OUR CONTROLLING SHAREHOLDERS

As of the Latest Practicable Date, Ms. Fu Jie, Changzhou Hongbo, Changzhou Jinbo, Changzhou Tongbo, Mr. Zhang Chunhui, Mr. Wang Yong and Ms. Xu Jinxiu directly held approximately 16.98%, 8.02%, 0.62%, 0.62%, 8.37%, 2.74% and 0.96% of the Shares of our Company, respectively. By virtue of (i) Ms. Fu Jie being the executive partner of Changzhou Hongbo, Changzhou Jinbo and Changzhou Tongbo and therefore being responsible for the execution of partnership affairs and ultimately controlling the voting power of such entities, and (ii) Ms. Fu Jie, Mr. Zhang Chunhui, Mr. Wang Yong, Ms. Xu Jinxiu, Changzhou Hongbo, Changzhou Jinbo and Changzhou Tongbo being parties acting in concert pursuant to the Concert Party Agreements, details of which are set out in "History, Development and Corporate Structure – Concert Party Agreements", Ms. Fu Jie, Changzhou Hongbo, Changzhou Jinbo, Changzhou Tongbo, Mr. Zhang Chunhui, Mr. Wang Yong and Ms. Xu Jinxiu were together entitled to control the exercise of approximately 38.32% of the voting rights at the general meetings of our Company as of the Latest Practicable Date. Accordingly, they are a group of the Controlling Shareholders of our Company under the Listing Rules.

For background and biographical details of Ms. Fu Jie, Mr. Zhang Chunhui, Mr. Wang Yong and Ms. Xu Jinxiu, see "Directors and Senior Management" in this document. For details of Changzhou Hongbo, Changzhou Jinbo, Changzhou Tongbo, see "History, Development and Corporate Structure – Employees Holding Platforms" in this document.

Immediately following completion of the **[REDACTED]** (assuming the **[REDACTED]** is not exercised), Ms. Fu Jie, Changzhou Hongbo, Changzhou Jinbo, Changzhou Tongbo, Mr. Zhang Chunhui, Mr. Wang Yong and Ms. Xu Jinxiu will be entitled to control the exercise of approximately **[REDACTED]**% of the voting rights at the general meetings of our Company. Accordingly, upon **[REDACTED]**, they will remain as a group of the Controlling Shareholders of our Company as defined under the Listing Rules.

INTEREST IN COMPETING BUSINESS

As of the Latest Practicable Date, each of our Controlling Shareholders had confirmed that none of them had any interest in any business, other than our business, which competes or is likely to compete, either directly or indirectly, with our Group's business which would require disclosure under Rule 8.10 of the Listing Rules.

INDEPENDENCE FROM OUR CONTROLLING SHAREHOLDERS AND THEIR RESPECTIVE CLOSE ASSOCIATES

We believe that we are capable of carrying on our business independently from our Controlling Shareholders and their respective close associates (other than our Group) after the **[REDACTED]** for the following reasons:

Management Independence

We are able to carry on our business independently from the Controlling Shareholders from a management perspective. Our Board comprises three executive Directors, four non-executive Directors and four independent non-executive Directors.

(i) each of our Directors is aware of his/her fiduciary duties as a Director which require, among others, that he/she must act for the benefit and in the best interests of our Company and not allow any conflict between his/her duties as a Director and his/her personal interests;

(ii) our daily management and operations are carried out by a 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 Group. For details of the industry experience of our senior management team, see "Directors and Senior Management" in this document;

(iii) we have four independent non-executive Directors and certain matters of our Company must always be referred to the independent non-executive Directors for review;

(iv) in the event that there is a potential conflict of interest arising out of any transaction to be entered into between our Company and our Directors or their respective close associates, the interested Director(s) shall abstain from voting on any Board resolutions approving any contract or arrangement or any other proposal in which he/she or any of his/her close associates has a material interest and shall not be counted in the quorum present at the relevant Board meeting; and

(v) we have adopted a series of corporate governance measures to manage conflicts of interest, if any, between our Group and the Controlling Shareholders which would support our independent management. For details, see "– Corporate Governance" below in this section.

Based on the above, our Directors are satisfied that our Board as a whole, together with our senior management team, are able to perform the managerial role in our Group independently and capable of managing our business independently from the Controlling Shareholders and their respective close associates (other than our Group) after the **[REDACTED]**.

Operational independence

Our Directors consider that our operations do not depend on our Controlling Shareholders and their respective close associates (other than our Group) for the following reasons:

(i) our Group possesses sufficient capital, property, equipment, technology and human resources to operate its business independently, and holds all the relevant material licenses, qualifications, intellectual properties and permits required that are necessary for conducting our business;

(ii) our Group has an established and complete organizational structure, comprising various separate departments each charged with specific responsibilities;

(iii) our Group also has independent access to, among others, customers, suppliers and other resources required for our Group's business, and we operate our business independently, with independent rights to make and implement our operational decisions;

(iv) we maintain a set of internal control procedures to facilitate the effective operation of our business. See "Business – Risk Management and Internal Control" for details; and

(v) we have adopted a set of corporate governance practices and manuals, such as rules with respect to the shareholders' meeting, the board meeting, the board committees' meeting and the conduct of connected transactions, pursuant to relevant laws and regulations, to facilitate the effective operation of our business.

Financial independence

We have established our own finance department with a team of independent financial staff, who are responsible for financial control, accounting, reporting, group credit and internal control function of our Company, independent from our Controlling Shareholders. We can make financial decisions independently according to our business needs. Our Company maintains bank accounts independently and does not share any bank account with our Controlling Shareholders who do not intervene with our use of funds. We have also established an independent and sound audit system, a standardized financial and accounting system and a complete financial management system. We have sufficient capital and banking facilities to operate our business independently, and have adequate internal resources and a strong credit profile to support our daily operations.

Ms. Fu Jie, one of our Controlling Shareholders (as guarantor), has provided an irrevocable guarantee with a maximum principal amount of RMB190 million for the individual credit facilities between the Company (as debtor) and a principal bank (as creditor) for the period from October 22, 2024 to December 21, 2028. The Company intends to release such guarantee before the **[REDACTED]**. Notwithstanding the aforementioned guarantee provided by Ms. Fu Jie, we have obtained credit facilities from a number of independent financial institutions without any financial assistance provided by our Controlling Shareholders. As of December 31, 2025, the total amount of the credit facilities granted by independent financial institutions without any financial assistance provided by our Controlling Shareholders was approximately RMB1.2 billion, and the total unutilized amount of such credit facilities was approximately RMB704.1 million, which was sufficient to cover the guarantee provided by Ms. Fu Jie and demonstrated that we are capable of obtaining financing from Independent Third Parties without relying on any guarantee or security provided by our Controlling Shareholders and their respective close associates. As of the Latest Practicable Date, except for aforementioned guarantee provided by Ms. Fu Jie, there were no outstanding loans or guarantee provided by or granted to our Controlling Shareholders and their respective close associates. We expect that we will not rely on our Controlling Shareholders and their respective close associates for financing after the **[REDACTED]** and we will have sufficient working capital to operate our business independently.

Based on the above, our Directors are of the view that we are capable of carrying on our business independently from, and do not place undue reliance on, our Controlling Shareholders and their respective 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:

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

(ii) 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 close associates has a material interest nor shall such Director be counted in the quorum present at the Board meeting;

(iii) our Company has established internal control mechanisms to identify connected transactions. Upon **[REDACTED]**, if our Company enters into connected transactions with our Controlling Shareholders and their respective close associates, our Company will comply with the applicable Listing Rules;

(iv) we are committed that our Board shall include a balanced composition of executive Directors 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" in this document; and

(v) we have appointed Frontpage Capital Limited as our compliance adviser to provide advice and guidance to us in respect of compliance with the applicable laws and regulations, as well as the Listing Rules, including various requirements relating to corporate governance.