

RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS

OUR CONTROLLING SHAREHOLDERS

As of the Latest Practicable Date, Dr. Wang controlled 45.98% of the voting power at the general meetings of our Company, comprising (i) 19.56% beneficially owned by Bronze Group, which is owned as to (a) 40.85% by Dr. Wang directly, (b) 27.35% by Bronze Holding LP, which is controlled by Dr. Wang as its general partner, (c) 19.57% by InteBridge Tech, which is owned as to 13.00% by Dr. Wang and as to 25.00% by Ms. Wang Yongmiao (王永苗), Dr. Wang’s mother, and Dr. Wang and InteBridge Tech agreed to act in concert with respect to their shareholder rights in Bronze Group, including voting and proposing resolutions, with Dr. Wang’s opinion prevailing in case of disagreement, pursuant to the concert party agreement between them, and (d) 12.23% by Ms. Wang Yongmiao; (ii) 6.65% beneficially owned by BASiC Principle LP, which is controlled by Dr. Wang as its general partner holding a partnership interest of 1.875% and Ms. Chen holding a partnership interest of 35.6% (see “History, Development and Corporate Structure — Pre-[REDACTED] Investments — Information regarding our Pre-[REDACTED] Investors — Other Pre-[REDACTED] Investors — BASiC Principle LP” for details); (iii) 6.38% beneficially owned by BASiC Createnjoy LP, which is controlled by Dr. Wang as its general partner; (iv) 4.33% by BASiC Innotech LP, which is controlled by Dr. Wang as its general partner; (v) 4.15% beneficially owned by BASiC Creation LP, which is controlled by Dr. Wang as its general partner; (vi) 3.52% beneficially owned by BASiC Entrepreneur LP, which is controlled by Dr. Wang as its general partner; and (vii) 1.39% beneficially owned by BASiC Original LP, which is controlled by Dr. Wang as its general partner, and Dr. Wang directly holds 2.18% and indirectly hold 17.58%, through his control interest in Bronze Group, of the partnership interest, with no other limited partners holding 30% or more of the partnership interest.

In respect of the employee shareholding platforms, namely BASiC Createnjoy LP, BASiC Innotech LP, BASiC Creation LP and BASiC Entrepreneur LP, save that our executive Directors, including Dr. He Weiwei, Mr. Fu Junyin and Ms. Yan Rui, and Mr. Zhang Yu, Mr. Yu Shuangbai and Mr. Chen Hengxing, being supervisors of our subsidiaries, are limited partners in the aforesaid platforms, the other limited partners are Independent Third Parties. See “Appendix V — Statutory and General Information — D. Employee Shareholding Platforms”.

Save for Bronze Group, all other limited partners of BASiC Original LP are Independent Third Parties. BASiC Createnjoy LP, BASiC Innotech LP, BASiC Creation LP and BASiC Entrepreneur LP are employee shareholding platforms of our Company. In BASiC Createnjoy LP, Dr. Wang holds 0.38% of the partnership interest, Shenzhen BASiC Createnjoy No. 2 Holding Partnership (Limited Partnership) (深圳基本創享二號控股合夥企業(有限合夥)) (“BASiC Createnjoy No. 2”) holds 33.33% of the partnership interest, and no other limited partner holds 30% or more of the partnership interest. BASiC Createnjoy No. 2 is an employee shareholding platform of which Dr. Wang is the general partner holding 1% of the partnership interest, and none of its limited partners holds 30% or more of the partnership interest therein. In BASiC Innotech LP, Dr. Wang and Dr. He Weiwei hold 36.93% and 40.63% of the partnership interest, respectively, and there are no other limited partners holding 30% or more of the partnership interest. In BASiC Entrepreneur LP, Dr. Wang holds 68.94% of the partnership interest, and there are no other limited partners holding 30% or more of the partnership interest. In BASiC Creation LP, Dr. Wang holds 19.00% of the partnership interest, and there are no limited partners holding 30% or more of the partnership interest.

Therefore, Dr. Wang, Ms. Wang Yongmiao, Bronze Holding LP, InteBridge Tech, Bronze Group, BASiC Principle LP, BASiC Createnjoy LP, BASiC Innotech LP, BASiC Creation LP, BASiC Entrepreneur LP and BASiC Original LP were our Controlling Shareholders as of the Latest Practicable Date, and will be our Controlling Shareholders upon the [REDACTED], directly and indirectly continue to control in aggregate approximate [REDACTED]% of total issued share capital of our Company.

OUR RELATIONSHIP WITH BRONZE GROUP

Dr. Wang established Bronze Group, which initially focused on silicon-based IGBT driver chips, in 2009. In response to the growing demand for high-efficiency and high-performance SiC power devices and modules, our Company was founded in 2016 to capture emerging growth opportunities in this specialized sector. Since its establishment, our Company has

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operated as an independent group, primarily dedicated to the development and commercialization of SiC discrete devices, power modules, and power semiconductor gate drivers, which are products that involve high technical barriers and require long research and development cycles.

Following the establishment of our Company, Bronze Group has continued to operate on a limited scale. It previously engaged in some research and development activities relating to power systems, but such functions have since been significantly scaled down and are no longer a substantive part of its operations. At present, Bronze Group is primarily engaged in the resale of dynamic devices and related accessories, and property leasing operations. These dynamic device products are mostly designed, developed, and assembled by our Company, and are not among our Company’s primary product offerings. Bronze Group also sourced some products from other independent suppliers, depending on the specific orders and requirements of Bronze Group’s customers.

Bronze Group does not engage in the research, development, or production of SiC discrete devices, power modules, or power semiconductor gate drivers, and does not possess the necessary technical personnel or infrastructure to do so. It has only retained a small sales team to fulfill orders from a limited number of historical customers who, due to supplier qualification requirements, are restricted from switching their cooperative partner to our Company. Apart from fulfilling these orders and retaining its property leasing operations, Bronze Group does not have any substantive business operations.

Our Directors are of the view that there is no material competition between our Group and Bronze Group given that Bronze Group operates on a limited scale, with a narrow product offering and diminishing revenue from product sales during the Track Record Period, reflecting its shrinking business activity. It does not possess independent research and development or production capabilities, and its products are not positioned to compete meaningfully in the SiC semiconductor segment in which our Company specializes. These differences in operating scale, technological capabilities, and business focus, together with the fact that our Group has established itself as a focused and independent player in the SiC power device industry, set our Group apart from Bronze Group. In addition, Bronze Group has undertaken it will not acquire or solicit new customers, and if it identifies or encounters any potential new customers, it will refer such customers to our Company.

INDEPENDENCE FROM OUR CONTROLLING SHAREHOLDERS

Having considered the following factors, our Directors are satisfied that we are capable of carrying out our business independently of our Controlling Shareholders and their close associates after the [REDACTED].

Management independence

Our daily operational and management decisions are made by our Board and our senior management. Our Board consists of seven Directors, namely four executive Directors and three independent non-executive Directors. See “Directors and Senior Management”. Save as three of our executive Directors, namely, Dr. Wang, Dr. He Weiwei, and Mr. Fu Junyin, none of our Directors or senior management will hold any position in Bronze Group.

Our Directors consider that we are capable of maintaining management independence for the following reasons:

- (a) four out of our seven Directors are entirely independent from, and not having any role, in Bronze Group. While Dr. Wang, Dr. He Weiwei and Mr. Fu Junyin serve as directors of Bronze Group, they are not involved in the day-to-day management of Bronze Group due to its limited operating scale;
- (b) all of our executive Directors, together with our senior management members, all of whom have substantial experience in the industry in which our Group is engaged, are able to dedicate their time and focus to the management of our Group independently and make business decisions that are in the best interests of our Company. See “Directors and Senior Management” for biographies of our executive Directors and senior management members;

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- (c) 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;
- (d) in the event that there is a potential conflict of interest arising out of any transaction to be entered into between our Company and a Director and/or his/her associate, he/she shall fully disclose such matters to our Board and abstain from voting at the relevant meeting in respect of such transactions and shall not be counted towards the quorum for the voting. Hence, no Director will be able to influence our Board in making decisions on matters in which he or she is, or may be interested;
- (e) we have three independent non-executive Directors, who are not associated with our Controlling Shareholders or any of their associate and, individually or 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 and protect the interests of our Company and our Shareholders as a whole; and
- (f) we have established corporate governance measures and adopted sufficient and effective control mechanisms to manage potential conflicts of interest, if any, between our Group and our Controlling Shareholders, which would support our independent management. See “— Corporate Governance Measures”.

Operational independence

We do not rely on our Controlling Shareholders and their close associates for our business development, production, procurement, sales and market, human resources, administration, finance, information technology, or company secretarial functions. We have our own departments specializing in these respective areas which have been in operation and are expected to continue to operate separately and independently from our Controlling Shareholders and their close associates. In addition, we have our own headcount of employees for our operations and management for human resources.

We have independent access to suppliers and customers and an independent management team to handle our day-to-day operations. We are also in possession of all relevant licenses, certificates, facilities and intellectual property rights necessary to carry on and operate our principal businesses and we have sufficient operational capacity in terms of capital and employees to operate independently.

Except for five trademarks for which we were granted exclusive licence by Bronze Group, our Controlling Shareholder, we are registered owner of all other trademarks which we believe are material to our Group’s operations. Pursuant to the Trademark Licensing Agreement dated February 10, 2025, we are authorized to use the five licensed trademarks on a royalty-free basis exclusively for a period of three years from January 1, 2025 to December 31, 2027. See “Continuing Connected Transactions — Fully-Exempt Continuing Connected Transactions — Trademark Licensing Agreement”.

Our Company and Bronze Tech leased premises in Shenzhen from Bronze Group for a three-year period from January 1, 2025 to December 31, 2027 for office, manufacturing, and research and development use. Given that (i) the terms of the leases have been determined on an arm’s length basis and on normal commercial terms or better, (ii) the risk of Bronze Group terminating the leases is remote as the termination would not be in the commercial interest for both parties, and (iii) it is not difficult for us to find suitable alternative premises in Shenzhen if relocation is required, our Directors believe that such leasing arrangements would not cast doubts on our operational independence. Pursuant to IFRS 16, the Group, as the lessee, shall recognize a lease as a right-of-use asset in the consolidated statement of financial position of the Group. As such, the aforesaid leases constitute acquisition of capital asset and one-off connected transactions under Chapter 14A of the Listing Rules.

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

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Financial independence

We have an independent financial system and make financial decisions according to our Group’s own business needs. We have internal control and accounting systems and an independent finance department in charge of our treasury function.

Bronze Group and/or Dr. Wang (and his spouse) have provided guarantees and/or asset pledges (the “**CS Guarantees and Pledges**”) in favor of our Group in respect of certain financing arrangements, which include loan facilities and finance leases (the “**CS Guaranteed Loans**”). As of April 30, 2026, the total outstanding principal of the Guaranteed Loans was RMB265.8 million. As for asset pledges, one facility was supported by a pledge over Dr. Wang’s personal property, in respect of which the lender has agreed that such security arrangement will be fully discharged upon [REDACTED]. We have received consent letters from the relevant lenders agreeing to release the CS Guarantees and Pledges and, where required, to be replaced by guarantees or securities to be provided by our Group upon [REDACTED] for all of the CS Guaranteed Loans which remain outstanding.

In addition, as of April 30, 2026, we had committed unutilized loan facilities totaling RMB366.6 million, including facilities of RMB205.0 million that do not require CS Guarantees and Pledges and facilities of RMB161.6 million which are subject to the CS Guarantees and Pledges (the “**Guaranteed Facilities**”). Of the Guaranteed Facilities, we have obtained consents from the relevant facility providers to release the CS Guarantees and Pledges and, where required, to be replaced by guarantees or securities to be provided by our Group upon [REDACTED], for all of the aforesaid Guaranteed Facilities.

To the best knowledge and belief of our Directors, the CS Guarantees and Pledges were initially required as a common credit enhancement practice by PRC financial institutions for unlisted companies. Financial institutions commonly request such guarantees from controlling shareholders of unlisted companies to strengthen credit confidence and ensure management stability. Our Directors consider that the relevant lenders agree to release the CS Guarantees and Pledges upon [REDACTED] for the following reasons: (i) our financing and repayment capabilities are expected to improve after [REDACTED], as listed status enhances both debt and equity financing capacity and reduces default risk; (ii) most loans are relatively small in amount, while loans of larger amounts are already secured by asset pledges such as production facilities, equipment, and land, making the overall credit risk manageable; and (iii) equity financing, including proceeds from our Series D investment and the capital injection into our subsidiaries, has further strengthened lender confidence and provided additional credit enhancement.

As advised by the PRC Legal Advisers, and based on the Directors’ confirmation that no revocation notice has been received or notified by the relevant lenders in respect of the consent to release the CS Guarantees and Pledges for the relevant Guarantees Loans and Guaranteed Facilities, and that such release does not contravene any applicable PRC laws, the consent to release constitutes a binding arrangement between the relevant parties. As confirmed by the Directors, the consent to release is only conditional upon the successful [REDACTED] of our Shares on the Stock Exchange, and is not subject to any refinancing arrangements, approvals from other syndicate members or any other conditions. Based on the foregoing, the Directors are not aware of any conditions that would reasonably be expected to have a material adverse impact on our financial position.

Our unutilized committed banking facilities increased from RMB179.0 million as of December 31, 2025 to RMB366.6 million, including RMB51.6 million project-based facilities for the construction of production base. All unutilized committed banking facilities as of April 30, 2026, were not subject to any security deposit requirement. This increase in banking facilities was mainly due to (i) established relationships with banks, with some credit limits increased; (ii) the submission of our [REDACTED] application, which enhanced transparency and encouraged banks to expand credit limits in anticipation of future collaboration; and (iii) external funding from our Series D investment and capital injection into our subsidiaries, which strengthened lender confidence.

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Following the [REDACTED], we intend to pursue further fundraising in both onshore and offshore markets as deemed necessary by our Directors, subject to market conditions, business needs, financial position, and regulatory compliance. Given our track record in securing financing independently and established relationships with banks, we had obtained and we believe we can continue to obtain financing on terms comparable to existing loans without requiring guarantees from our Controlling Shareholders or their close associates. Based on the above, our Directors believe we are financially independent and do not place undue reliance on our Controlling Shareholders or their close associates.

INTERESTS OF OUR CONTROLLING SHAREHOLDERS IN OTHER BUSINESSES

Each of our Controlling Shareholders confirmed that as of the Latest Practicable Date, apart from the business of our Company, it/he/she did not have any interest in other business, which competes or is likely to compete, directly or indirectly, with our business, which would require disclosure under Rule 8.10 of the Listing Rules.

CORPORATE GOVERNANCE MEASURES

Our Company will comply with the provisions of the Corporate Governance Code in Appendix C1 to the Listing Rules, which sets out principles of good corporate governance. Our Directors recognize the importance of good corporate governance in protection of our Shareholders' interests. Our Board comprises a balanced mix of executive Directors and independent non-executive Directors, who collectively possess the necessary competence, experience, and expertise in corporate governance matters to ensure effective oversight and decision-making. We would adopt the following measures to safeguard good corporate governance standards and to avoid potential conflict of interests:

- (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 will 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; and
- (f) we have appointed Rainbow Capital (HK) Limited as our compliance advisor, which will provide advice and guidance to us in respect of compliance with the applicable laws and the Listing Rules, including various requirements relating to directors' duties and corporate governance.

Based on the above, our Directors are satisfied that the above corporate governance measures are sufficient to manage the potential conflicts of interest between our Group and our Controlling Shareholders and/or other Directors to protect minority Shareholders' rights after the [REDACTED].