adopt the following measures to safeguard good corporate governance standards and to avoid potential conflict of interests between our Group and our Controlling Shareholders:

- (a) Where a Shareholders' meeting is held for considering proposed transactions in which our Controlling Shareholders have a material interest, our Controlling Shareholders shall abstain from voting on the relevant resolutions and shall not be counted in the quorum for the voting.
- (b) Where a Board meeting is held for the matters in which a Director has a material interest, such Director shall abstain from voting on the relevant resolutions and shall not be counted in the quorum for the voting.
- (c) In the event that our independent non-executive Directors are requested to review any conflict of interest between our Group and our Controlling Shareholders, our Controlling Shareholders shall provide the independent non-executive Directors with all necessary information and our Company shall disclose the decisions of the independent non-executive Directors either in its annual reports or by way of announcements.
- (d) Our Directors (including the independent non-executive Directors) will seek independent and professional opinions from external advisers at our Company's cost as and when appropriate in accordance with the Corporate Governance Code and Corporate Governance Report as set out in Appendix C1 to the Listing Rules.
- (e) Any transactions between our Company and its connected persons shall be in compliance with the relevant requirements of Chapter 14A of the Listing Rules, including the announcement, annual reporting and independent shareholders' approval requirements (if applicable) under the Listing Rules.
- (f) We have appointed Guotai Junan Capital Limited as our compliance adviser, 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.

Based on the above, our Directors are satisfied that sufficient corporate governance measures have been put in place to manage conflicts of interest between our Group and our Controlling Shareholders, and to protect minority Shareholders' interests after the [REDACTED].