
RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS

OUR CONTROLLING SHAREHOLDERS

As of the Latest Practicable Date, Mr. Chen was entitled to control the exercise of the voting rights attaching to an aggregate of 51.40% of the total issued share capital of our Company, including (i) approximately 20.68% of the total issued share capital of our Company held by himself and (ii) approximately 23.88% and 6.85% of the total issued share capital of our Company held by Yueshi Investment and Yueshi Entrepreneurship, respectively. Mr. Chen is the general partner of each of Yueshi Investment and Yueshi Entrepreneurship.

Immediately upon completion of the Share Subdivision and the [REDACTED] (assuming the [REDACTED] is not exercised), Mr. Chen and his controlled entities, namely Yueshi Investment and Yueshi Entrepreneurship, will together be entitled to control the exercise of the voting rights attaching to approximately [REDACTED]% of our total issued share capital. Therefore, Mr. Chen, Yueshi Investment and Yueshi Entrepreneurship will be considered as a group of Controlling Shareholders after the [REDACTED] for the purpose of the Listing Rules.

DELINEATION OF BUSINESS

Beijing Yueshi Robot is a close associate of Mr. Chen, primarily engaging in the offering of special robots for cold chain storage. In addition, as of the Latest Practicable Date, our Company held 17.97% equity interest in Beijing Yueshi Robot.

During the Track Record Period, we primarily engage in (i) the sale of cold chain agricultural products targeting small and medium-sized agricultural product wholesalers in the PRC; and (ii) the provision of digital and intelligent cold chain integrated solutions, targeting operators of cold chain facilities across key circulation nodes, such as agricultural products wholesale markets, food processing plants, agricultural products industrial parks, and major agricultural product import ports in the PRC. In contrast, Beijing Yueshi Robot primarily focuses on the R&D and sales of intelligent hardware and robotics, with special robots for cold chain storage and robotic systems as its core products, targeting cold chain facility operators in the PRC.

To the best knowledge of our Directors, except that one of our customers in 2023 and 2024 subsequently procured robot products from Beijing Yueshi Robot in 2025 to replace the manual labor in its warehouse, we did not have overlapping customers with Beijing Yueshi Robot during the Track Record Period.

To the extent that our Group (in respect of the provision of digital and intelligent cold chain integrated solutions) and Beijing Yueshi Robot may have similar customer groups in the PRC, we differ in business nature and target distinct customer needs. Our digital and intelligent cold chain integrated solutions are service offerings that facilitate standardized management and digitalization throughout cold chain facilities and the broader circulation network, while the special robots for cold chain storage and robotic systems provided by Beijing Yueshi Robot are robot products that replace manual labor in cold chain warehouses and minimize risks of work-related injuries and accidents, thereby ensuring safer and more stable cold chain operations. As such, our provision of digital and intelligent cold chain integrated solutions and the robot products sold by Beijing Yueshi Robot serve for different demands from customers, and are not substitutable or replaceable, which will not cause any direct or indirect competition between our Group and Beijing Yueshi Robot.

Considering the difference in terms of business nature between our Group and Beijing Yueshi Robot, our Directors are of the view that there is a clear delineation between the respective businesses of our Group and Beijing Yueshi Robot, and do not expect there to be any direct or indirect competition between our Group’s existing business or business expansion plans and the operations of Beijing Yueshi Robot.

RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS

Our Controlling Shareholders confirm that as of the Latest Practicable Date, neither of them or their respective close associates were interested in any business, other than our Group, which competes or is likely to compete, either directly or indirectly, with our Group’s business and which requires disclosure pursuant to Rule 8.10 of the Listing Rules.

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 respective close associates after the [REDACTED].

Operational Independence

We engage in our operations and make and implement our operational decisions independently. We do not share operation team, facilities and equipment with our Controlling Shareholders or their respective close associates. We are in possession of all relevant licenses, approvals and permits from the relevant regulatory authorities that are necessary to carry out and operate our business and we have sufficient operational capacity in terms of capital and employees to operate independently. We have established our own organizational structure with independent departments, and each department is assigned to specific areas of responsibilities. Our operating functions, such as cash and accounting management, invoices and bills, operate independently of our Controlling Shareholders and their respective close associates. We have independent access to a large and diversified base of suppliers and customers and are not dependent on our Controlling Shareholders or their respective close associates with respect to supplies for our business operations. We also maintain a set of comprehensive internal control procedures to facilitate the effective operation of our business.

Although during the Track Record Period, there had been transactions between us and our related parties, details of which are set out in Note 34 in the Accountants’ Report, our Directors have confirmed that these related party transactions, if trade related, were conducted on normal commercial terms and in the ordinary course of our business.

Yueshi Information entered into a lease agreement with Shenzhen Yueshi Cold Chain Robot Co., Ltd. (深圳粵十冷鏈機器人有限公司) (“**Shenzhen Yueshi Robot**”), a wholly-owned subsidiary of Beijing Yueshi Robot, pursuant to which Yueshi Information leases the premises situated at Room 1801, COFCO Asia Pacific Building, No. 5289 Menghai Avenue, Nanshan Street, Qianhai Shenzhen-Hong Kong Cooperation Zone, Shenzhen, Guangdong Province (廣東省深圳市前海深港合作區南山街道夢海大道5289號中糧亞太大廈1801) with a gross floor area of 1,817 sq.m. (the “**Office Premises**”) from Shenzhen Yueshi Robot for office use for a period from May 1, 2024 to May 31, 2029. The amount of the rental in relation to the Office Premises is RMB194,419 per month. In accordance with IFRS 16 “Leases,” we recognized right-of-use assets in our balance sheet in relation to the leasing of the Office Premises. As of April 30, 2026, our right-of-use assets in relation to the Office Premises was RMB6.1 million. Therefore, the transaction was recorded as an acquisition of capital assets and one-off connected transaction of our Company for the purpose of the Listing Rules. As the lease agreement was entered into prior to the [REDACTED] and the transaction thereunder is one-off in nature, the payment of the rental contemplated thereunder will not be classified as a continuing connected transaction under Chapter 14A of the Listing Rules.

Although the lease agreement will continue after [REDACTED], our Directors are of the view that we can still operate independently from our Controlling Shareholders on the grounds that (i) such transaction has been entered into and will continue to be on normal commercial terms and in the ordinary course of business of our Company; and (ii) even if our Group ceases to lease the Office Premises from Shenzhen Yueshi Robot, our Group would still be able to find suitable premises from Independent Third Parties in the same region as our office.

RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS

Save as disclosed above, none of the historical related party transactions with the connected persons as defined in the Listing Rules are expected to continue after the [REDACTED]. Given that the lease agreement as disclosed above is conducted on normal commercial terms and in the ordinary course of our business with insignificant amount, our Directors believe that this transaction will not give rise to any business dependence or reliance issue between our Company and the Controlling Shareholders and is in the interest of our Company and the Shareholders as a whole.

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

Management Independence

Our business is managed and conducted by our Board and senior management. Our Board comprises four executive Directors, two non-executive Directors and three independent non-executive Directors. For further details, see “Directors and Senior Management.” Of our Directors, Mr. Chen, Mr. Shi Weiqi and Mr. Jiang Jundong are also directors of Beijing Yueshi Robot, but their roles at Beijing Yueshi Robot are non-executive in nature and they are not involved in its day-to-day management and operations.

Despite the aforesaid overlapping directors, our Directors are of the view that our Board and senior management team are able to manage our business independently from our Controlling Shareholders and their close associates for the following reasons:

- (i) pursuant to the Articles of Association of our Company, in the event that any Shareholder or Director or his/her close associates has the material interest in a contract or arrangement to be entered into with our Group, the interested Shareholder(s) or Director(s) shall abstain from voting on any Shareholder or Board resolutions approving any contract, arrangement or any other proposal and shall not be counted in the quorum present at the relevant meeting;
- (ii) we have appointed three independent non-executive Directors (accounting one-third of our Board) to balance the number of potentially interested 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 another company or entity to which a Director or senior management member holds position. We believe our independent non-executive Directors have the depth and breadth of experience which will enable them to bring sound, independent and impartial judgment to the decision-making process of our Board;
- (iii) each of our Directors is aware of his/her fiduciary duties as a Director, which require him/her to act for the benefit and in the interests of our Company and the Shareholders as a whole and do not allow any conflict between his/her duties as a Director and his/her personal interests; and
- (iv) we have adopted corporate governance measures to manage conflicts of interest, if any, between our Group and our Controlling Shareholders and their close associates which would support our independent management. See “— Corporate Governance Measures” below for further information.

Based on the above, our Directors are satisfied that our Board as a whole, together with our senior management team, is able to perform the managerial role in our Group independently.

RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS

Financial Independence

We have established a finance department with a team of independent financial staff, which operates entirely independently of the Controlling Shareholders and their close associates. In addition, our Company has established a sound and independent financial system and makes financial decisions according to our Company’s business needs, which are independent of our Controlling Shareholders and their close associates.

During the Track Record Period, our Group had certain non-trade related amounts due to/from our Controlling Shareholder(s) and certain bank borrowings were guaranteed by our Controlling Shareholder. Please see Notes 25 and 34 to the Accountants’ Report, the text of which is set out in Appendix I to this document. As of the Latest Practicable Date, we had settled the non-trade related amounts due to/from our Controlling Shareholders, and the guarantees provided by our Controlling Shareholder to our Group for bank borrowings will be released prior to or upon the [REDACTED]. As of the Latest Practicable Date, except as disclosed above, there were no other outstanding loans, advances or non-trade balances due to or from our Controlling Shareholders or their close associates, nor were there any other outstanding pledges or guarantees provided for our benefit by our Controlling Shareholders or their close associates.

Based on the above, our Directors are satisfied that we are able to maintain financial independence from our Controlling Shareholders and their close associates.

CORPORATE GOVERNANCE MEASURES

We recognize the importance of good corporate governance to protect the interest of our Shareholders. We will adopt the following corporate governance measures to manage potential conflict of interests between our Group and the Controlling Shareholders:

- (i) where a Shareholders’ meeting is held for considering proposed transaction in which any of the Controlling Shareholder has a material interest, the Controlling Shareholder(s) shall abstain from voting on the resolutions and shall not be counted in the quorum for the voting;
- (ii) 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 resolutions and shall not be counted in the quorum for the voting;
- (iii) any transaction between (or proposed to be made between) our Group and the connected persons will be subject to the requirements under Chapter 14A of the Listing Rules, including, where applicable, the announcement, reporting, annual review, circular (including independent financial advice) and independent Shareholders’ approval requirements and with those conditions imposed by the Stock Exchange for the granting of waiver from strict compliance with relevant requirements under the Listing Rules;
- (iv) in the event that our independent non-executive Directors are requested to review any conflict of interests between our Group and the Controlling Shareholders, the Controlling Shareholders shall 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 report or by way of announcements to the public; and
- (v) our Company has appointed Shenwan Hongyuan Capital (H.K.) Limited as our compliance advisor, which will provide advice and guidance to our Group in respect of compliance with the applicable laws and Listing Rules including various requirements relating to Directors’ duties and corporate governance.

THIS DOCUMENT IS IN DRAFT FORM, INCOMPLETE AND SUBJECT TO CHANGE AND THAT THE INFORMATION MUST BE READ IN CONJUNCTION WITH THE SECTION HEADED “WARNING” ON THE COVER OF THIS DOCUMENT

RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS

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 Shareholders, and to protect our minority Shareholders’ interests after [REDACTED].