

RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS

OUR CONTROLLING SHAREHOLDERS

As at the Latest Practicable Date, the total issued Shares of our Company was held as to (i) approximately 15.42% by Mr. Chen Zhiyong, the founder of our Company, the chairman of the Board and an executive Director; (ii) approximately 15.11% by Mr. Xu Jiangtao, an executive Director; (iii) approximately 5.95% by Zhuhai Micro Energy; (iv) approximately 4.47% by Zhuhai Jiwang; (v) approximately 4.37% by Zhuhai Mic-Power; (vi) approximately 4.33% by Huizhou Jiwang; (vii) approximately 3.40% by Shenzhen Mic-Power; and (viii) approximately 2.07% by Zhuhai Jiyi.

Mr. Chen, by virtue of his role as the general partner of Zhuhai Jiwang, Huizhou Jiwang and Shenzhen Mic-Power, was deemed to be interested in an aggregate of approximately 12.21% of the issued Shares of the Company held by Zhuhai Jiwang, Huizhou Jiwang and Shenzhen Mic-Power. Mr. Xu, by virtue of his role as the general partner of Zhuhai Micro Energy, Zhuhai Mic-Power and Zhuhai Jiyi, was deemed to be interested in an aggregate of approximately 12.39% of the issued Shares of the Company held by Zhuhai Micro Energy, Zhuhai Mic-Power and Zhuhai Jiyi.

For more details about Huizhou Jiwang and Zhuhai Jiyi, please refer to the paragraphs headed “History and Corporate Structure — Employee Shareholding Platforms” in this document.

Each of Zhuhai Jiwang and Shenzhen Mic-Power is a limited partnership established under the laws of the PRC.

The general partner of Zhuhai Jiwang is Mr. Chen, our Chairman and executive Director, who holds 11.59% of its limited partnership. None of remaining seven limited partners has 30% or more partnership interest in Zhuhai Jiwang.

The general partner of Shenzhen Mic-Power is Mr. Chen, our Chairman and executive Director, who holds 0.1% of its limited partnership. Shenzhen Mic-Power is held as to 99.9% by Ms. Fang Shuxian (方淑嫻), who is an Independent Third Party.

Each of Zhuhai Micro Energy and Zhuhai Mic-Power is a limited partnership established under the laws of the PRC.

The general partner of Zhuhai Micro Energy is Mr. Xu, our general manager and executive Director, who holds 0.1% of its limited partnership. Zhuhai Micro Energy is held as to 99.9% by Mr. Wang, who is our non-executive Director. For background information of Mr. Wang, please refer to the paragraph headed “Directors and Senior Management — Directors — Non-executive Directors”.

The general partner of Zhuhai Mic-Power is Mr. Xu, our general manager and executive Director, who holds 0.1% of its limited partnership. Zhuhai Mic-Power is held as to 99.9% by Ms. Guo Liqin (郭麗勤), who is an Independent Third Party.

Mr. Chen and Mr. Xu entered into an acting-in-concert agreement on October 31, 2020, pursuant to which the parties agreed that they shall act in concert in relation to the voting, proposals, nomination or recommendation of directors, supervisors, and senior management at the board meetings and shareholders’ meetings, participation in the Company’s operational decisions, and other matters for which the power of decision-making is vested in shareholders or directors as prescribed in the relevant laws, regulations, normative documents, and the Company’s Articles of Association, and Mr. Chen’s decision shall prevail if there is any disagreement between Mr. Chen and Mr. Xu. On December 26, 2025, a supplemental acting-in-concert agreement was entered into by and between Mr. Chen and Mr. Xu to renew the acting-in-concert arrangements with a term until 36 months after the [REDACTED].

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Accordingly, Mr. Chen, Mr. Xu, Zhuhai Jiawang, Huizhou Jiawang, Shenzhen Mic-Power, Zhuhai Micro Energy, Zhuhai Mic-Power and Zhuhai Jiayi constitute a group of Controlling Shareholders before the [REDACTED] and control the exercise of approximately 55.12% of the voting rights at the general meeting of the Company.

Immediately following completion of the [REDACTED] (assuming the [REDACTED] is not exercised), the group of Controlling Shareholders will hold approximately [REDACTED]% of the issued share capital of our Company, and will remain as a group of Controlling Shareholders.

RULE 8.10 OF THE LISTING RULES

As of the Latest Practicable Date, none of our Controlling Shareholders or Directors had any interest in any business which competes or is likely to compete, either directly or indirectly, with our Company's business which would require disclosure under 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 on our business independently from our Controlling Shareholders and their close associates after the [REDACTED].

Management Independence

Our business is managed and conducted by our Board and senior management. Currently, our Board consists of nine Directors, comprising two executive Directors, four non-executive Directors (including one employee representative Director) and three independent non-executive Directors. Notwithstanding that Mr. Chen, the chairman of the Board and an executive Director, and Mr. Xu, an executive Director, are members of the Controlling Shareholders, our Directors believe that the Board and senior management of our Company are able to operate our business independently of our Controlling Shareholder Group for the following reasons:

- (i) our Directors are aware of their fiduciary duties as a director, which require, among other things, that they act for the benefits and in the interests of our Company and all our Shareholders as a whole and do not allow any conflict between their duties as a Director and their personal interests;
- (ii) our daily management and operations are carried out by our executive Directors and senior management team. As of the Latest Practicable Date, except Mr. Chen and Mr. Xu, none of them held any management position in the Controlling Shareholders or their respective close associates. They also have substantial experience in the industry in which our Company is engaged and will therefore be able to make impartial and sound business decisions that are in the best interests of our Group;
- (iii) our Board has a balanced composition of executive, non-executive and independent non-executive Directors, which ensures the independence of the Board in making decisions affecting our Company. Our independent non-executive Directors account for one-third of the Board, and do not and will not take up any position with our Controlling Shareholders Group. All of our three independent non-executive Directors are independent of the Controlling Shareholders and have extensive experience in their respective areas of expertise. For details, see "Directors and Senior Management." All independent non-executive Directors are appointed in accordance with the requirements under the Listing Rules, and certain matters of our Company must always be referred to the independent non-executive Directors for

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review, ensuring the decisions of the Board are made only after the due consideration of independent and impartial opinions;

- (iv) in the event that there is a potential conflict of interests arising out of any transaction to be entered into between our Group and a Director or their respective close associate, the interested Director(s) is required to declare the nature of such interests before voting at the relevant Board meetings of our Company in respect of such transactions; and
- (v) upon [REDACTED], we will adopt a series of corporate governance measures to manage conflicts of interests, if any, between our Group and the Controlling Shareholders which would support our independent management. For details, see "— Corporate Governance Measures" in this section.

Based on the above, our Directors believe that our Company has sufficient and effective control mechanisms to ensure that our Directors perform their respective duties properly and safeguard the interests of our Company and our Shareholders as a whole. Our Board together with our senior management team, therefore, are able to perform the managerial role in our Group independently.

Operational Independence

We are in possession of all production and operating facilities and technology relating to our Group's business and have obtained relevant requisite qualifications and approvals for conducting all our business. Currently, we engage in our Group's business independently, with the independent right to make operational decisions and implement such decisions.

We have independent access to customers and suppliers and, therefore, are not dependent on the Controlling Shareholders for any significant amount of our revenue, research and development, staffing or marketing and sales activities, and we have sufficient capital, equipment and employees to operate our business independently from our Controlling Shareholders Group. We have an established and complete organizational structure comprising various separate departments, each charged with specific responsibilities, such as staffing, administration, finance, internal audit, research and development, sales and marketing, or company secretarial functions. These departments have been in operation and are expected to continue to operate separately and independently from the Controlling Shareholders and their close associates. We also maintain a set of comprehensive internal control procedures to facilitate the effective operation of our business.

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

Financial Independence

Our Company has established its own finance department with a team of independent financial staff responsible for discharging treasury, accounting, reporting, group credit and internal control functions independently from the Controlling Shareholders and their respective close associates, as well as a sound and independent financial system, and makes independent financial decisions according to our own business needs. Our Company maintains bank accounts independently and does not share any bank account with our Controlling Shareholders Group. Our Company makes tax registration and pays tax independently with its own funds. As such, our Company's financial functions, such as cash and accounting management, invoices and bills, operate independently of the Controlling Shareholders and their respective close associates.

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As of the Latest Practicable Date, there was no outstanding loan, advance, balance of non-trade nature due to or from, or pledge or guarantee provided by the Controlling Shareholders or their respective close associates. We do not expect to rely on the Controlling Shareholders and their close associates for financing after the [REDACTED] as we expect that our working capital will be funded by cash flows generated from operating activities, equity financing, bank loans as well as the [REDACTED] from the [REDACTED].

Based on the above, our Directors believe that we do not place undue reliance on the Controlling Shareholders and their respective close associates.

CORPORATE GOVERNANCE MEASURES

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

- (i) where a Board meeting is held for the matters in which any Directors has 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;
- (ii) where a Shareholders' meeting is to be held for considering proposed transactions in which any member of the Controlling Shareholders or any of their associates has a material interest, the relevant member in the Controlling Shareholders will not vote on the resolutions and shall not be counted in the quorum in the voting;
- (iii) our Company has established internal control mechanisms to identify connected transactions. Upon the [REDACTED], if our Company enters into connected transactions with any member of the Controlling Shareholders or any of their associates, our Company will comply with the relevant requirements of Chapter 14A of the Listing Rules, including the announcement, reporting and independent Shareholders' approval requirements (if applicable) under the Listing Rules;
- (iv) our Board will consist of a balanced composition of executive and non-executive Directors, including not less than one-third of independent non-executive Directors, to ensure that our Board is able to effectively exercise independent judgment in its decision-making process and provide independent advice to our Shareholders. Our independent non-executive Directors, individually and collectively, possess the requisite knowledge and experience. They are committed to providing experienced and professional advice to protect the interests of our minority Shareholders;
- (v) our independent non-executive Directors will review, on an annual basis, whether there are any conflicts of interests between our Group and the Controlling Shareholders and provide impartial and professional advice to protect the interests of our minority Shareholders;
- (vi) the Controlling Shareholders will provide our independent non-executive Directors with all relevant financial, operational and market and any other necessary information as required by the independent non-executive Directors for the purpose of their annual review;
- (vii) our Company shall disclose the decisions of the independent non-executive Directors either in its annual reports or by way of announcements as required by the Listing Rules;

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- (viii) we have established our audit committee, remuneration and appraisal committee and nomination committee with written terms of reference in compliance with the Listing Rules and the Corporate Governance Code in Appendix C1 to the Listing Rules;
- (ix) 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
- (x) we have appointed Altus Capital Limited as our Compliance Advisor, which will provide advice and guidance to us in respect of compliance with the Listing Rules and applicable laws, rules, codes and guidelines, including but not limited to various requirements relating to Directors' duties and internal controls.

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