OVERVIEW

As at the Latest Practicable Date, the Company was directly owned as to 95% by Oilfield Services and approximately 5% by Anton New Energy, which is directly wholly owned by Oilfield Services, and Oilfield Services is a direct wholly-owned subsidiary of Anton Group. Accordingly, the Controlling Shareholders of our Company will include Anton Group, Oilfield Services and Anton New Energy. Our Company will remain as a subsidiary of Anton Group after the **[REDACTED]**. Please see "History, Development and Corporate Structure" for the shareholding and corporate structure of our Group.

BACKGROUND OF OUR CONTROLLING SHAREHOLDERS

Anton Group is a world-leading, innovative and integrated oilfield technical services provider. Anton Oilfield Group provides clients with a full range of products and technologies for oil and gas development, with business throughout the world's major oil and gas production areas.

Anton Group does not have a controlling shareholder within the meaning of the Listing Rules. As of 31 December 2025, Mr. Luo Lin, an executive director and the chairman of the board of Anton Group, is interested in approximately 26.19% of the issued share capital of Anton Group through Pro Development Holdings Corp., a company which is held as to 100% by Mr. Luo Lin and is beneficially owned by a trust founded by Mr. Luo, which holds approximately 22.99% interest in Anton Group, and approximately 3.20% directly. Mr. Luo has been the single largest shareholder of Anton Group since the listing of the shares of Anton Group on the Stock Exchange in 2007. Oilfield Services is a wholly-owned subsidiary of Anton Group and Anton New Energy is direct wholly owned by Oilfield Services.

SPIN-OFF

Anton Group, our Controlling Shareholder, is a company listed on the Main Board of Stock Exchange of Hong Kong Limited. The **[REDACTED]** of our Company constitutes a spin-off from a listed company (the "**Spin-Off**") as defined under the Listing Rules. The Spin-off constituted a deemed disposal by the Anton Group. [Anton Group filed the relevant announcement related to the Spin-Off with the Stock Exchange of Hong Kong Limited on June 30, 2026.]

DELINEATION OF BUSINESS BETWEEN US AND OUR CONTROLLING SHAREHOLDER

We are engaged in the provision of inspection services for oil and gas production facilities, comprising various technical services provided by the Group for the efficient operation of customers' oil and gas field equipment, facilities and assets, so as to help customers reduce costs, ensure asset safety, achieve energy conservation and efficiency, safety and environmental protection. The Group provides independent inspection and evaluation services on (i) the safety quality of drilling tools provided by third parties suppliers, and (ii) the quality of oil production facilities constructed by third parties. We were founded by Anton Group. The remaining Anton Oilfield Group, however, is primarily engaged in the provision of services for the development and production of customers' oil and gas resources, covering integrated oilfield technical services, intelligent management services and energy asset operation business (the "**Retained Business**").

The Retained Business is the provision of services for the development and production of customers' oil and gas resources, which includes integrated oilfield technical services, intelligent management services (which, for the avoidance of doubt, excludes the Group's inspection services) and energy asset operation business[1], whilst the Company's business is the provision of services in safety evaluation of equipment used for the development of the oil and gas, which plays an independent role for safe operations.

The Group is a leading TIC services provider in China, mainly offering oil and gas development engineering solutions and infrastructure solutions. Due to this role, a conflict of interest exists between the our business and the Retained Business. Some customers therefore require the inspection business of the Group to remain separate from the Retained Business. Specifically, for some oil companies, if Anton Group provides oilfield services for a project, the Group cannot provide inspection services for the same project in order to maintain independence.

Given that the inspection services business of the Group does not form any part of the integrated oilfield technical services, intelligent management services and energy asset operation business of Anton Oilfield Group, and that for the reason of conflict of interest noted in above, the inspection services business of the Group must remain independent of that of Anton Oilfield Group, our business is clearly delineated from that of the Retained Business.

INDEPENDENCE FROM CONTROLLING SHAREHOLDERS

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

Administration independence

As of the Latest Practicable Date, all the essential administrative functions of the Group, including finance, legal, procurement and human resources are handled by its own team of staff members independent of Anton Oilfield Group.

Management independence

The Group's management is independent of the Anton Group and the Group is managed independently of the Anton Group. Our business is managed and conducted by our Board and senior management. Upon **[REDACTED]**, our Board will consist of seven Directors comprising two executive Directors, two non-executive Director and three independent non-executive Directors. For more information, please see "Directors and Senior Management" in this document. Out of the seven Directors, two non-executive Directors currently hold positions in Anton Group, details of which are set out as below:

[1] *For details of the business re-segmentation, please refer to the announcement of Anton Group dated 29 March 2026.*

Name	Positions, roles and responsibilities in the Controlling Shareholders as of the Latest Practicable Date	Positions, roles and responsibilities in our Company
Shen Haihong (沈海洪) . .	Executive vice president	Non-executive director, chairman of the Board of the Company
Liu Guoqing (劉國慶) . . .	Executive vice president	Non-executive director, deputy chairman of the Board of the Company

Mr. Shen Haihong and Mr. Liu Guoqing, who are respectively an executive vice president and the general manager of Anton Group's Chinese market business, are also non-executive directors of the Company. They will not be involved in the day-to-day management and operation of the Group. There is no overlap in the other senior management members of the Group and Anton Group. The Group does not rely on Anton Group in terms of management, and that the day-to-day operations and management functions of the Group can be managed independently of Anton Group.

Financial independence

The Group operates independent of Anton Group and as at 31 December 2025 and the date of this document, no member of the Group or Anton Group has provided loans or guarantees or pledged any of its shares to secure the indebtedness of the other.

Operational independence

After the Spin-off, Anton Group will mainly engage in the principal businesses covering integrated oilfield technical services, intelligent management services and energy asset operation business, while the Group will focus on the provision of inspection services. The Retained Business focuses on helping oil companies to manage the oilfield and the provision of services in the production of oil, whilst our Business focuses on assessing the safety of the equipment and facility. The operations of the two businesses are distinctively different from the other. In this connection, there is no overlap or competition between our Business and the Retained Business.

The technologies used by our Business are not limited to the oil and gas industry and could also serve other industries. For example, instrument inspection and environmental inspection services may be used in the medical and machinery industries. As such, the development strategy of our Business is to be a general inspection services covering multiple industries, whereas the Anton Group's development strategy is to be a global leading company in oilfield services.

In view of the different nature of the Retained Business and our Business, we are of the view that our Business and the Retained Business will be able to operate independently from the other.

Operation facilities

The Group operates from its own facility and does not share any production facilities with Anton Group.

Sales and marketing

Each of the Group and Anton Group has its own sales team. While the Group and Anton Group have overlapping customers, because of the differences in the nature of oilfield services and inspection services, the overlapping customers procure different services from the Group and Anton Group, typically with the businesses coming from different departments of the same customer.

In procuring customers, both the Group and Anton Group would conduct a due diligence on the target customer, with the aim of understanding thoroughly the strength and issues faced by the customer and how the services being provided by the Group or Anton Group would provide a workable solution to address the issues of the customer. As the Group and Anton Group have different sales teams and provide different services, the market focus of the Group and Anton Group is different. While Anton Group focuses on the provision of oilfield services (covering integrated oilfield technical services, intelligent management services and energy asset operation business — and for the avoidance of doubt, excluding the inspection services), the Group focuses on safety in operation. The largest customers of the Group and Anton Group's do not intersect. In addition, even if certain customers belong to the same parent Group, their interactions are handled separately — each business unit manages its negotiations and bids by independent teams. Finally, both the Group and Anton Group operate their own sales and commercial teams that conduct independent market research, customer contact, handling bids, initiate projects, signing sales contracts, and overseeing construction operations.

Although there are overlapping customers of the Group and Anton Oilfield Group, the Group and Anton Oilfield Group would not serve on the same project for any given customer. As such, there is no overlapping projects between the Group and Anton Oilfield Group.

There are three, two, two overlapping customers respectively in year 2023, 2024 and 2025 among the top ten customers of the Group and Anton Oilfield Group.

While our Group and Anton Oilfield Group have certain overlapping customers, they do not provide services to the same project for the same customer, as each scope of work is separately initiated, procured and contracted by the customers to engage each group independently. As such, there are no overlapping projects between our Group and Anton Oilfield Group.

Specifically, each of the Group and Anton Oilfield Group acquires customers through its own independent sales and marketing team, without reliance on the sales and marketing resources of the other. The two groups have not bundled their respective services in soliciting or securing business from any customer, neither group has packaged or cross-sold the other group's services as part of its own commercial offering, nor have they presented themselves jointly to any customer as a combined service proposition.

Contract Arrangement

Before the **[REDACTED]** and the establishment of the Group as an independent business unit, some of the Group's business was contracted with customers through Anton Group's legal entity in different locations under Anton Oilfield Group (the "**Contract Arrangement**").

Under such arrangement, the district/country companies of Anton Oilfield Group would enter into contracts for different services with customers. It is not bundled with any other services to the customer, as contracts for different services were still negotiated and priced separately.

In 2019, Anton Oilfield Group started to reorganise its business structure in accordance with its business lines, with contracts being entered into with the business operation companies rather than through the regional companies. This is to enable greater business independence between product lines, and clearer revenues and costs allocation for future securitization and spin-offs. As the registration and accreditation process of the new entities takes time, the Contract Arrangement continues temporary for the interim period.

Under the Contract Arrangement between the Group and Anton Oilfield Group, the roles of Anton Oilfield Group are limited to the signing of the contracts and invoicing to confirm the revenue on behalf of the Group, with the execution of the contracts performed entirely by the Group using its own resources. Anton Oilfield Group does not add on any margin for such services. In order to reflect the integrity of the business income in the Company, the Group and Anton Oilfield Group signed an agreement for such costs transfer in the interim period. Such Contract Arrangements happened all in the past. The transition period is from the time when Anton Oilfield Group enters into a contract on its behalf to the time when the Group takes over the business and begins construction. Since Anton Oilfield Group began its reorganisation in 2019 and set up business entities globally to sign contracts directly with customers, the Contract Arrangements have decreased. Currently, the contract arrangements in the domestic market have all ceased, and all the contract arrangements in the overseas market were kept at a very low level, and will all cease by the end of 2026.

The Group and Anton Oilfield Group implement a strict contract review system to ensure that the contract price is fair.

Under the Contract Arrangement, to avoid conflict of interests, Anton Oilfield Group would not provide other services to the same project of the same customer.

The largest market of the Group is currently in the PRC. The domestic revenue accounts for about 79.70% of the total revenue of the Group for the year 2025. Since Anton Oilfield Group planned to promote the inspection business spin-off listing several years ago, the Company began to operate independently. Ever since 2019, there is no contract arrangement case and all the inspection business contracts were signed under the Group's own legal entity in the PRC. For the overseas markets, the total value of agency contracts currently under execution (to the extent that the contract amounts are expressly specified) is no more than approximately RMB9 million in Iraq and Chad, involving five customers out of the Group's approximately 431 customers, namely PETROCHINA INTERNATIONAL IRAQ FZE IRAQ BRANCH, CNOOC IRAQ LIMITED, Shenzhen Aorui Ocean Engineering (深圳奧瑞海洋工程), Basra Oil Company and CNPC INTERNATIONAL (CHAD) CO., LTD. as at the end of 2025. Such arrangements will be discontinued after the respective contracts end.

As of the date of this Document, all contracts previously entered into for the PRC market under the Contract Arrangement have either been completed or transferred to the Group. For the overseas market, it is the industry norm to have a longer contract term (ranging from 3 to 5 years). The revenue of such contracts was recorded under Anton Oilfield Group with the entity signing the contract, which are eliminated in consolidation. The revenue attributable to such arrangements in 2025 was immaterial and accounted for only approximately RMB11.2 million, representing less than 2.3% of the revenue of the Group in 2025. The related revenue of the Group attributable to such arrangement is expected to be approximately RMB0.6 million in 2026. All such transactions are expected to be completed and discontinued in 2026.

The amount and the percentage of revenue recognised under the Contract Arrangement to the Group for the three years ended 31 December 2025 are as follows:

RMB'000	**2023**	**2024**	**2025**
Revenue from such arrangement	14,150	5,818	11,246
Revenue of the Group	473,941	447,357	496,981
% of total revenue of the Group	2.99%	1.29%	2.26%
Revenue of Anton Group	4,003,023	4,335,393	5,074,741
% of the total revenue of Anton Group	0.35%	0.13%	0.22%

The increase in the amount for 2025 compared to that of 2024, is primarily attributable to the fact that a significant portion of the revenue from an open-amount contract for non-destructive testing at the Majnoon oilfield signed in previous years (the "**Majnoon Contract**") was recognised in 2025. The project had been under construction before 2025 with little to no work performed, and it was only after the completion of the oilfield engineering and construction project in 2025 that the non-destructive testing services commenced, with a substantial volume of work completed in that year, constituting a one-off event. Signed in 2023 with a term of three years, the Majnoon Contract will expire in November 2026. Accordingly, revenue generated from Majnoon Contract is expected to decrease in 2026.

As the Contract Arrangement was the result of the historical business structure of Anton Oilfield Group and the amount is declining, and the revenue generated from such arrangements only accounted for a minimal part of the revenue of the Group, we are of the view that the existence of the Contract Arrangement will not affect the operational independence of the Group. For the avoidance of doubt, the revenue generated from such Contract Arrangement has not been included in the revenue of Anton Oilfield Group for the purpose of this document.

Procurement and materials

Each of the Group and Anton Oilfield Group maintains its own independent procurement functions, and the materials used in our Business and the Retained Business are different and cannot be used on an interchangeable basis. As the main materials used by the Group and Anton Oilfield Group are different in nature and cannot be used on an interchangeable basis, there is no overlap in the major suppliers to the Group and Anton Oilfield Group.

Technical know-how

Given the different business nature of our Business and the Retained Business, the technical know-how applied in the two businesses is different and is not interchangeable.

As of 31 December 2025, the Group had a research and development team of 160 employees. The team focuses on the development of asset integrity inspection, gas seal detection technology, and smart inspection solutions. As of 31 December 2025, Anton Oilfield Group had a research and development team of 232 employees. The team focuses on the research and development of reservoir geological technology, completion tools, and drilling fluid etc. As of 31 December 2025, the Group held 84 patent rights and Anton Group held 466 patent rights.

Trade and brand names

Anton Oilfield Group operates under the brand of "Anton Oilfield", whilst the Group operates under the brand of "T-All". There is no sharing of brand names between the Group and Anton Oilfield Group.

Connected transactions with our Controlling Shareholder

The continuing connected transactions set out in "Connected Transactions" of this Document were and will be conducted in the ordinary and usual course of business of our Group, on an arm's length basis and on normal commercial terms or better. In an unlikely event that our Controlling Shareholder terminate any connected transaction with us, given the reasons set out in "Connected Transactions" of this Document, we do not consider such termination will materially and adversely affect our business. For further details, see "Connected Transactions" in this Document.

Based on the above, our Directors believe that we are able to operate independently of our Controlling Shareholder.

CORPORATE GOVERNANCE MEASURES

Our Company and Directors are committed to upholding and implementing the highest standards of corporate governance and recognize the importance of protecting the rights and interests of all Shareholders, including the rights and interests of our minority Shareholders. We will comply with the provisions of the Corporate Governance Code set forth in Appendix C1 to the Listing Rules, which sets out the principles of good corporate governance.

Our Company is also required to comply with the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 to the Listing Rules, which provides, among other matters, prohibitions on directors and supervisors' dealings in securities and protection of minority Shareholders' rights.

Additionally, we will also adopt the following measures to ensure good corporate governance standards and to avoid potential conflicts of interest between our Group and our Controlling Shareholders:

(a) as part of our preparation for the **[REDACTED]**, we have amended our Articles of Association to comply with the Listing Rules. In particular, our Articles of Association provided that, unless otherwise provided, a Director shall not vote on any resolution approving any contract or arrangement or any other proposal in which such Director or any of his or her associates have a material interest nor shall such Director be counted in the quorum present at the meeting;

(b) a Director with material interests shall make full disclosure in respect of matters that may have conflict or potential conflict with any of our interest and abstain from participation of the board meetings on matters in which such Director or his or her associates have a material interest, unless the attendance or participation of such Director at such meeting of our Board is specifically requested by a majority of the independent non-executive Directors. When such conflict or potential conflict arises, the Board will have a sufficient number of independent non-executive directors who have requisite industry experience to advise on any conflicted transactions;

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

(d) as required by the Listing Rules, our independent non-executive Directors shall review connected transactions annually and confirm in our annual report that such transactions have been entered into in our ordinary and usual course of business, are on normal commercial terms or better and on terms that are fair and reasonable and in the interests of our Shareholders as a whole;

(e) should there be a conflict of interest or a connected transaction between our Company (on one hand) and our Controlling Shareholder (on the other hand), the relevant overlapping directors will abstain from voting on, and will not be counted in the quorum for, the relevant board resolution(s) of our Company;

(f) we are committed that our Board should include a balanced composition of executive Directors and independent non-executive Directors. We have appointed independent non-executive Directors and we believe our independent non-executive Directors possess sufficient experience and they are free of any business or other relationship which could interfere in any material manner with the exercise of their independent judgment. The independent non-executive Directors will review, on an annual basis, whether there are any conflicts of interests between our Group and our Controlling Shareholder and provide impartial and professional advice to protect the interests of our minority Shareholders;

(g) we have appointed as our compliance advisor 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; and

(h) we have established our audit committee, remuneration committee and nomination committee with written terms of reference in compliance with the Listing Rules and the Corporate Governance Code Appendix C1 to the Listing Rules. All of the members of our audit committee, including the chairman, are independent non-executive Directors.

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