RELATIONSHIP WITH OUR SINGLE LARGEST GROUP OF SHAREHOLDERS

OUR SINGLE LARGEST GROUP OF SHAREHOLDERS

As of the Latest Practicable Date, our Single Largest Group of Shareholders, comprising Lichi Consulting, Zongda Consulting, Mingyu Consulting, Junfan Consulting, Junyu Consulting, Ma Jinsong, Wang Chao, Lin Jinrui, Ma Yongzhou, Li Ningjun, Yu Qingxiao, Chen Xianfei and Nan Shuiming, who entered into an acting-in-concert agreement in January 2023 to act in concert by aligning their votes at the shareholders' meetings of the Company, controlled approximately 18.12% of the total issued share capital of our Company. See "History, Development and Corporate Structure — Parties Acting in Concert" and "History, Development and Corporate Structure — Capitalization" in this document for details.

Immediately following the completion of the **[REDACTED]** (assuming the **[REDACTED]** is not exercised), our Single Largest Group of Shareholders will be able to control the exercise of, in aggregate, approximately **[REDACTED]**% of the voting rights attached to the issued Shares at general meetings of our Company.

INTERESTS OF OUR SINGLE LARGEST GROUP OF SHAREHOLDERS IN OTHER BUSINESSES

As of the Latest Practicable Date, our Single Largest Group of Shareholders confirmed that other than our business, neither our Single Largest Group of Shareholders nor their respective close associates was interested in any other business, which competes or is likely to compete, whether directly or indirectly, with our business, which would otherwise require disclosure under Rule 8.10 of the Listing Rules.

INDEPENDENCE FROM OUR SINGLE LARGEST GROUP OF SHAREHOLDERS

Our Directors consider that we are capable of carrying on our business independently from our Single Largest Group of Shareholders and their respective close associates after the **[REDACTED]**, taking into consideration the factors below.

Management Independence

Our Board consists of 11 Directors, including three executive Directors, four non-executive Directors and four independent non-executive Directors. Mr. Ma Jinsong and Mr. Wang Chao, our executive Directors, are members of the Single Largest Group of Shareholders.

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

(a) our daily management and operations are carried out by our senior management team, all of whom have substantial experience in the industry in which our Company is engaged, and will therefore be able to make business decisions that are in the best interests of our Company. For details of the industry experience of our senior management team, please refer to the section headed "Directors and Senior Management" in this document;

(b) 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;

(c) 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 abstain from voting 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;

(d) our Company has appointed four independent non-executive Directors to provide a balance of the number of potentially interested and independent Directors with a view to promote the interests of our Company and the Shareholders as a whole. The independent non-executive Directors will be entitled to engage professional advisors at our cost for advice on matters relating to any potential conflict of interest arising out of any transaction to be entered into between our Company and the Directors or their respective close associates; and

(e) we have adopted a series of corporate governance measures to manage conflicts of interest, if any, between our Company and our Single Largest Group of Shareholders which would support our independent management. See "— Corporate Governance" for details.

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

Operational Independence

We will continue to operate independently of our Single Largest Group of Shareholders and their respective close associates for our business development, staffing, administration, finance, internal audit, IT, sales and marketing, procurement 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 Single Largest Group of Shareholders and their respective close associates. In addition, we have our own headcount of employees for our operations and management for human resources.

We have independent access to our suppliers and customers. We are in possession of all relevant licenses, certificates, facilities and IP 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.

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

Financial Independence

We have an independent financial system and make financial decisions according to our own business needs. Our Group has opened accounts with banks independently and does not share any bank account with our Single Largest Group of Shareholders or their respective close associates. Our Group has made tax filings and paid tax independently from our Single Largest Group of Shareholder and their respective close associates pursuant to applicable laws and regulations. Our Group has established an independent finance department as well as implemented sound and independent audit, accounting and financial management systems. Our Group has adequate internal resources and credit profile to support its daily operations.

Our Group has obtained certain loan facilities from independent banks which were secured by, among others, guarantees of Mr. Ma Jinsong, our executive Director and one of our Single Largest Group of Shareholders. As of the Latest Practicable Date, an outstanding bank facility of RMB6.1 million guaranteed by Mr. Ma Jinsong is expected to be repaid when due in July 2026, and written confirmations have been obtained from the relevant banks that other guarantees provided by Mr. Ma Jinsong will be released upon **[REDACTED]**.

Save as disclosed above, as of the Latest Practicable Date, we did not have any outstanding loans or guarantees provided by or granted to, nor any non-trade balances due to or due from, our Single Largest Group of Shareholders or their close associates.

Based on the above, our Directors believe that, from a financial perspective, we are capable of carrying on our business independently of, and do not place undue reliance on our Single Largest Group of Shareholders and/or their close associates after the **[REDACTED]**.

CORPORATE GOVERNANCE

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

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

(a) where a Board meeting is held for the matters in which any Director or his/her associates have a material interest, such Director(s) shall abstain from voting on the relevant resolutions and shall not be counted in the quorum for the voting;

(b) where a Shareholders' meeting is to be held for considering proposed transactions in which our Single Largest Group of Shareholders or any of their respective associates has a material interest, our Single Largest Group of Shareholders or their respective associates will not vote on the resolutions and shall not be counted in the quorum in the voting;

(c) as part of our preparation for the **[REDACTED]**, we have amended our Articles of Association to comply with the Listing Rules which will become effective upon **[REDACTED]**. In particular, our Articles of Association provides that, a Director shall be abstained from voting on any resolution approving any contract, transaction or arrangement in which such Director or any of his/her associates has a material interest nor shall such Director be counted in the quorum present at the Board meeting;

(d) our Company has established internal control mechanisms to identify connected transactions. Upon the **[REDACTED]**, if our Company enters into connected transactions with our Single Largest Group of Shareholders or any of their respective associates, our Company will comply with the applicable Listing Rules;

(e) we are committed that our Board shall include a balanced composition of executive Director and non-executive Directors (including independent non-executive Directors). We have appointed four independent non-executive Directors, and we believe our independent non-executive Directors (i) possess sufficient experiences, (ii) are free of any business or other relationship which could interfere in any material manner with the exercise of their independent judgment, and (iii) will be able to provide an impartial and external opinion to protect the interests of our Shareholders as a whole. For details of the independent non-executive Directors, see "Directors and Senior Management";

(f) where our Directors reasonably request the advice of independent professionals, such as financial advisors, the appointment of such independent professionals will be made at our Company's expenses; and

(g) we have appointed Maxa Capital Limited as our compliance advisor to provide advice and guidance to us in respect of compliance with the Listing Rules, including various requirements relating to corporate governance.

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