OVERVIEW

Our history can be traced back to April 2005 when our Company was founded by Mr. Wang Yingchun (汪迎春) ("**Mr. Wang**") under the name of Shanghai Fubei Pet Products Co., Ltd. (上海福貝寵物用品有限公司) to engage in the research, development, production, and sales of pet food and supplies. In December 2019, our Company was converted into a joint stock company with limited liability and was renamed as Fubei (Shanghai) Co., Ltd. (上海福貝寵物用品股份有限公司). Over the past two decades, we believe we have been a pioneer and leader in China's pet food industry, as well as an R&D driven pet food manufacturing service provider. Guided by our vision "full pet full life (創造寵物美好生活)" and our mission "healthier pets, longer companionship (讓天下愛寵更健康，相伴更長久)," we are dedicated to offering quality, healthy and safe pet food and science based feeding solutions.

As of the Latest Practicable Date, Mr. Wang, directly and indirectly through Xuancheng Fuyizhi, controlled 71.11% of the total issued share capital of our Company. See "Directors and Senior Management" and "Relationship with our Controlling Shareholders" in this document and "— Employee Incentive Platform" in this section for details about Mr. Wang and Xuancheng Fuyizhi.

OUR BUSINESS MILESTONES

The following table summarizes the key milestones in our business development:

Year	Milestone
2005 . . .	We entered the pet industry and commenced production at our Shanghai factory.
2007 . . .	We launched our proprietary brand *Bi Le* (比樂).
2008 . . .	We obtained EU registration.
2015 . . .	Our Xuancheng Fubei Production Base officially commenced production.
2016 . . .	We were awarded as one of the Top Ten Pet Feed Enterprises in China by China Feed Industry Association (中國飼料工業協會).
2017 . . .	We initiated the business layout for a Pet Food Industry 4.0 factory.
2020 . . .	We established the industry's first Expert Workstation.
2021 . . .	Our Shanghai Industry 4.0 factory officially commenced production.
2023 . . .	Our Xuancheng Pet Research Base was put into operation.
2024 . .	Our Fuxin Production Base, Fujia Production Base and Fuyuan Production Base officially commenced production.

OUR MAJOR SUBSIDIARIES

During the Track Record Period, the following subsidiaries made a material contribution to our results of operation and financial position:

Name	Place of Establishment	Date of Establishment	Shareholding	Principal business activities
Xuancheng Fuxin Pet Food Co., Ltd. . . .	PRC	2 July 2021	100%	Pet food production and sales
Shanghai Fuzhi Pet Food Co., Ltd. . . .	PRC	17 March 2020	100%	Pet food production and sales
Fuyi (Shanghai) Enterprise Management Co., Ltd.	PRC	13 March 2012	100%	Pet food sales
Xuancheng Fubei Pet Food Co., Ltd. . . .	PRC	28 July 2011	97%	Pet food production and sales

CORPORATE DEVELOPMENT

The following sets forth the corporate history and shareholding changes of our Company.

Establishment of our Company in April 2005

On April 28, 2005, our Company was established as a limited liability company in the PRC by Mr. Wang and Mr. Shen Sanming (沈三明) under the name of Shanghai Fubei Pet Products Co., Ltd. with a registered share capital of RMB1,000,000. Upon incorporation, our Company was owned as to 90.00% by Mr. Wang and 10.00% by Mr. Shen Sanming, respectively.

Equity Transfer in June 2007

On June 26, 2007, (i) Mr. Wang transferred the equity interests in RMB70,000 of our Company's registered capital to Mr. Wang Chunlai (汪春來), brother of Mr. Wang, at a consideration of RMB70,000; (ii) Mr. Wang transferred the equity interests in RMB30,000 of our Company's registered capital to Ms. Huang Li (黃莉) at a consideration of RMB30,000; and (iii) Mr. Shen Sanming transferred the equity interests in RMB100,000 of our Company's registered capital to Ms. Huang Li (黃莉) at a consideration of RMB100,000.

Upon completion of the aforesaid equity transfer, the shareholding structure of our Company was as follows:

Shareholders	Subscribed registered capital	Shareholding percentage
	(RMB)	*(%)*
Mr. Wang	800,000	80.00
Ms. Huang Li	130,000	13.00
Mr. Wang Chunlai	70,000	7.00
Total	**1,000,000**	**100.00**

Capital Increase in November 2009

On November 16, 2009, Mr. Wang subscribed for registered capital of RMB2,000,000 at a consideration of RMB2,000,000 in cash. Our registered capital increased from RMB1,000,000 to RMB3,000,000 following such capital increase.

Upon completion of the aforesaid capital increase, the shareholding structure of our Company was as follows:

Shareholders	Subscribed registered capital	Shareholding percentage
	(RMB)	*(%)*
Mr. Wang	2,800,000	93.34
Ms. Huang Li	130,000	4.33
Mr. Wang Chunlai	70,000	2.33
Total	**3,000,000**	**100.00**

Equity Transfer in August 2015

On August 21, 2015, (i) Mr. Wang transferred the equity interests in RMB260,000 of our Company's registered capital to Ms. Huang Li (黄莉) at a consideration of RMB260,000; and (ii) Mr. Wang transferred the equity interests in RMB140,000 of our Company's registered capital to Mr. Wang Chunlai (汪春來) at a consideration of RMB140,000.

Upon completion of the aforesaid equity transfer, the shareholding structure of our Company was as follows:

Shareholders	Subscribed registered capital	Shareholding percentage
	(RMB)	*(%)*
Mr. Wang	2,400,000	80.00
Ms. Huang Li	390,000	13.00
Mr. Wang Chunlai	210,000	7.00
Total	**3,000,000**	**100.00**

Capital Increase in December 2015

On December 2, 2015, (i) Mr. Wang subscribed for registered capital of RMB7,200,000 at a consideration of his 77.6% equity interest in Xuancheng Fubei; (ii) Ms. Huang Li (黄莉) subscribed for registered capital of RMB1,170,000 at a consideration of her 12.61% equity interest in Xuancheng Fubei; and (iii) Mr. Wang Chunlai (汪春來) subscribed for registered capital of RMB630,000 at a consideration of his 6.79% equity interest in Xuancheng Fubei. The consideration was determined on arm's-length basis and commercially negotiated between the parties, with reference to the net assets of Xuancheng Fubei at the relevant times. Upon completion of the aforementioned equity transfers, Xuancheng Fubei is owned as to 97% by the Company and 3% by Lu Xiaohong (魯曉紅), the financial manager of Xuancheng Fubei.

Upon completion of the capital increase, our registered share capital increased from RMB3,000,000 to RMB12,000,000 and the shareholding structure of our Company was as follows:

Shareholders	**Subscribed registered capital**	**Shareholding percentage**
	(RMB)	*(%)*
Mr. Wang	9,600,000	80.00
Ms. Huang Li	1,560,000	13.00
Mr. Wang Chunlai	840,000	7.00
Total	**12,000,000**	**100.00**

Capital Increase in May 2017

On May 11, 2017, Yida Investment subscribed for registered capital of RMB2,117,648 at a consideration of RMB90,000,000 in cash. Upon completion of the capital increase, our registered capital increased from RMB12,000,000 to RMB14,117,648. For details of Yida Investment and the transaction, see "— Pre-[**REDACTED**] Investments".

Upon completion of the aforesaid capital increase, the shareholding structure of our Company was as follows:

Shareholders	**Subscribed registered capital**	**Shareholding percentage**
	(RMB)	*(%)*
Mr. Wang	9,600,000	68.00
Yida Investment	2,117,648	15.00
Ms. Huang Li	1,560,000	11.05
Mr. Wang Chunlai	840,000	5.95
Total	**14,117,648**	**100.00**

Equity Transfer in April 2019

On April 4, 2019, Mr. Wang transferred the equity interests in RMB564,706 of our Company's registered capital to Xuancheng Fuyizhi at a consideration of RMB24,000,000. The consideration was determined based on a discount of approximately 50% to the then valuation of our Company. Such equity transfer was for the purpose of setting up our employee shareholding platform.

Upon completion of the aforesaid equity transfer, the shareholding structure of our Company was as follows:

Shareholders	Subscribed registered capital	Shareholding percentage
	(RMB)	*(%)*
Mr. Wang	9,035,294	64.00
Yida Investment	2,117,648	15.00
Ms. Huang Li	1,560,000	11.05
Mr. Wang Chunlai	840,000	5.95
Xuancheng Fuyizhi	564,706	4.00
Total	**14,117,648**	**100.00**

Equity Transfer in August 2019

On August 8, 2019, (i) Ms. Huang Li (黃莉) transferred the equity interests in RMB320,856 of our Company's registered capital to Ms. Shen Wenjuan (沈文娟), an independent third party of our Company, at a consideration of RMB25,000,000; and (ii) Ms. Huang Li (黃莉) transferred the equity interests in RMB256,685 of our Company's registered capital to Mr. Wu Zhiwei (吳志偉), an independent third party of our Company, at a consideration of RMB20,000,000. The consideration was determined on arm's-length basis and commercially negotiated between the parties, with reference to the then valuation of our Company.

Upon completion of the aforesaid equity transfer, the shareholding structure of our Company was as follows:

Shareholders	Subscribed registered capital	Shareholding percentage
	(RMB)	*(%)*
Mr. Wang	9,035,294	64.00
Yida Investment	2,117,648	15.00
Ms. Huang Li	982,459	6.96
Mr. Wang Chunlai	840,000	5.95
Xuancheng Fuyizhi	564,706	4.00
Ms. Shen Wenjuan	320,856	2.27
Mr. Wu Zhiwei	256,685	1.82
Total	**14,117,648**	**100.00**

Capital Increase in September 2019

On September 19, 2019, (i) Haifu Changjiang subscribed for registered capital of RMB1,026,738 at a consideration of RMB80,000,000; (ii) Zhongbi Fund subscribed for registered capital of RMB513,369 at a consideration of RMB40,000,000; (iii) Shenzhen Venture Capital subscribed for registered capital of RMB51,337 at a consideration of RMB4,000,000; (iv) Wuxi Hongtu subscribed for registered capital of RMB102,674 at a consideration of RMB8,000,000; (v) Gaoyou Hongtu subscribed for registered capital of RMB102,674 at a consideration of RMB8,000,000; (vi) Kaiheng Investment subscribed for registered capital of RMB282,353 at a consideration of RMB22,000,000; (vii) Shengyuan Investment subscribed for registered capital of RMB385,026 at a consideration of RMB30,000,000; and (viii) Yida Venture Capital subscribed for registered capital of RMB256,685 at a consideration of RMB20,000,000. Upon completion of the capital increase, our registered capital increased from RMB14,117,648 to RMB16,838,504. The consideration was determined on arm's-length basis and commercially negotiated between the parties, with reference to the then valuation of our Company. Each of the abovementioned subscribers is professional strategic investors and is an independent third party of our Company. For details of the transaction, see "— Pre-[**REDACTED**] Investments".

Upon completion of the aforesaid capital increase, the shareholding structure of our Company was as follows:

Shareholders	Subscribed registered capital	Shareholding percentage
	(RMB)	*(%)*
Mr. Wang	9,035,294	53.66
Yida Investment	2,117,648	12.58
Haifu Changjiang	1,026,738	6.10
Ms. Huang Li	982,459	5.83
Mr. Wang Chunlai	840,000	4.99
Xuancheng Fuyizhi	564,706	3.35
Zhongbi Fund	513,369	3.05
Shengyuan Investment	385,026	2.29
Ms. Shen Wenjuan	320,856	1.91
Kaiheng Investment	282,353	1.68
Mr. Wu Zhiwei	256,685	1.52
Yida Venture Capital	256,685	1.52
Wuxi Hongtu	102,674	0.61
Gaoyou Hongtu	102,674	0.61
Shenzhen Venture Capital	51,337	0.30
Total	**16,838,504**	**100.00**

Joint Stock Conversion in December 2019

In December 2019, our Company was converted into a joint stock company with limited liability with our registered share capital of RMB30,000,000 and was divided into 30,000,000 Shares. The respective shareholding percentages of our then shareholders remained unchanged immediately before and after the joint stock conversion.

Upon completion of the joint stock conversion, the shareholding structure of our Company was as follows:

Shareholders	Number of Shares held	Shareholding percentage
		(%)
Mr. Wang	16,097,550	53.66
Yida Investment	3,772,860	12.58
Haifu Changjiang	1,829,280	6.10
Ms. Huang Li	1,750,380	5.83
Mr. Wang Chunlai	1,496,580	4.99
Xuancheng Fuyizhi	1,006,110	3.35
Zhongbi Fund	914,610	3.05
Shengyuan Investment	685,980	2.29
Ms. Shen Wenjuan	571,650	1.91
Kaiheng Investment	503,040	1.68
Mr. Wu Zhiwei	457,320	1.52
Yida Venture Capital	457,320	1.52
Wuxi Hongtu	182,940	0.61
Gaoyou Hongtu	182,940	0.61
Shenzhen Venture Capital	91,440	0.30
Total	**30,000,000**	**100.00**

Capital Increase in April 2020

On April 3, 2020, we completed the capital increase from 30,000,000 Shares to 361,800,000 Shares by way of conversion of capital reserve. The increase of 331,800,000 Shares was allocated to all shareholders on a pro rata basis according to their respective shareholding percentages immediately prior to the increase.

Upon completion of the aforesaid capital increase, the shareholding structure of our Company was as follows:

Shareholders	Number of Shares held	Shareholding percentage
		(%)
Mr. Wang	194,136,453	53.66
Yida Investment	45,500,692	12.58
Haifu Changjiang	22,061,117	6.10
Ms. Huang Li	21,109,583	5.83
Mr. Wang Chunlai	18,048,755	4.99
Xuancheng Fuyizhi	12,133,687	3.35
Zhongbi Fund	11,030,197	3.05
Shengyuan Investment	8,272,919	2.29
Ms. Shen Wenjuan	6,894,099	1.91
Kaiheng Investment	6,066,662	1.68
Mr. Wu Zhiwei	5,515,279	1.52
Yida Venture Capital	5,515,279	1.52
Wuxi Hongtu	2,206,256	0.61
Gaoyou Hongtu	2,206,256	0.61
Shenzhen Venture Capital	1,102,766	0.30
Total	**361,800,000**	**100.00**

Equity Transfer in October 2024

On October 31, 2024, Mr. Wang (i) acquired 1,102,766 Shares from Shenzhen Venture Capital (深創投) at a consideration of RMB5,358,528; (ii) acquired 2,206,256 Shares from Wuxi Hongtu (無錫紅土) at a consideration of RMB10,722,097; and (iii) acquired 2,206,256 Shares from Gaoyou Hongtu (高郵紅土) at a consideration of RMB10,722,097. The consideration was determined based on arm's length negotiation between relevant parties after taking into consideration of the relevant Shares subscribed for by the transferors and our business performance.

Upon completion of the aforesaid equity transfer, the shareholding structure of our Company was as follows:

Shareholders	Number of Shares held	Shareholding percentage
		(%)
Mr. Wang	199,651,731	55.18
Yida Investment	45,500,692	12.58
Haifu Changjiang	22,061,117	6.10
Ms. Huang Li	21,109,583	5.83

Shareholders	Number of Shares held	Shareholding percentage
		(%)
Mr. Wang Chunlai	18,048,755	4.99
Xuancheng Fuyizhi	12,133,687	3.35
Zhongbi Fund	11,030,197	3.05
Shengyuan Investment	8,272,919	2.29
Ms. Shen Wenjuan	6,894,099	1.91
Kaiheng Investment	6,066,662	1.68
Mr. Wu Zhiwei	5,515,279	1.52
Yida Venture Capital	5,515,279	1.52
Total	**361,800,000**	**100.00**

Capital Reduction in May 2025

On May 13, 2025, our Company repurchased (i) 22,061,117 Shares from Haifu Changjiang (海富長江) at a consideration of RMB109,535,928; (ii) 11,030,197 Shares from Zhongbi Fund (中比基金) at a consideration of RMB54,768,074; (iii) 6,066,662 Shares from Kaiheng Investment (凱珩投資) at a consideration of RMB29,813,821; (iv) 5,515,279 Shares from Yida Venture Capital (毅達創投) at a consideration of RMB27,344,530; and (v) 5,515,279 Shares from Mr. Wu Zhiwei (吳志偉) at a consideration of RMB26,967,544. Upon completion of the repurchase, our Company's registered capital decreased from RMB361,800,000 to RMB311,611,466. The consideration was determined based on arm's length negotiation between relevant parties after taking into consideration of the relevant Shares subscribed for by the transferors and our business performance.

Upon completion of the aforesaid capital reduction, the shareholding structure of our Company was as follows:

Shareholders	Number of Shares held	Shareholding percentage
		(%)
Mr. Wang	199,651,731	64.07
Yida Investment	45,500,692	14.60
Ms. Huang Li	21,109,583	6.77
Mr. Wang Chunlai	18,048,755	5.79
Xuancheng Fuyizhi	12,133,687	3.89
Shengyuan Investment	8,272,919	2.65
Ms. Shen Wenjuan	6,894,099	2.21
Total	**311,611,466**	**100.00**

Capital Reduction in November 2025

On November 17, 2025, our Company repurchased 17,235,479 Shares from Yida Investment at a consideration of RMB60,899,555.13. Upon completion of the repurchase, our Company's registered capital decreased from RMB311,611,466 to RMB294,375,987 and our total number of Shares decreased from 311,611,466 Shares to 294,375,987 Shares. The consideration was determined based on arm's length negotiation between relevant parties after taking into consideration of the relevant Shares subscribed for by the transferors and our business performance.

Upon completion of the aforesaid capital reduction, the shareholding structure of our Company was as follows:

Shareholders	Number of Shares held	Shareholding percentage
		(%)
Mr. Wang	199,651,731	67.82
Yida Investment	28,265,213	9.60
Ms. Huang Li	21,109,583	7.17
Mr. Wang Chunlai	18,048,755	6.13
Xuancheng Fuyizhi	12,133,687	4.12
Shengyuan Investment	8,272,919	2.81
Ms. Shen Wenjuan	6,894,099	2.34
Total	**294,375,987**	**100.00**

Equity Transfer in March 2026

On March 16, 2026, (i) Mr. Wang transferred 2,453,133 Shares to Yangtze River Delta G60 Science and Technology Innovation Corridor Science and Technology Achievement Transformation Fund (Limited Partnership) (長三角吉六零科創走廊私募基金(上海)合夥企業(有限合夥)) ("**Yangtze River Delta G60**"), an independent third party of our Company, at a consideration of RMB24,999,997.71; (ii) Ms. Huang Li (黃莉) transferred 981,253 Shares to Yangtze River Delta G60, at a consideration of RMB9,999,997.04; and (iii) Mr. Wang Chunlai (汪春來) transferred 490,627 Shares to Yangtze River Delta G60, at a consideration of RMB5,000,003.62. The consideration was determined on arm's-length basis and commercially negotiated between the parties, with reference to the then valuation of our Company.

Upon completion of the aforesaid equity transfer, the shareholding structure of our Company was as follows:

Shareholders	**Number of Shares held**	**Shareholding Percentage**
		(%)
Mr. Wang	197,198,598	66.99
Yida Investment	28,265,213	9.60
Ms. Huang Li	20,128,330	6.84
Mr. Wang Chunlai	17,558,128	5.96
Xuancheng Fuyizhi	12,133,687	4.12
Shengyuan Investment	8,272,919	2.81
Ms. Shen Wenjuan	6,894,099	2.34
Yangtze River Delta G60	3,925,013	1.33
Total	**294,375,987**	**100.00**

PRC Legal Advisor's Confirmation

As advised by our PRC Legal Advisor, the abovementioned equity transfers and share repurchases involving our Shares, increase and reduction in share capital and conversion from a limited liability company to a joint stock company with limited liability have been properly and legally completed in all material respects and all requisite regulatory approvals have been obtained in accordance with the applicable PRC laws and regulations in all material respects.

EMPLOYEE INCENTIVE PLATFORM

Xuancheng Fuyizhi is the employee shareholding platform of our Company. As of the Latest Practicable Date, Xuancheng Fuyizhi held approximately 4.12% of the equity interests in the Company. Xuancheng Fuyizhi is a limited partnership established under the laws of the PRC. The general partner of Xuancheng Fuyizhi is Mr. Wang, holding 21.80% partnership interest in his own personal beneficial capacity. Xuancheng Fuyizhi had 31 limited partners, including Ms. Huang Li (黃莉), Ms. Zheng Zhen (鄭珍), Ms. Zhu Lin (朱琳), Mr. Guo Tianlong (郭天龍) and other employees and ex-employees of our Group, each holding less than one-third of the partnership interest in Xuancheng Fuyizhi. Save as disclosed above, none of the other limited partners of Xuncheng Fuyizhi is our connected person. As of the Latest Practicable Date, there was no outstanding share award granted by our Company.

CAPITALIZATION

The table below summarizes the shareholding structure of our Company as of the Latest Practicable Date and immediately prior to the completion of the [**REDACTED**].

Shareholder	Number of Shares held	Shareholding percentage
		(%)
Mr. Wang	197,198,598	66.99
Yida Investment	28,265,213	9.60
Ms. Huang Li	20,128,330	6.84
Mr. Wang Chunlai	17,558,128	5.96
Xuancheng Fuyizhi	12,133,687	4.12
Shengyuan Investment	8,272,919	2.81
Ms. Shen Wenjuan	6,894,099	2.34
Yangtze River Delta G60	3,925,013	1.33
Total	**294,375,987**	**100.00**

MATERIAL ACQUISITIONS, DISPOSALS AND MERGERS

We have not conducted any acquisitions, disposals or mergers during the Track Record Period up to the Latest Practicable Date that we consider to be material to us.

PRE-[REDACTED] INVESTMENTS

The following table summarizes the key terms of the Pre-[**REDACTED**] Investments to our Company made by the Pre-[**REDACTED**] Investors:

Nature	Name of Pre-[REDACTED] Investors	Date of agreement	Date of settlement of consideration	Amount of registered share capital/Shares subscribed	Consideration(1)	Cost per Share paid	Discount to the [REDACTED](2)
					(RMB)	*(RMB)*	*(%)*
Capital Increase in May 2017	Yida Investment	March 10, 2017	March 20, 2017	RMB2,117,648	90,000,000	1.98	[REDACTED]
Equity Transfer in August 2019	Ms. Shen Wenjuan (沈文娟)	May 31, 2019	September 17, 2020	RMB320,856	25,000,000	3.63	[REDACTED]
	Mr. Wu Zhiwei (吳志偉)	May 31, 2019	May 31, 2019	RMB256,685	20,000,000	3.63	[REDACTED]
Capital Increase in September 2019	Haifu Changjiang	May 31, 2019	June 5, 2019	RMB1,026,738	80,000,000	3.63	[REDACTED]
	Zhongbi Fund	May 31, 2019	June 5, 2019	RMB513,369	40,000,000	3.63	[REDACTED]
	Shenzhen Venture Capital	May 31, 2019	June 17, 2019	RMB51,337	4,000,000	3.63	[REDACTED]

Nature	Name of Pre-[REDACTED] Investors	Date of agreement	Date of settlement of consideration	Amount of registered share capital/Shares subscribed	Consideration[(1)]	Cost per Share paid	Discount to the [REDACTED][(2)]
					(RMB)	*(RMB)*	*(%)*
	Wuxi Hongtu	May 31, 2019	June 14, 2019	RMB102,674	8,000,000	3.63	[REDACTED]
	Gaoyou Hongtu	May 31, 2019	June 14, 2019	RMB102,674	8,000,000	3.63	[REDACTED]
	Kaiheng Investment	May 31, 2019	July 8, 2019	RMB282,353	22,000,000	3.63	[REDACTED]
	Shengyuan Investment	May 31, 2019	June 10, 2019	RMB385,026	30,000,000	3.63	[REDACTED]
	Yida Venture Capital	May 31, 2019	June 14, 2019	RMB256,685	20,000,000	3.63	[REDACTED]
			Subtotal	RMB2,720,856	212,000,000		
Equity Transfer in March 2026	Yangtze River Delta G60	March 16, 2026	March 18, 2026	3,925,013 Shares	39,999,998.37	10.19	[REDACTED]

Notes:

(1) The consideration was determined on arm's-length basis and commercially negotiated between the parties, with reference to the then valuation of our Company.

(2) The discount to the [**REDACTED**] is calculated based on the assumption that the [**REDACTED**] is HK$[**REDACTED**] per H Share, being the mid-point of the indicative [**REDACTED**] range of HK$[**REDACTED**] to HK$[**REDACTED**] per H Share.

At the time of the Pre-[**REDACTED**] Investments, our Directors were of the view that our Company would benefit from the additional capital provided by the Pre-[**REDACTED**] Investors' investments in our Company, and that the Pre-[**REDACTED**] Investors' investments in our Company demonstrated their confidence in our Group's operations and served as an endorsement of our Group's performance, strengths and prospects.

Reasons for the Pre-[REDACTED] Investments

At the time of the relevant Pre-[**REDACTED**] Investments, our Directors were of the view that our Company would benefit from the additional capital provided by the Pre-[**REDACTED**] Investors' investments in our Company, and that the Pre-[**REDACTED**] Investors' investments in our Company demonstrated their confidence in our Group's operations and served as an endorsement of our Company's performance, strengths and prospects.

Use of Proceeds from the Pre-[REDACTED] Investments

As of the Latest Practicable Date, approximately 100% of the net proceeds from the Pre-[**REDACTED**] Investments had been utilized for our general operation and business development. The remaining net proceeds from the Pre-[**REDACTED**] Investments will continue to be utilized for our general operation and business development.

Special Rights of the Pre-[REDACTED] Investors

No special rights were granted to the Pre-[**REDACTED**] Investors.

Lock-Up and Public Float of the Pre-[REDACTED] Investors

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

As the Pre-[**REDACTED**] Investors are independent third parties of our Company, their shareholdings in our Company will be counted towards public float.

Compliance with the Guide for New Listing Applicants

On the basis that the consideration for the Pre-[**REDACTED**] Investments was settled more than 28 clear days before the date of our first submission of the [**REDACTED**] to the Stock Exchange and there is no special right arrangement among our Pre-[**REDACTED**] Investors, the Sole Sponsor confirmed that the Pre-[**REDACTED**] Investments are in compliance with Chapter 4.2 of the Guide for New Listing Applicants.

Information about Our Pre-[REDACTED] Investors

Set out below is a description of our Pre-[**REDACTED**] Investors, which are mainly private equity funds and strategic investment corporations, having made meaningful investments in our Company. To the best of the Company's knowledge, save as otherwise disclosed in this subsection, all the Pre-[**REDACTED**] Investors are Independent Third Parties.

Yida Investment

Yida Investment is a limited partnership established under the laws of the PRC. Its general partner, Anhui Yida Huicheng Equity Investment Management Enterprise (Limited Partnership) (安徽毅達匯承股權投資管理企業(有限合夥) ("**Yida Huicheng**"), holds 1.72% of the partnership interest therein. The limited partners of Yida Investment include (i) Anhui

High-tech Industry Investment Co., Ltd. (安徽省高新技術產業投資有限公司) ("**Anhui High-tech Industry**") holding 34.48% partnership interest; (ii) Shenzhen Ping An Huitong Investment Management Co., Ltd. (深圳平安匯通投資管理有限公司) ("**Ping An Huitong**") holding 34.48% partnership interest; and (iii) Jiangsu High-tech Investment Group Co., Ltd. (江蘇高科技投資集團有限公司) ("**Jiangsu High-tech Investment**") holding 29.31% partnership interest.

Yida Huicheng is owned as to 99% by its general partner Tibet Aida Huicheng Private Fund Management Co., Ltd. (西藏愛達匯承私募基金管理有限公司), which is wholly owned by Jiangsu Yida Equity Investment Fund Management Co., Ltd. (江蘇毅達股權投資基金管理有限公司), ("**Jiangsu Yida**"), and as to 1% by its limited partner Jiangsu Yida. Jiangsu Yida is owned as to 40% by Nanjing Yida Capital Management Enterprise (Limited Partnership) (南京毅達資本管理企業(有限合夥), ("**Nanjing Yida Capital**"), 35% by Jiangsu High-tech Investment, and the remaining 25% by five other shareholders. Nanjing Yida Capital is owned as to 7.58% by its general partner Nanjing Yida Investment Management Co., Ltd. (南京毅達投資管理有限公司), which in turn is owned by YING Wenlu (應文祿) as the largest shareholder holding approximately 22.45% equity interest and six other limited partners, each holding less than one-third of its partnership interest. Jiangsu High-tech Investment is ultimately controlled by the Jiangsu Provincial People's Government.

Anhui High-tech Industry is a wholly-owned subsidiary of Anhui Provincial Investment Group Holdings Co., Ltd. (安徽省投資集團控股有限公司), which is wholly 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). Ping An Huitong is a wholly-owned subsidiary of Ping An Fund Management Co., Ltd. (平安基金管理有限公司), which in turn is 68.19% owned by Ping An Trust Co., Ltd. (平安信託有限責任公司). Ping An Trust Co., Ltd. is 99.88% owned by Ping An Insurance (Group) Company of China, Ltd. (中國平安保險(集團)股份有限公司), a company listed on the Shanghai Stock Exchange (stock code: 601318) and the Stock Exchange (stock code: 2318).

Ms. Shen Wenjuan (沈文娟)

Ms. Shen Wenjuan is an Independent Third Party. As at the date of this document, Ms. Shen holds approximately 2.34% of our total issued share capital.

Shengyuan Investment

Shengyuan Investment is a limited partnership established under the laws of the PRC. It is owned as to (i) 0.16% by Beijing Fangyuan Jinding Investment Management Co., Ltd. (北京方圓金鼎投資管理有限公司), ("**Beijing Fangyuan**") as its general partner and (ii) 99.84% by 10 limited partners, each holding less than one-third of the partnership interest.

Beijing Fangyuan is wholly-owned by Beijing Tongchuang Jinding Investment Management Co., Ltd. (北京同創金鼎投資管理有限公司), which in turn is owned as to 62.5% by Beijing Huaxia Jinding Investment Management Co., Ltd. (北京華夏金鼎投資管理有限公司) ("**Huaxia Jinding**") and 37.5% by other shareholders, each holding less than one-third of the interest therein. Huaxia Jinding is ultimately controlled by Mr. He Fuchang (何富昌).

Yangtze River Delta G60

Yangtze River Delta G60 is a limited partnership established under the laws of the PRC. Its general partner, Haitong-Fortis Private Equity Fund Management Co., Ltd. (海富產業投資基金管理有限公司), holds 0.62% of the partnership interest therein. The limited partners of Yangtze River Delta G60 include (i) Haitong Innovation Securities Investment Co., Ltd. (海通創新證券投資有限公司) holding 31.48% partnership interest; (ii) Shanghai Songjiang State-owned Assets Investment and Management Group Co., Ltd. (上海松江國有資產投資經營管理集團有限公司) holding 18.52% partnership interest; (iii) Huzhou Industrial Fund Investment Co., Ltd. (湖州市產業基金投資有限公司) holding 6.17% partnership interest; (iv) Wuhu Industrial Investment Fund Co., Ltd. (蕪湖產業投資基金有限公司) holding 6.17% partnership interest; (v) Suzhou Science and Technology Innovation and Entrepreneurship Investment Co., Ltd. (蘇州市科技創新創業投資有限公司) holding 6.17% partnership interest; (vi) Jiaxing Yangtze River Delta Innovation Investment Group Co., Ltd. (嘉興長三角創新投資集團有限公司) holding 6.17% partnership interest; (vii) Jinhua Science and Technology Innovation Investment Co., Ltd. (金華市科技創新投資有限公司) holding 6.17% partnership interest; (viii) Xuancheng City Industrial Development Investment Fund Co., Ltd. (宣城市產業發展投資基金有限公司) holding 6.17% partnership interest; (ix) Hangzhou High-Tech Investment Co., Ltd. (杭州市高科技投資有限公司) holding 6.17% partnership interest; (x) Hefei Venture Capital Guidance Fund Co., Ltd. (合肥市創業投資引導基金有限公司) holding 3.70% partnership interest; and (xi) Hefei Venture Capital Guidance Fund Phase II Co., Ltd. (合肥市創業投資引導基金二期有限公司) holding 2.47% partnership interest.

Haitong-Fortis Private Equity Fund Management Co., Ltd. (海富產業投資基金管理有限公司) is owned as to 67% by Haitong Capital Co., Ltd. (海通開元投資有限公司) and 33% by BNP Paribas Asset Management Holding BE (法國巴黎資產管理BE控股公司). Haitong Capital Co., Ltd. (海通開元投資有限公司) is a wholly-owned subsidiary of Guotai Haitong Securities Co., Ltd. (國泰海通證券股份有限公司) (a company listed on the Shanghai Stock Exchange (stock code: 601211) and Stock Exchange (stock code: 2611)). BNP Paribas Asset Management Holding BE (法國巴黎資產管理BE控股公司) is a wholly-owned subsidiary of BNP Paribas Asset Management which is part of the BNP Paribas group (a company listed on Euronext Paris, stock symbol: BNP).

Haitong Innovation Securities Investment Co., Ltd. (海通創新證券投資有限公司) is a wholly-owned subsidiary of Guotai Haitong Securities Co., Ltd. (國泰海通證券股份有限公司) (a company listed on the Shanghai Stock Exchange (stock code: 601211) and Stock Exchange (stock code: 2611)).

PUBLIC FLOAT AND FREE FLOAT

Immediately following the completion of the [**REDACTED**] (assuming that the [**REDACTED**] is not exercised) and the conversion of [**REDACTED**] Shares into H Shares, the [**REDACTED**] Shares held by our Shareholders, representing approximately [**REDACTED**]% of our total issued Shares upon the completion of the [**REDACTED**], will not be considered as part of the public float as these [**REDACTED**] Shares will not be [**REDACTED**] on the Stock Exchange following the completion of the [**REDACTED**]. In addition, the [**REDACTED**] H Shares held by Mr. Wang, Xuancheng Fuyizhi, Mr. Wang Chunlai and Ms. Huang Li, representing approximately [**REDACTED**]% of our total issued Shares upon the completion of the [**REDACTED**], will not be counted towards the public float since they are controlled by our core connected persons.

To the best knowledge of our Director, save as disclosed above, immediately upon the completion of the [**REDACTED**] (assuming that the [**REDACTED**] is not exercised), [**REDACTED**] H Shares held or controlled by our Shareholders who are not our core connected persons, representing approximately [**REDACTED**]% of our total issued Shares upon the completion of the [**REDACTED**], will be counted towards the public float, which is in compliance with the requirement under Rule 19A.13A(1) of the Listing Rules. In addition, our Company will satisfy the free float requirement under Rule 19A.13C of the Listing Rules upon the [**REDACTED**].

PREVIOUS A-SHARE LISTING ATTEMPT

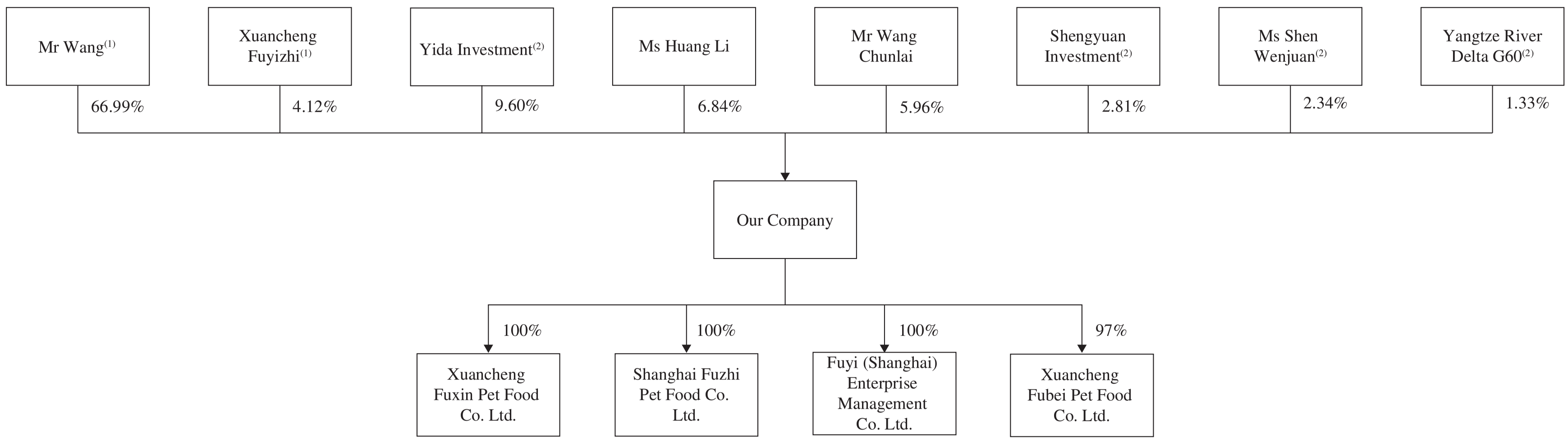
To explore the opportunity of establishing a platform for conducting capital market activities in the A-share market, we applied to the CSRC for the listing of our shares on the main board of the Shanghai Stock Exchange ("**SSE**") and CSRC accepted our application on June 24, 2021. (the "**Previous Listing Attempt**"). During the review process of our Previous Listing Attempt, we received enquiries concerning the disclosures in the application documents, including matters relating to regulatory compliance, financial information, business operations and others. On June 14, 2023, our Company voluntarily withdrew the A-share listing application, considering the uncertainty of the listing timetable and our adjustment of our future development strategies. On July 7, 2023, the SSE terminated the review considering the voluntary withdrawal of our application.

Save as disclosed above, to the best of their knowledge, our Directors confirm that they are not aware of (i) any other matters relating to the Previous Listing Attempt that may have material adverse implications on our Company's suitability for listing on the Stock Exchange; or (ii) any other matters that need to be brought to the attention of the Stock Exchange, our Shareholders or potential investors in relation to the Previous Listing Attempt. Our Directors also confirm that (i) no formal listing application was filed with the SSE as of the Latest Practicable Date beyond the terminated review process, and (ii) during the preparation for the Previous Listing Attempt, we did not encounter any disagreements with the relevant professional parties.

Based on the due diligence work conducted by the Sole Sponsor, nothing has come to the Sole Sponsor's attention that would reasonably cause it to disagree with the Directors' view above.

CORPORATE STRUCTURE IMMEDIATELY BEFORE COMPLETION OF THE [REDACTED]

The chart below sets out the shareholding structure of our Company immediately before the completion of the [**REDACTED**]:



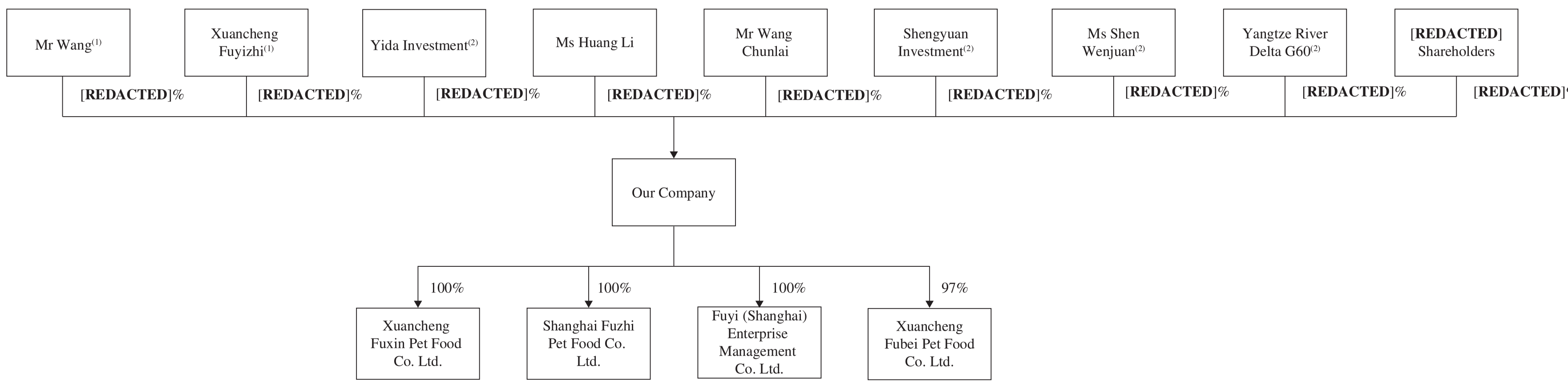
Notes:

(1) As of the Latest Practicable Date, Mr. Wang is the general partner of Xuancheng Fuyizhi, the employee shareholding platform of our Company. See "Relationship with Our Controlling Shareholder" for more details.

(2) See "— Pre-[**REDACTED**] Investments — Information about our Pre-[**REDACTED**] Investors" in this section for details of such Shareholders.

CORPORATE STRUCTURE IMMEDIATELY FOLLOWING COMPLETION OF THE [REDACTED]

The chart below sets out the shareholding structure of our Company immediately following the completion of the [**REDACTED**] (assuming the [**REDACTED**] are not exercised):



Notes:

(1) – (2) See the respective notes to the corporate structure chart immediately before completion of the [**REDACTED**] as set out above.