1. FURTHER INFORMATION ABOUT OUR GROUP

A. Incorporation

Far East Industrial, our predecessor, was established under the PRC laws under the name of Far East Industrial Stock Co., Ltd. (遠東實業股份有限公司) on May 23, 1985 and was converted to a joint stock company on May 28, 1994 and listed on the Shenzhen Stock Exchange in January 21, 1997. By virtue of the Reverse Acquisition, Far East Industrial issued 471,236,736 shares to the VCG Original Shareholders as consideration for the acquisition of 100% of the equity interests in Huaxia Group and Huaxia Visual. The transaction constituted a major asset restructuring and a reverse acquisition of Far East Industrial under the A-share listing rules. Upon completion of the Reverse Acquisition, Far East Industrial held the entire equity interests in Huaxia Group and Huaxia Visual, and we achieved a listing on the Shenzhen Stock Exchange through Far East Industrial as the listing entity. On August 20, 2014, the Company changed its name to "Visual China Group Co., Ltd." (視覺(中國)文化發展股份有限公司) and the stock short name had also changed to "視覺中國". For further details of the Reverse Acquisition, see "History, Development and Corporate Structure — Corporate Development and Major Changes in Share Capital and Shareholdings — Reverse Acquisition and our A Shares Listing on Shenzhen Stock Exchange" in this document.

Our registered office is located at Room 101, 1/F, Building 6 No. 123 Hexiang Road, West Taihu Science and Technology Industrial Park, Changzhou, Jiangsu Province, PRC. Our Company has established a place of business in Hong Kong at 19/F, Golden Centre, 188 Des Voeux Road Central, Hong Kong. Our Company was registered as a non-Hong Kong company in Hong Kong under Part 16 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) and the Companies (Non-Hong Kong Companies) Regulation (Chapter 622J of the Laws of Hong Kong) on June 12, 2026, with Mr. Poon Ping Yeung (潘秉揚) appointed as the Hong Kong authorized representative of our Company for acceptance of the service of process and any notices required to be served on our Company in Hong Kong.

As we are established in the PRC, our corporate structure and Articles of Association are subject to the relevant laws and regulations of the PRC. A summary of the relevant aspects of laws and regulations of the PRC and relevant provisions of our Articles of Association is set out in Appendices IV and V to this document, respectively.

B. Changes in the Share Capital of our Company

There has been no alteration in the share capital of our Company within two years immediately preceding the date of this document.

C. Changes in Share Capital of our Subsidiaries

A summary of the corporate information and the particulars of our Company's subsidiaries are set out in Note 1 to the Accountants' Report as set out in Appendix I to this document. The following sets out the changes in the share capital of our Company's subsidiaries and our Company's subsidiary incorporated within the two years immediately preceding the date of this document:

(a) On March 3, 2025, Visual Huahan (Shenzhen) Cultural Technology Co., Ltd. (視覺華瀚(深圳)文化科技有限公司) was established as a limited liability company under the laws of the PRC, with a registered capital of RMB20,000,000;

(b) On March 26, 2025, Elephant Visual was established as a limited liability company under the laws of the PRC, with a registered capital of RMB100,000,000. On August 29, 2025, the registered capital of Elephant Visual was increased from RMB100,000,000 to RMB105,000,000;

(c) On July 29, 2025, Elephant Visual Technologies Limited was incorporated in British Virgin Islands with limited liability, with a registered capital of USD1,000;

(d) On September 9, 2025, Yuanshijue (Beijing) Cultural and Creative Co., Ltd. (元視覺(北京)文化創意有限公司) was established as a limited liability company under the laws of the PRC, with a registered capital of RMB5,000,000;

(e) On September 18, 2025, the registered capital of Shanghai Yuezhi Network Technology Co., Ltd. (上海悦芷網絡科技有限公司) was increased from RMB5,000,000 to RMB37,000,000, and was subsequently increased from RMB37,000,000 to 43,150,000 on January 28, 2026;

(f) On December 29, 2025, Beijing Chuangxin Zhiquan Cultural and Creative Partnership Enterprise (Limited Partnership) (北京創鑫智權文化創意合夥企業(有限合夥)) was established as a limited partnership under the laws of the PRC, with a registered capital of RMB2,000,000;

(g) On January 29, 2026, the registered capital of Changzhou Five Hundred Pixel Network Technology Co., Ltd. (常州五百像素網絡科技有限公司) was increased from RMB257,766,847.37 to RMB275,766,847.40;

(h) On February 6, 2026, the registered capital of Changzhou Visual Home Information Technology Consulting Co., Ltd. (常州視覺家信息技術諮詢有限公司) was increased from RMB500,000 to RMB5,800,000;

(i) On March 18, 2026, our Board resolved to approve the reduction in the registered capital of Chengdu Guangchang from RMB50,000,000 to RMB1,250,000. Subsequently on April 29, 2026, our Board resolved to approve the increase of the registered capital of Chengdu Guangchang from RMB1,250,000 to RMB10,000,000 by way of capital reserve conversion. The industrial and commercial registration of such changes had not been completed as of the Latest Practicable Date; and

(j) On March 30, 2026, our Board resolved to approve the increase of the registered capital of Yuandong Culture from RMB50,000,000 to RMB700,000,000. The industrial and commercial registration of such change had not been completed as of the Latest Practicable Date.

Save as disclosed above, there has been no alteration in the registered capital of the subsidiaries of our Company within two years immediately preceding the date of this document.

D. Resolutions of the Shareholders

Pursuant to the Shareholders' meeting held on March 16, 2026, the following resolutions, among other things, were (subject to the relevant regulatory approval, filing and registration) duly passed:

(a) the [REDACTED] by our Company of H Shares with a nominal value of RMB1.00 each and such H Shares be [REDACTED] on the Stock Exchange;

(b) the number of H Shares to be [REDACTED] before the exercise of the [REDACTED] shall not exceed [REDACTED]% of the enlarged share capital of our Company upon completion of the [REDACTED], and granting to the [REDACTED] (or their representatives) of the [REDACTED] of no more than [REDACTED]% of the number of H Shares [REDACTED] pursuant to the [REDACTED];

(c) subject to the completion of the [REDACTED], the Articles of Association have been approved and adopted, which shall become effective on the [REDACTED], and the Board has been authorized to amend the Articles of Association to the extent necessary in accordance with any comments from the relevant regulator authorities; and

(d) authorization of the Board or its authorized individuals to handle all matters relating to, among other things, the [REDACTED], the [REDACTED] and [REDACTED] of H Shares on the Stock Exchange.

2. FURTHER INFORMATION ABOUT THE BUSINESS

A. Summary of Material Contract

Our Group has entered into the following contract (not being contracts entered into in the ordinary course of business) within the two years immediately preceding the date of this document that are or may be material:

(a) the [REDACTED].

B. Intellectual Property Rights

As of the Latest Practicable Date, the following intellectual property rights are material to our Group's business:

(a) Trademarks

As of the Latest Practicable Date, our Group had registered the following trademarks which are material to its business:

No.	Trademark	Class	Registered Owner	Place of Registration	Registration Number	Expiry Date
1. . . .	视觉中国 VISUAL CHINA GROUP	9、16、35、38、41、42	The Company	Hong Kong	303462129	July 1, 2035
2. . . .	VCG	9	The Company	PRC	52279883	November 27, 2031
3. . . .	VCG	41	The Company	PRC	16180056	September 20, 2027
4. . . .	VCG	42	The Company	PRC	16180056	September 20, 2027
5. . . .	VCG	38	The Company	PRC	16180056	September 20, 2027
6. . . .	VCG	16	The Company	PRC	16180056	September 20, 2027

No.	Trademark	Class	Registered Owner	Place of Registration	Registration Number	Expiry Date
7.	VCG	35	The Company	PRC	16180056	September 20, 2027
8.	爱视觉	41	Tianjin Hanhua Yimei	PRC	61530125	December 6, 2032
9.	爱视觉	16	Tianjin Hanhua Yimei	PRC	61533506	July 13, 2032
10.	爱视觉	42	Tianjin Hanhua Yimei	PRC	61537288	May 13, 2033
11.	爱视觉	9	Tianjin Hanhua Yimei	PRC	61529343	September 20, 2032
12.	爱视觉	38	Tianjin Hanhua Yimei	PRC	61522884	July 13, 2032
13.	500px	40	Tianjin Hanhua Yimei	PRC	31645051	June 13, 2029
14.	500px	38	Tianjin Hanhua Yimei	PRC	24353045	June 13, 2028
15.	corbis	35	Tianjin Hanhua Yimei	PRC	29737487	February 13, 2029
16.	corbis	16	Tianjin Hanhua Yimei	PRC	29742844	February 6, 2029
17.	corbis	42	Tianjin Hanhua Yimei	PRC	21350629	October 27, 2028
18.	corbis	9	Tianjin Hanhua Yimei	PRC	21343333	October 27, 2028
19.	veer	41	Tianjin Hanhua Yimei	PRC	26413823	January 13, 2029
20.	veer	40	Tianjin Hanhua Yimei	PRC	26402889	August 27, 2028
21.	veer	35	Tianjin Hanhua Yimei	PRC	26421973	September 20, 2028
22.	veer	16	Tianjin Hanhua Yimei	PRC	26408762	September 6, 2028
23.	图虫网 PHOTOCOME	41	Hanhua Yimei	PRC	51940917	February 6, 2032
24.	图虫网 PHOTOCOME	38	Hanhua Yimei	PRC	51950137	December 6, 2031
25.	CFP	40	Huaxia Visual	PRC	6708104	April 13, 2030
26.	CFP	9	Huaxia Visual	PRC	6708108	June 6, 2030

No.	Trademark	Class	Registered Owner	Place of Registration	Registration Number	Expiry Date
27. . . .	CFP	38	Huaxia Visual	PRC	6708105	August 13, 2030
28. . . .	光厂	41	Chengdu Guangchang	PRC	64179358	October 20, 2032
29. . . .	光厂	35	Chengdu Guangchang	PRC	64183059	January 6, 2033
30. . . .	光厂	38	Chengdu Guangchang	PRC	64166860	December 6, 2032
31. . . .	光厂	42	Chengdu Guangchang	PRC	64157914	October 20, 2032
32. . . .	光厂	16	Chengdu Guangchang	PRC	64168484	December 6, 2032

(b) Patents

As of the Latest Practicable Date, our Group had registered the following patents which are material to its business:

No.	Patent Name	Patent Type	Patent Owner	Place of Registration	Patent Number	Expiry Date
1. . . .	Method, Apparatus, Electronic Device and Computer-Readable Medium for Video Recommendation (視頻推送方法、裝置、電子設備和計算機可讀介質)	Invention patent	Chengdu Guangchang	The PRC	CN202411143435.1	August 19, 2044
2. . . .	Method, Apparatus, Electronic Device and Computer-Readable Medium for Deduplication of Source Videos (素材視頻查重方法、裝置、電子設備和計算機可讀介質)	Invention patent	Chengdu Guangchang	The PRC	CN202411153255.1	August 20, 2044
3. . . .	Method, Apparatus, Electronic Device and Computer-Readable Medium for Digital Video Circulation (數字視頻流轉方法、裝置、電子設備和計算機可讀介質)	Invention patent	Chengdu Guangchang	The PRC	CN202411141866.4	August 19, 2044
4. . . .	Method, Apparatus, Device and Medium for Sending Early Warning Information of Digital Content Works (數字內容作品預警信息發送方法、裝置、設備和介質)	Invention patent	Chengdu Guangchang	The PRC	CN202411141882.3	August 19, 2044
5. . . .	Image Processing Device and Method Based on Wireless Communication Technology (一種基於無線通信技術的圖片處理設備及方法)	Invention patent	Chengdu Guangchang	The PRC	CN202311674047.1	December 6, 2043

No.	Patent Name	Patent Type	Patent Owner	Place of Registration	Patent Number	Expiry Date
6	Computer with Graphical User Interface of a Video Material Trading Platform (VJshi) (帶視頻素材交易平台網頁圖形用戶界面的電腦(VJshi))	Design Patent	Chengdu Guangchang	The PRC	CN202130622389.4	September 17, 2036
7	Mobile Phone with Graphical User Interface for Users to Search for Video Service Providers (帶用戶尋找視頻服務提供商操作圖形用戶界面的手機)	Design Patent	Chengdu Guangchang	The PRC	CN202130630171.3	September 22, 2036
8	Mobile Phone with Graphical User Interface Featuring Video Recommendation Function (帶視頻推薦功能操作圖形用戶界面的手機)	Design Patent	Chengdu Guangchang	The PRC	CN202130630334.8	September 22, 2036

(c) Copyrights

As of the Latest Practicable Date, our Group had registered the following copyrights which are material to its business:

No.	Copyright	Registered Owner	Registration Number	Registration Date
1. . . .	AI-powered Image Matching System for Articles (基於大模型文章智能配圖系統)	Tianjin Hanhua Yimei	2024SR2218331	December 27, 2024
2. . . .	API User Authentication System (API用戶鑑權系統)	Tianjin Hanhua Yimei	2023SR1673726	December 19, 2023
3. . . .	Contributor Remuneration Settlement System (供稿人稿費結算系統)	Tianjin Hanhua Yimei	2023SR0214463	February 9, 2023
4. . . .	Website Trending Keywords Management System (網站熱搜詞管理系統)	Tianjin Hanhua Yimei	2021SR1665879	November 8, 2021
5. . . .	PA Package E-commerce Management System (PA包電商化管理系統)	Tianjin Hanhua Yimei	2021SR0155110	January 28, 2021
6. . . .	Automatic Tag Management Platform (自動標籤詞管理平台)	Tianjin Hanhua Yimei	2020SR1869041	December 21, 2020
7. . . .	Sensitive Keywords Management Platform (敏感詞管理平台)	Tianjin Hanhua Yimei	2019SR1352461	December 12, 2019
8. . . .	Portrait Background Removal Data Collection Platform (人像摳圖數據收集平台)	Tianjin Hanhua Yimei	2020SR1739127	December 4, 2020
9. . . .	Hot Event Keyword Extraction System (熱門事件關鍵詞提取系統)	Tianjin Hanhua Yimei	2020SR1738485	December 4, 2020
10. . .	Security Review Management System (安全審核管理系統)	Tianjin Hanhua Yimei	2020SR0087416	January 16, 2020
11. . .	Veer Creative Asset Trading Platform (Veer創意素材交易平台)	Tianjin Hanhua Yimei	2019SR0092630	January 25, 2019
12. . .	Internet Image Structuring and Object Tracking Intelligent Control Platform (互聯網圖片結構化與目標追蹤智能管控平台)	Tianjin Hanhua Yimei	2019SR0092810	January 25, 2019
13. . .	Single Image Group Upload Software (iOS Version) (單組圖上傳軟件(iOS版本))	Tianjin Hanhua Yimei	2018SR1072230	December 26, 2018
14. . .	Image Data Analytics System for Online Media (網絡媒體用圖數據分析系統)	Tianjin Hanhua Yimei	2017SR241664	June 7, 2017
15. . .	Cross-border Data Synchronization System (跨洋數據同步系統)	Tianjin Hanhua Yimei	2017SR126539	April 19, 2017

No.	Copyright	Registered Owner	Registration Number	Registration Date
16.	Image Product API System (圖片產品API系統)	Tianjin Hanhua Yimei	2017SR124845	April 19, 2017
17.	Multimedia Management System Software (多媒體管理系統軟件)	Tianjin Hanhua Yimei	2013SR124328	November 12, 2013
18.	Creative Content Management and Review Platform (創意內容管理審核平台)	Hanhua Yimei	2025SR0187823	January 27, 2025
19.	News and Video Trading System (資訊視頻交易系統)	Hanhua Yimei	2025SR0187671	January 27, 2025
20.	Image Asset Classification and Management System (圖片素材分類管理系統)	Hanhua Yimei	2023SR1743861	December 25, 2023
21.	Sports Event Management System (體育事件管理系統)	Hanhua Yimei	2022SR1623616	December 29, 2022
22.	Creative Video Operation Management System (創意視頻運營管理系統)	Hanhua Yimei	2022SR1547837	November 18, 2022
23.	Eagle Eye System (鷹眼系統)	Hanhua Yimei	2022SR0232838	February 15, 2022
24.	vdam Media Version System (vdam媒體版系統)	Hanhua Yimei	2021SR0107835	January 20, 2021
25.	VEER E-commerce Platform (VEER電商平台)	Hanhua Yimei	2020SR1890890	December 24, 2020
26.	Image Comparison and Verification System (圖片比對校驗系統)	Hanhua Yimei	2019SR1389856	December 18, 2019
27.	Image Usage Assistant System (用圖助手系統)	Huagai Creative (Tianjin) Video Technology Co., Ltd. (華蓋創意(天津)視訊科技有限公司)	2020SR0050234	January 10, 2020
28.	Image Library Invitation System (圖庫邀約系統)	Huagai Creative (Tianjin) Video Technology Co., Ltd. (華蓋創意(天津)視訊科技有限公司)	2018SR1076517	December 26, 2018
29.	VJshi Creator Platform Digital Evidence Works Management System (光廠創意VJshi網光廠數字存證作品管理系統)	Chengdu Guangchang	2025SR0655189	April 22, 2025
30.	VJshi Creator Platform Blockchain-based Digital Evidence Credit Sharing and Referral System (光廠創意VJshi網光廠區塊鏈數字存證額度包分享裂變獲取系統)	Chengdu Guangchang	2025SR0655157	April 22, 2025
31.	VJshi Video Project Funding Guarantee Publishing Tool (光廠視頻製作項目需求資金擔保發佈工具)	Chengdu Guangchang	2025SR0085379	January 14, 2025
32.	VJshi Platform Copyright Video Works Bulk Settlement System (光廠創意VJshi網光廠版權視頻作品批量結算系統)	Chengdu Guangchang	2024SR1574765	October 22, 2024
33.	VJshi Platform Copyright Music Digital License Verification and Inquiry System (光廠創意VJshi網光廠版權音樂作品數字授權書核驗查詢系統)	Chengdu Guangchang	2024SR1392330	September 19, 2024
34.	VJshi Platform Copyright Video Trading System (光廠創意VJshi網光廠版權視頻作品交易平台系統)	Chengdu Guangchang	2024SR1113333	August 2, 2024
35.	VJshi Platform Video Copyright Intelligent Recognition and Detection System (光廠創意VJshi網光廠視頻作品版權智能識別檢測系統)	Chengdu Guangchang	2024SR1052453	July 24, 2024

(d) Domain Names

As of the Latest Practicable Date, our Group had registered the following domain names which is material to its business:

No.	Domain Name	Registered Owner
1. . . .	www.vcg.com	Hanhua Yimei
2. . . .	www.cfp.cn	Hanhua Yimei
3. . . .	www.vjshi.com	Chengdu Guangchang
4. . . .	www.veer.com	Elephant Visual
5. . . .	www.500px.com	500px Inc.
6. . . .	www.500px.com.cn	Changzhou Five Hundred
7. . . .	www.ishijue.com	Hanhua Yimei

3. FURTHER INFORMATION ABOUT THE DIRECTORS

A. Particulars of Directors' Service Contracts

Each of the Directors [has entered] into a service contract with our Company. The principal particulars of these service contracts comprise (a) the term of the service; (b) termination provisions; and (c) dispute resolution provision. The service contracts may be renewed in accordance with the Articles of Association and the applicable laws, rules and regulations from time to time.

Save as disclosed above, none of the Directors has or is proposed to have entered into any service contract with any member of our Group (excluding contracts expiring or determinable by any member of our Group within one year without payment of compensation other than statutory compensation).

B. Remuneration of Directors

Save as disclosed in "Directors and Senior Management" and Note 8 to the Accountants' Report set out in Appendix I to this document, none of our Directors received other remunerations or benefits in kind from us for the three years ended December 31, 2023, 2024 and 2025.

Except for Mr. Liao Jie, there is no arrangement under which any Director has waived or agreed to waive any remuneration or benefits in kind during the Track Record Period.

C. Disclosure of Interests

(a) Disclosure of interests of Directors and chief executive

Save as disclosed below, immediately following the completion of the [REDACTED] and assuming that the [REDACTED] is not exercised, so far as our Directors are aware, none of our Directors or chief executive has any interests or short positions in our Shares, underlying Shares and debentures of our Company or its associated corporations (within the meaning of Part XV of the SFO) which will have to be notified to our Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he or she is taken or deemed to have under such provisions of the SFO) or which will be required, pursuant to Section 352 of the SFO, to be recorded in the register referred to therein, or which will be required to be notified to our Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies contained in the Listing Rules.

(i) Interest in our Company

			Immediately following the completion of the [REDACTED]		
Name of Director or chief executive	**Nature of interest(1)**	**Type of Shares**	**Number of Shares**	**Approximate percentage of shareholding in our A Shares**	**Approximate percentage of shareholding in the total issued share capital of our Company(2)**
Mr. Chai Jijun(3). . . .	Beneficial owner	A Shares	24,175,842	[REDACTED]%	[REDACTED]%
	Interest held jointly with other persons	A Shares	110,700,145	[REDACTED]%	[REDACTED]%
	Interest of spouse	A Shares	100,000	[REDACTED]%	[REDACTED]%

Notes:

(1) All interests stated are long positions.

(2) The calculation is based on the assumption that the [REDACTED] is not exercised, and no other changes are made to the issued share capital of our Company between the Latest Practicable Date and the [REDACTED].

(3) Mr. Chai Jijun and Ms. Wu Xiaoyan are spouses. As of the Latest Practicable Date, Ms. Wu Xiaoyan held A 100,000 Shares. By virtue of the SFO, Mr. Chai Jijun and Ms. Wu Xiaoyan are deemed to be interested in the Shares held by each other.

Ms. Wu Yurui, Mr. Liao Daoxun, Mr. Chai Jijun have also entered into the Concert Party Arrangements to act in concert in exercising the voting rights attached to their Shares held in the Company, which will remain effective after the [REDACTED]. Therefore, by virtue of the SFO, each of Ms. Wu Yurui, Mr. Liao Daoxun and Mr. Chai Jijun is deemed to be interested in the Shares held by each other. See "History, Development, and Corporate Structure — Concert Party Arrangements" for details.

(ii) Interest in our associated corporations

So far as our Directors are aware, immediately following the completion of the [REDACTED], no Directors or the chief executive will, directly or indirectly, be interested in the shares or underlying shares of the associated corporations of our Company.

(b) Disclosure of Interests of Substantial Shareholders in Other Members of Our Group

(i) Interests of the substantial shareholders in the Shares

Save as disclosed in "Substantial Shareholders", immediately following the completion of the [REDACTED] (assuming the [REDACTED] is not exercised and no other changes are made to the issued share capital of our Company between the Latest Practicable Date and the [REDACTED]), our Directors are not aware of any other person (not being a Director, Supervisor or chief executive of our Company) who will have an interest or short position in our Shares or the underlying Shares which would fall to be disclosed to us and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who is, directly or indirectly, interested in 10% or more of the issued voting shares of our Company.

(ii) Interests of substantial shareholders in other members of our Group

So far as the Directors are aware, the persons (other than our Directors, the chief executive of our Company, and any member of our Group) will, immediately following the completion of the [REDACTED], be interested in 10% or more of the nominal value of any class of share capital carrying the rights to vote in all circumstances at general meetings of the members of our Group (other than our Company):

Parties with 10% or more equity interest	Our Subsidiaries	Approximate percentage of shareholding
		(%)
Yang Da (楊達)	Chengdu Guangchang Creative Technology Co., Ltd. (成都光廠創意科技有限公司)	30.40
	Changzhou Guangchang Creative Technology Co., Ltd. (常州光廠創意科技有限公司)	25.60
Beijing Sansi Ceyuan Consulting Service Co., Ltd. (北京三思策源諮詢服務有限公司)	Elephant Visual (Shenzhen) Technology Co., Ltd. (大象視覺(深圳)科技有限公司)	19.05
Shenzhen Huahan Zhongcheng Film and Television Media Co., Ltd. (深圳華瀚眾誠影視傳媒有限公司)	Visual Huahan (Shenzhen) Cultural Technology Co., Ltd. (視覺華瀚(深圳)文化科技有限公司)	49.00
Ding Kezheng (丁可錚)	Price (Beijing) Cultural Communication Co., Ltd. (普萊斯(北京)文化傳播有限公司)	49.00

D. Disclaimers

Save as disclosed in this section and the section headed "Business" in this document:

(a) none of our Directors or the chief executive of our Company has any interest or short position in the shares, underlying shares or debentures of our Company or any of its associated corporation (within the meaning of Part XV of the SFO) which will have to be notified to our Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO or which will be required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which will be required to be notified to our Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers once the H Shares are [REDACTED];

(b) none of our Directors or any of the experts referred to under the paragraph headed "— 5. Other Information — E. Qualifications of Experts" has any direct or indirect interest in the promotion of our Company, or in any assets which have within the two years immediately preceding the date of this document been acquired or disposed of by or leased to any member of our Group, or are proposed to be acquired or disposed of by or leased to any member of our Group;

(c) none of our Directors is materially interested in any contract or arrangement subsisting at the date of this document which is significant in relation to the business of our Group taken as a whole;

(d) none of our Directors has any existing or proposed service contracts with any member of our Group (excluding contracts expiring or determinable by the employer within one year without payment of compensation (other than statutory compensation));

(e) so far as is known to our Directors, no person (not being a Director or chief executive of our Company or any member of our Group) will, immediately following the completion of the [REDACTED], have an interest or short position in the Shares or underlying Shares of our Company which would fall to be disclosed to our

Company under the provisions of Divisions 2 and 3 of Part XV of SFO or be interested, directly or indirectly, in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of our Group; and

(f) none of our Directors or their respective close associates (as defined under the Listing Rules) or our Shareholders who are interested in more than 5% of the issued share capital of our Company has any interest in the five largest customers or the five largest suppliers of our Group.

4. SHARE INCENTIVE SCHEME

The following is a summary of the principal terms of the 2023 Employee Stock Ownership Scheme, which was outstanding as of the Latest Practicable Date. The terms the 2023 Employee Stock Ownership Scheme are not subject to the provisions of Chapter 17 of the Listing Rules as it constitutes a share scheme involving the grant of existing Shares by the Company, and no new Shares will be issued or granted they by our Company after our [REDACTED].

A. 2023 Employee Stock Ownership Scheme

(a) Purpose

The purpose of the 2023 Employee Stock Ownership Scheme is to establish and improve the benefit-sharing mechanism for employees and Shareholders, further enhance corporate governance, drive our Company's performance growth, attract and retain management talents and key personnel, strengthen employee cohesion and corporate competitiveness, stimulate employee enthusiasm and creativity, and promote our Company's long-term, sustainable, and healthy development.

(b) Participants

The participants of the 2023 Employee Stock Ownership Scheme include Directors (excluding independent non-executive Directors), senior management, mid-level management, and key personnel of our Company with the total number of participants not exceeding 30. All participants shall have an employment or labor relationship with our Group.

(c) Administration

The 2023 Employee Stock Ownership Scheme is subject to the approval of the shareholders' meetings. The 2023 Employee Stock Ownership Scheme is administered by a management committee (the "**Management Committee**"), the members of which are elected by the holders of Shares awarded under the 2023 Employee Stock Ownership Scheme. The Management Committee is responsible for overseeing the daily operation and management of the 2023 Employee Stock Ownership Scheme.

(d) Source of shares and maximum number of awarded Shares

The source of the underlying Shares of the 2023 Employee Stock Ownership Scheme shall be ordinary A Shares of our Company repurchased from the secondary market. The total number of A Shares granted under the 2023 Employee Stock Ownership Scheme is 1,400,000 A Shares, accounting for approximately 0.1998% of the total share capital of our Company on the date of publication of the scheme and of which include 420,000 retained Shares (the "**Retained Shares**"), the grantees of which shall be determined within the term of the scheme.

(e) Term of the scheme

The term of the 2023 Employee Stock Ownership Scheme is 60 months, commencing from the date when our Company announces the registration of the last tranche of target Shares under the 2023 Employee Stock Ownership Scheme (the "**Announcement Date**"). Upon expiry, the 2023 Employee Stock Ownership Scheme shall be terminated if it is not extended upon expiry.

(f) Lock-up period and vesting of the Shares

The Shares awarded under the 2023 Employee Stock Ownership Scheme are subject to lock-up period of 12 months, which shall commence from the Announcement Date. Each participant's entitlement to the corresponding portion of A Shares held by the 2023 Employee Stock Ownership Scheme, shall be vested in three tranches in the proportion of 40%, 30% and 30%, upon expiry of a period of 12 months, 24 months and 36 months from the Announcement Date, respectively. The vesting of A Shares shall be subject to attainment of corporate performance targets and personal evaluation for each participant. The vested A Shares shall either be sold by the Management Committee, with the proceeds to be distributed to the participants proportionately, or transferred to the relevant participants.

(g) Purchase price

The initial purchase price of the awarded Shares under the 2023 Employee Stock Ownership Scheme is RMB7.51 per A Share. The purchase price shall be adjusted upon the occurrence of certain events, including among others, increase in the share capital by way of capitalization of capital reserves, issue of bonus shares, subdivision or consolidation of shares, issue of new shares or distribution of dividends.

(h) Details of the Shares Granted

As of Latest Practicable Date, there were eight grantees in total who were granted the A Shares (excluding the Retained Shares) under the 2023 Employee Stock Ownership Scheme, including nil Director and four senior management members who are not Directors, and four employees. The details of the A Shares to the grantees under the 2023 Employee Stock Ownership Scheme are as follows:

Name of the grantee	Position	Date of grant	Grant price	Lock-up arrangement	Number of underlying A Shares granted	Approximate percentage of issued Shares immediately after the [REDACTED][1]
			(RMB)			
Senior management members						
Ms. Chen Chunliu	Vice president and head of finance	December 21, 2023	7.51	Note (2)	160,000	[REDACTED]%
Mr. Zhang Zongtang	Vice president	December 21, 2023	7.51	Note (2)	160,000	[REDACTED]%
Mr. Li Yi	Vice president	December 21, 2023	7.51	Note (2)	120,000	[REDACTED]%
Mr. Li Miao	Board secretary	December 21, 2023	7.51	Note (2)	100,000	[REDACTED]%
Others						
Other four employees		December 21, 2023	7.51	Note (2)	440,000	[REDACTED]%

Notes:

(1) The calculation is based on the assumption that the [REDACTED] is not exercised, and no other changes are made to the issued share capital of our Company between the Latest Practicable Date and the [REDACTED].

(2) For the lock-up arrangement for the A Shares granted under the 2023 Employee Stock Ownership Scheme, see "— (f) Lock-up period and vesting of the Shares" above.

5. OTHER INFORMATION

A. Estate Duty

The Directors have been advised that no material liability for estate duty under PRC laws is likely to fall on our Group.

B. Litigation

During the Track Record Period and up to the Latest Practicable Date, save as disclosed in this document, no member of our Group was engaged in any litigation, arbitration or claim of material importance, and no litigation, arbitration or claim of material importance was known to our Directors to be pending or threatened by or against our Company that would have a material adverse effect on our Company's results of operations or financial condition.

C. Sole Sponsor

The Sole Sponsor has made an [REDACTED] on behalf of our Company to the [REDACTED] for [REDACTED] of, and permission to [REDACTED], the H Shares of our Company.

The Sole Sponsor satisfies the independence criteria applicable to sponsor set out in Rule 3A.07 of the Listing Rules.

Pursuant to the engagement letter entered into between our Company and the Sole Sponsor, we have agreed to pay the Sole Sponsor a fee of US$500,000 to act as the sponsor of our Company in connection with the proposed [REDACTED] on the Stock Exchange.

D. Compliance Advisor

Our Company has appointed Central China International Capital Limited as our compliance advisor in compliance with Rules 3A.19 of the Listing Rules.

E. Qualifications of Experts

The qualifications of the experts which have given opinions or advice which are contained in, or referred to in, this document are as follows:

Name of Expert	Qualifications
Huatai Financial Holdings (Hong Kong) Limited	Licensed corporation under the SFO to conduct Type 1 (dealing in securities), Type 2 (dealing in futures contracts), Type 3 (leveraged foreign exchange trading), Type 4 (advising on securities), Type 6 (advising on corporate finance), Type 7 (providing automated trading services) and Type 9 (asset management) regulated activities under the SFO
KPMG	Certified Public Accountants Public Interest Entity Auditor registered in accordance with the Accounting and Financial Reporting Council Ordinance
Merits & Tree Law Offices . .	Legal advisor to our Company as to PRC law
Frost & Sullivan (Beijing) Inc., Shanghai Branch Co.	Independent industry consultant

F. Consents of Experts

Each of the experts as referred to in "— 5. Other Information — E. Qualifications of Experts" in this appendix has given and has not withdrawn its consent to the issue of this document with the inclusion of its view, report, letter and/or legal opinion (as the case may be) and references to its name included herein in the form and context in which it respectively appears.

As of the Latest Practicable Date, none of the experts named above has any shareholding interest in any member of our Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of our Group.

G. Binding Effect

This document shall have the effect, if an application is made in pursuance hereof, of rendering all persons concerned bound by all the provisions (other than the penal provisions) of sections 44A and 44B of the Companies (Winding Up and Miscellaneous Provisions) Ordinance so far as applicable.

H. No Material Adverse Change

Our Directors confirm that, there has been no material adverse change in our business, financial condition and results of operations since December 31, 2025, being the latest balance sheet date of our consolidated financial statements as set out in the Accountants' Report in Appendix I to this document, and up to the date of this document.

I. Taxation of Holders of H Shares

The sale, purchase and transfer of H Shares are subject to Hong Kong stamp duty if such sale, purchase and transfer are affected on the H Share register of members of our Company, including in circumstances where such transactions are effected on the Stock Exchange. The current rate of Hong Kong stamp duty for such sale, purchase and transfer on each of the purchaser and the seller is 0.1% of the consideration or, if higher, the fair value of the H Shares being sold or transferred.

J. Restriction on Share Repurchases

For details of the restrictions on share repurchases by our Company, please refer to "Appendix V — Summary of the Articles of Association — Increase, Reduction and Repurchase of Shares" in this document.

K. Preliminary Expenses

We have not incurred any material preliminary expenses.

L. Promoters

Within two years immediately preceding the date of this document, no cash, securities or other benefit has been paid, allotted or given nor is any proposed to be paid, allotted or given to any promoters in connection with the [REDACTED] and the related transactions described in this document.

M. Related Party Transactions

Our Group entered into the related party transactions within the two years immediately preceding the date of this document as mentioned in "Appendix I — Accountants' Report — 36. Material Related Party Transactions" in this document.

N. Miscellaneous

Save as disclosed in this document:

(g) within the two years immediately preceding the date of this document:

(i) no share or loan capital of our Company or any of our subsidiaries had been issued or agreed to be issued or proposed to be fully or partly paid either for cash or a consideration other than cash;

(ii) no share or loan capital of our Company or any of our subsidiaries had been under option or is agreed conditionally or unconditionally to be put under option;

(iii) no commissions, discounts, brokerages or other special terms had been granted or agreed to be granted in connection with the issue or sale of any share or loan capital of our Company or any of our subsidiaries; and

(iv) no commission had been paid or payable for subscription, agreeing to subscribe, procuring subscription or agreeing to procure subscription of any share in our Company or any of our subsidiaries;

(h) there are no founder, management or deferred shares, convertible debt securities nor any debentures in our Company or any of our subsidiaries;

(i) there has not been any interruption in the business of our Group which may have or has had a significant effect on the financial position of our Group in the 12 months preceding the date of this document;

(j) our Company has no outstanding convertible debt securities or debentures;

(k) there is no arrangement under which future dividends are waived or agreed to be waived;

(l) save for the A Shares of our Company that are listed on the Shenzhen Stock Exchange, and save for the H Shares to be [REDACTED] in connection with the [REDACTED], none of the equity and debt securities of our Company, if any, is listed or dealt with in any other stock exchange nor is any listing or permission to deal being or proposed to be sought; and

(m) all necessary arrangements have been made to enable the H Shares to be admitted into [REDACTED] for clearing and settlement.

O. Bilingual Document

The English language and Chinese language versions of this document are being published separately in reliance upon the exemption provided by section 4 of the Companies (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice (Chapter 32L of the Laws of Hong Kong).