

---

## RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS

---

### OUR CONTROLLING SHAREHOLDERS

Immediately upon completion of the [REDACTED] (without taking into account any Shares which may be allotted and issued pursuant to the exercise of the [REDACTED] and the [REDACTED] Share Options), (i) Ms. Li will be entitled to exercise the voting rights attaching to approximately [REDACTED]% of the total issued share capital of our Company through Bright Limited and Brightio Limited, both being investment holding companies wholly owned by Ms. Li, and (ii) Mr. Bo will be entitled to exercise the voting rights attaching to approximately [REDACTED]% of the total issued share capital of our Company through Advance Limited, Advanced Limited, Creation Limited and CreateCube Limited, all being investment holding companies wholly owned by Mr. Bo.

Pursuant to a concert party confirmation dated March 1, 2023 entered into between Ms. Li and Mr. Bo, they have confirmed that they are parties acting in concert in respect of their voting rights in our Company. See “History, Reorganization and Corporate Structure—Concert Party Confirmation” for details. Therefore, Ms. Li, Mr. Bo and their wholly-owned companies, being Bright Limited, Brightio Limited, Advance Limited, Advanced Limited, Creation Limited and CreateCube Limited, will together be entitled to exercise the voting rights attaching to approximately [REDACTED]% of our [REDACTED] total issued share capital upon completion of the [REDACTED] (without taking into account any Shares which may be allotted and issued pursuant to the exercise of the [REDACTED] and the [REDACTED] Share Options), and shall be regarded as a group of Controlling Shareholders after the [REDACTED] for the purpose of the Listing Rules.

### DELINEATION OF BUSINESS

Changjiu Industrial is the holding company of Changjiu Group and held by Mr. Bo and Ms. Li as to approximately 82.46% and 17.54%, respectively, as of the Latest Practicable Date. Changjiu Group is an automobile industry service provider comprising over 150 companies as of June 30, 2023. The principal business of Changjiu Group includes: (i) automobile sales and distribution (“Automobile Sales and Distribution Business”), including whole vehicle sales, used vehicle brokerage, automobile leasing and automobile insurance sales; (ii) automobile transportation (“Automobile Transportation Business”); and (iii) vehicle manufacturing (“Vehicle Manufacturing Business”), including center mounted axle trailers and commercial vehicles manufacturing. The principal business of Changjiu Group is substantially operated by the respective principal operating companies, where (i) Automobile Sales and Distribution Business is mainly operated by approximately 100 subsidiaries of Changjiu Industrial, including 74 automobile dealerships in operation as of June 30, 2023 owned by Guangxi Changjiu Automobile Investment Co., Ltd. (廣西長久汽車投資有限公司) (“Changjiu Automobile”) with a revenue of over RMB100 million for the year ended December 31, 2022 and total assets of approximately RMB5 billion as of December 31, 2022, which is in turn owned by Changjiu Industrial as to 82.63%; (ii) Automobile Transportation Business is mainly operated by over 40 subsidiaries of Beijing Changjiu Logistics Corp. (北京長久物流股份有限公司) (“Changjiu Logistics”), a company listed on the Shanghai Stock Exchange (stock code: 603569) with a revenue of RMB4.0 billion for the year ended December 31, 2022 and total

---

## RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS

---

assets of over RMB5.4 billion as of December 31, 2022 according to its 2022 annual report, which is in turn owned by Changjiu Industrial as to 71.64%; and (iii) Vehicle Manufacturing Business is mainly operated by Changjiu Auto Mobile Manufacturing Co., Ltd. (長久汽車製造有限公司) and Jilin Changjiu Special Vehicle Co., Ltd. (吉林市長久專用車有限公司), both of which are wholly-owned subsidiaries of Changjiu Industrial with an aggregate total revenue of approximately RMB200 million for the year ended December 31, 2022 and aggregate total assets of over RMB1 billion as of December 31, 2022.

Our business was built on the success of the pledged vehicle monitoring service business previously operated by Changjiu Industrial since 2006. Changjiu Jinfu, one of our principal subsidiaries, was established in September 2016 and had gradually undertaken the pledged vehicle monitoring service business from Changjiu Industrial since then. As of the Latest Practicable Date, the rights and obligations of Changjiu Industrial under 565 pledged vehicle monitoring service agreements with certain financial institutions and automobile dealerships had not been transferred from Changjiu Industrial to Changjiu Jinfu, primarily because, to our Directors’ best knowledge and belief, it is extremely time-consuming and cumbersome for such users to approve such transfer or a change of signing parties to existing contracts pursuant to their strict internal control policies and procedures. However, pursuant to the Entrustment Agreement entered into between Changjiu Industrial and Changjiu Jinfu, Changjiu Industrial has exclusively entrusted us to provide all pledged vehicle monitoring service under these agreements and Changjiu Industrial no longer provides such service to the relevant users. See “History, Reorganization and Corporate Structure—Reorganization—Onshore Reorganization—Business transfer of pledged vehicle monitoring services” and “Connected Transactions—Non-exempt Continuing Connected Transactions—(4) Entrustment Agreement” for further details.

Our Directors are of the view that there is clear delineation and no material competition between the business operated by Changjiu Group and our Group on the basis that (i) the principal business of Changjiu Group includes Automobile Sales and Distribution Business, Automobile Transportation Business and Vehicle Manufacturing Business, which is fundamentally different from the principal business of our Group; (ii) Changjiu Industrial does not provide any service to the financial institutions or automobile dealerships under its existing pledged vehicle monitoring service agreements and has exclusively entrusted us to provide all such services to the relevant users; (iii) these agreements bear limited contract value and will expire or be transferred to Changjiu Jinfu by December 2024 at the latest, and Changjiu Industrial has confirmed and undertaken to us that it shall not enter into any new pledged vehicle monitoring service agreement.

Our Controlling Shareholders have confirmed that, as of the Latest Practicable Date, save as disclosed above in “—Delineation of Business,” none of them is interested in any business, other than our business, which competes or is likely to compete, either directly or indirectly, with our business, which requires disclosure pursuant to Rule 8.10 of the Listing Rules.

---

## RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS

---

### 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 independently, making and implementing operational decisions independently. We do not share operation team, facilities and equipment with our Controlling Shareholders and their respective associates. We possess 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. Our Group 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 and 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.

During the Track Record Period, our Group conducted certain transactions with our Controlling Shareholders’ close associates on a recurring basis which are expected to continue after the [REDACTED] and will constitute continuing connected transactions of our Group under the Listing Rules. Based on the reasons as set out below, our Directors are of the view that we are able to operate independently from our Controlling Shareholders and their respective close associates.

#### ***Business of pledged vehicle monitoring services***

We provide pledged vehicle monitoring services to the automobile dealerships of Changjiu Group under the Pledged Vehicle Monitoring Service Framework Agreement, and we are also entrusted by Changjiu Industrial to provide pledged vehicle monitoring services to financial institutions and automobile dealerships under the Entrustment Agreement as a transition arrangement. For the six months ended June 30, 2023, our revenue generated from these transactions with Changjiu Group merely accounted for 6.89% of our total revenue generated from our business segment of pledged vehicle monitoring services and 6.22% of our total consolidated revenue.

---

## RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS

---

The scale of our transactions with Changjiu Group for pledged vehicle monitoring services are expected to remain limited and gradually decrease considering that (i) we have maintained stable and independent business relationship with the Independent Third Party users throughout the Track Record Period, and our transactions with Independent Third Party users are expected to grow steadily; (ii) the transaction amounts under the Pledged Vehicle Monitoring Service Framework Agreement have been and will be at a minimal level; and (iii) the relevant agreements under the entrustment arrangement pursuant to the Entrustment Agreement bear limited contract value and will expire or be transferred to Changjiu Jinfu by December 2024 at the latest, and Changjiu Industrial has confirmed and undertaken to us that it shall not enter into any new pledged vehicle monitoring service agreement. Therefore, we believe our transactions with Changjiu Group for the pledged vehicle monitoring services do not materially affect our operational independence.

### *Business of automobile dealership operation management services*

We provide automobile dealership operation management services to Changjiu Group under the Automobile Dealership Operation Management Services Framework Agreement. For the six months ended June 30, 2023, our revenue generated from such transactions with Changjiu Group accounted for all of our total revenue generated from our business segment of automobile dealership operation management services but only accounted for 9.79% of our total consolidated revenue.

Our automobile dealership operation management services commenced in April 2022 leveraging our strategic business relationship with Changjiu Group. We believe that our relationship with Changjiu Group for the automobile dealership operation management services are mutually beneficial and complementary. On the one hand, our long-standing relationship with Changjiu Group and our established track record have enabled us to provide high quality services that meet Changjiu Group’s demands, and on the other hand, our service to Changjiu Group has promoted the high-quality image and laid a solid foundation for our future market expansion. See “Business—Our Strategic Business Relationship with Changjiu Group—Mutually Beneficial and Complementary Relationship with Changjiu Group” for further details.

In light of the massive automobile dealerships resources of Changjiu Group, it is inevitable that most of our revenue under such business segment for the financial year of 2022 and for the first half of 2023 were derived from our transactions with Changjiu Group. Nonetheless, we have been proactively exploring potential business opportunities with Independent Third Parties and started to manage automobile dealership owned by Independent Third Party. As of the Latest Practicable Date, we had entered into non-binding letters of intent for our automobile dealership operation management services with 144 automobile dealerships, all of which were owned by Independent Third Parties. It is expected that we will continue to capture new contracts from Independent Third Parties and our revenue generated from operation management services provided to Independent Third Parties will continue to increase.

---

## RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS

---

Based on the abovementioned, we believe our transactions with Changjiu Group for the automobile dealership operation management services do not materially affect our operational independence.

### *Other connected transactions with Changjiu Group*

We leased properties with a total GFA of 3,720.17 sq.m. and received property management and general supporting services from a close associate of our Controlling Shareholders. As our Group has been using such properties and services historically, we believe that, compared to relocating to alternative properties, it is in the interest of our Group in terms of cost, time, efficiency and operational stability to continue such lease and service arrangement. Meanwhile, we believe that, even if the above agreements are terminated, we would be able to find suitable alternatives from Independent Third Parties lessors in the locality without undue delay, inconvenience or material costs incurred to the operation of our business. Accordingly, we believe our leasing of properties from Changjiu Group do not materially affect our operational independence.

Save for the transactions disclosed in “Connected Transactions” and Note 26 “Related Party Transactions” to the Accountants’ Report in Appendix I to this document, and other than (i) our history with Changjiu Industrial as disclosed in “History, Reorganization and Corporate Structure,” and (ii) financial services obtained in the ordinary course of business of Changjiu Group from financial institutions who are our customers, to our Directors’ best knowledge and belief, Changjiu Group does not have any other past or present business relationship or association with our Group or our customers or suppliers during the Track Record Period and up to the Latest Practicable Date.

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 three executive Directors, one non-executive Director and three independent non-executive Directors, among whom Ms. Li, the chairwoman of our Board and an executive Director, and Mr. Bo, an executive Director and the chief executive officer of our Company, are members of our Controlling Shareholders. For further details, see “Directors and Senior Management.”

## RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS

Save as disclosed below, none of our Directors or members of our senior management serves as a director or member of senior management in our Controlling Shareholders or their close associates (other than members of our Group):

Name	Position in our Company	Major positions held in our Controlling Shareholders and their close associates (other than members of our Group)	
		Name of company	Position
Ms. Li	Chairwoman of the Board and executive Director	Changjiu Logistics	Director
		Changjiu Automobile	Chairwoman of the board
		Derong International Finance Leasing Co., Ltd. (德融國際融資租賃有限公司)	Chairwoman of the board
Mr. Bo <sup>(1)(2)</sup>	Executive Director and chief executive officer	Changjiu Industrial	Executive director and general manager
		Changjiu Logistics	Chairman of the board
Ms. Jin Ting (靳婷)	Non-executive Director	Changjiu Logistics	Finance director (財務總監)

*Notes:*

- (1) Mr. Bo also serves as a director and/or the chairman of the board in 4 subsidiaries of Changjiu Industrial. The directorships held by Mr. Bo in these companies are non-executive nature and he has not been and will not be involved in their day-to-day management.
- (2) Mr. Bo also serves as a director and/or the chairman of the board in 3 subsidiaries of Changjiu Logistics. The directorships held by Mr. Bo in these companies are non-executive nature and he has not been and will not be involved in their day-to-day management.

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) our Board will comprise seven Directors, four of whom (including one executive Director) will have no ongoing roles with, and are therefore independent from our Controlling Shareholders and their close associates;
- (ii) as confirmed by Ms. Li, the directorship she held at each of Changjiu Logistics, Changjiu Automobile and Derong International Finance Leasing Co., Ltd. is non-executive nature and she has not been and will not be involved in their day-to-day management. Her primary responsibilities in these companies are providing strategic advice and making recommendations on their corporate operation. Therefore, Ms. Li will have sufficient time and resources to serve on our Board and as a senior management member, and her officeholding in the aforementioned companies will not affect her discharge of her duties and responsibilities to our Group;

---

## RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS

---

- (iii) Changjiu Industrial had no material business operation as of the Latest Practicable Date except for being a signing party to certain pledged vehicle monitoring service agreement which have all been entrusted to us under the Entrustment Agreement and the provision of property lease and comprehensive services to us under the Property Lease and Comprehensive Service Agreement with limited scale. See "Connected Transactions" for further details. As confirmed by Mr. Bo, he does not have any senior management role at Beijing Changjiu Logistics Corp. and his directorship is non-executive nature. His primary responsibilities are providing strategic advice and making recommendations on its corporate operation and he will not be involved in its daily management. Therefore, Mr. Bo will have sufficient time and resources to serve on our Board and as a senior management member, and his officeholding in the aforementioned entities will not affect his discharge of his duties and responsibilities to our Group;
- (iv) despite the directorships held at the aforementioned companies, Ms. Jin Ting is our non-executive Director and therefore not involved in the daily management and operation of our Company;
- (v) save for Ms. Li and Mr. Bo, all members of our senior management are our full-time employees and are independent from our Controlling Shareholders and their close associates;
- (vi) pursuant to the Articles of Association of our Company, in the event that a Director or his/her close associates has a material interest in any contract or arrangement to be entered into with our Group, the interested Director(s) shall abstain from voting on any Board resolutions approving such contract, arrangement or any other proposal and shall not be counted in the quorum present at the relevant Board meeting;
- (vii) we [have appointed] three independent non-executive Directors (accounting for more than 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 advisers 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 office. 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;
- (viii) 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

---

## RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS

---

- (ix) we have adopted corporate governance measures to manage conflicts of interest, if any, between our Group and our Controlling Shareholders and their respective 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 the Board as a whole, together with our senior management team, is able to perform their roles in our Company in managing our business independently.

### Financial Independence

We have established a finance department which operates entirely independently of the Controlling Shareholders with a team of independent financial staff. 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.

As of June 30, 2023, our non-trade outstanding balances due from our related parties amounted to RMB5.3 million. See “Financial Information—Related Party Transactions” and Note 26 to the Accountants’ Report in Appendix I to this document for details. All such balances will be fully settled prior to the [REDACTED].

Save as disclosed in the paragraph above, as of the Latest Practicable Date, there were no outstanding loans, advances or non-trade balances due to or from our Controlling Shareholders or their respective close associates, nor were there any outstanding pledges or guarantees provided for our benefit by our Controlling Shareholders or their respective close associates and vice versa.

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

### DEED OF NON-COMPETITION

To safeguard the interest of our Group, our Controlling Shareholders (each a “Covenantor”, collectively the “Covenantors”) have executed the Deed of Non-competition in favor of our Company on [●], 2023. Pursuant to the Deed of Non-competition, each of the Covenantors has unconditionally and irrevocably undertakes, jointly and severally, to our Company (for itself and as trustee for the benefit of each of the members of our Group from time to time) that, save for Changjiu Industrial being the signing party of certain pledged vehicle monitoring service agreements and the transactions contemplated under the Entrustment Agreement between Changjiu Jinfu and Changjiu Industrial, as detailed in “Connected Transactions—Non-exempt Continuing Connected Transactions—(4) Entrustment Agreement”, he/she/it will not, and will use his/her/its best endeavors to procure that his/her/its respective close associates will not, directly or indirectly, at any time during the Relevant Period (as defined below), carry on, engage in, invest in, participate in, attempt to participate in, render any services to, provide any financial support to or otherwise be involved in or



---

## RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS

---

interested (economically or otherwise) in, whether alone or jointly with another person and whether directly or indirectly or on behalf of or to assist or act in concert with any other person, any business which is the same as, similar to or in competition or will compete or may compete with the business carried on or contemplated to be carried on by any member of our Group from time to time (the "Restricted Business").

The above restrictions do not prohibit the Covenantors and their respective close associates (other than members of our Group) from holding securities of any company which conducts or is engaged in any Restricted Business, provided that the conditions set out in paragraphs (i), (ii) and (iii) below are satisfied:

- (i) the aggregate number of shares or equity interests held by the Covenantors and their respective close associates (other than members of our Group) is less than 10% of any class of the issued shares or the entire equity interests of such company;
- (ii) the Covenantors or their respective close associates (other than members of our Group) do not own, by any means, any right to control the composition of the board of directors or managers of such Restricted Business nor any right to participate, directly or indirectly, in such Restricted Business; and
- (iii) none of the Covenantors and their respective close associates (other than members of our Group) is the controlling shareholder of such company.

In addition, where it is resolved by the Board or a Shareholders' meeting that it is appropriate for the Covenantors and/or their respective close associates (other than members of our Group) and our Group to jointly invest in, conduct, operate or participate in any business opportunity relating to the Restricted Business (the "New Business Opportunity"), and if our Group gives written invitation, the Covenantors and/or their respective close associates (other than members of our Group) may together with our Group, jointly invest in, conduct, operate or participate in such New Business Opportunity subject to the provisions of the Listing Rules and any requirement from the Stock Exchange (including but not limited to the obtaining of approval from the independent non-executive Directors and/or independent Shareholders).

### **Further Undertakings from the Covenantor**

Under the Deed of Non-competition, each of the Covenantors has further undertaken to us the following:

- (i) it shall provide, and shall procure its close associates (other than members of our Group) to provide, during the Relevant Period (as defined below), where necessary and at least on an annual basis, all information necessary for the review by the independent non-executive Directors, subject to any relevant laws, rules and regulations or any contractual obligations, to enable them to review the Covenantor's and its close associates' (other than members of our Group) compliance with the Deed of Non-competition, and to enable the independent

---

## RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS

---

non-executive Directors to enforce the Deed of Non-competition, including but not limited to any decision described in paragraph (v) below or in relation to the pre-emptive right to restrict the transfer;

- (ii) the Covenantor (and on behalf of its close associates (other than members of our Group) from time to time) shall provide to us annually with an annual declaration for inclusion in our annual report, in respect of compliance with the terms of the Deed of Non-competition;
- (iii) the Covenantor has agreed and authorized the Company to disclose decisions on matters reviewed by the independent non-executive Directors relating to the compliance and enforcement of the Deed of Non-competition, either through our annual report or by way of announcement;
- (iv) during the Relevant Period (as defined below), in the event that the Covenantor or its close associates (other than members of our Group) are given any business opportunity relating to the New Business Opportunity, the Covenantor shall, and shall procure that its close associates (other than members of our Group), inform us of such New Business Opportunity in writing with all available information as soon as practicable and shall use its best endeavor to assist us in obtaining such New Business Opportunity on the same or more favorable terms;
- (v) when there is any New Business Opportunity, all independent non-executive Directors but excluding any independent non-executive Directors with conflicted interests will form a committee (the "Independent Board Committee") and the Independent Board Committee shall consider the financial impact of pursuing the New Business Opportunity offered, whether the nature of the New Business Opportunity is consistent with the Group's strategies and development plans and the general market conditions of its business. If appropriate, the Independent Board Committee may appoint independent financial advisors and legal advisors to assist in the decision-making process in relation to such New Business Opportunity;
- (vi) in the event that the Independent Board Committee decides that our Group should not take up such New Business Opportunity as referred to in paragraph (iv) above within a commercially reasonable period and undertake by written notice, the Covenantor and its close associates (other than members of our Group) may take up such business opportunity and the involvement in the business derived from such New Business Opportunity shall not be regarded as a breach of the Deed of Non-competition; and
- (vii) since the effective date of the Deed of Non-competition, the Covenantor agrees to indemnify us from and against any and all losses, damages, claims, liabilities, costs and expenses (including legal costs and expenses) where we may suffer or incur as a result of any failure to comply with the terms of the Deed of Non-competition by the Covenantor or its close associates (other than members of our Group).

---

## RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS

---

Where the Covenantors and/or their respective close associates (other than members of our Group) acquire the Restricted Business pursuant to paragraph (vi) above, the Covenantors and/or their respective close associates (other than members of our Group) shall provide our Group with pre-emptive right (the "Pre-Emptive Right") to acquire any such Restricted Business under the same circumstances. Where the Independent Board Committee decides to waive our Pre-Emptive Right by way of written notice, the Covenantors and/or their respective close associates (other than members of our Group) may offer to sell such Restricted Business (as defined below) to other third parties on such terms which are no more favorable than those made available to our Group.

Where the Covenantors and/or their respective close associates (other than members of our Group) acquire the Restricted Business pursuant to paragraph (vi) above, the Covenantors and/or their respective close associates (other than members of our Group) has undertaken to grant us the option (the "Options for Acquisition") which is exercisable at any time during the term of the Relevant Period (as defined below), to purchase at one or more times any equity interest, assets or other interests which form part/or all of such Restricted Business as described above, or to operate the Restricted Business by way of, including but not limited to, management outsourcing, lease or subcontracting. However, if a third party has the preemptive rights in accordance with applicable laws and regulations and/or any legally binding document, the Options for Acquisition shall be subject to such third-party rights. In these circumstances, the Covenantors will use their best endeavors to procure the third party to waive such pre-emptive rights.

The Covenantors and/or their respective close associates (other than members of our Group) have further unconditionally and irrevocably undertaken that they and/or their respective close associates (other than members of our Group) will not take advantage of his/its connections with our Group and/or our Shareholders, or his/its position as a shareholder of any member of our Group, to participate or be engaged in any activities which may be detrimental to the interests of our Group and our other Shareholders.

The Covenantors have further unconditionally and irrevocably undertaken that except with the prior written consent of our Group, the Covenantors shall not, and shall procure their respective close associates (other than members of our Group) will not, directly or indirectly:

- (i) any time induce or attempt to induce any director, manager or consultant of any member of our Group to terminate his or her employment or consultancy (as applicable) with our Group, whether or not such act of that person would constitute a breach of that person's contract of employment or consultancy (as applicable); or
- (ii) alone or jointly with any other person through or as director, manager, adviser, consultant, employee of or agent for or shareholder in any person, firm or company, in competition with any member of our Group, canvass, solicit or accept orders from or do business with any person with whom any member of our Group has done business or solicit or persuade any person who has dealt with our Group or is in the

---

## RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS

---

process of negotiating with our Group in relation to the Restricted Business to cease to deal with our Group or reduce the amount of business which the person would normally do with our Group or seek to improve their terms of trade with any member of our Group.

Our Company will disclose the decisions with basis on matters reviewed by the independent non-executive Directors relating to the compliance with and enforcement of the Deed of Non-competition either in the annual report of our Company or by way of announcement(s) to the public. For the purposes of the above, the “Relevant Period” means the period commencing from the date on which the Deed of Non-competition becomes effective and shall expire on the earlier of (a) the date when each of the Covenantors and, as the case may be, any of their respective close associates collectively, cease to hold, or otherwise hold, beneficially in aggregate whether directly or indirectly, 30% or more (or such other percentage of shareholding as stipulated in the Listing Rules to constitute a controlling shareholder) of the issued share capital of our Company and is not in a position to control the composition of a majority of the Board; or (b) the date on which the Shares cease to be [REDACTED] on the Stock Exchange (except for temporary suspension of [REDACTED] of the Shares).

### CORPORATE GOVERNANCE MEASURES

Our Directors recognize the importance of good corporate governance to protect the interest of our minority 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 Shareholders 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) an Independent Board Committee comprising all independent non-executive Directors will be given the authority to decide and be responsible for deciding, without attendance by any Directors with beneficial or conflicting interest, the New Business Opportunities referred to our Group by our Controlling Shareholders (or their respective close associates other than members of our Group) and the exercise of the Pre-Emptive Right under the Deed of Non-competition. The Independent Board Committee, taken as a whole, has the relevant expertise and experience in deciding the New Business Opportunities or the exercise of the Pre-Emptive Right. For more details of the biographies of our independent non-executive Directors, see “Directors and Senior Management.” In addition, the Independent Board Committee

---

## RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS

---

may, at the costs of our Company and from time to time, engage independent financial advisers and other external professional advisers as they may consider necessary to advise them on the issues which relate to the above matters;

- (iv) any transaction between (or proposed to be made between) our Group and the connected persons shall comply with the relevant requirements of 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;
- (v) 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;
- (vi) our Company has appointed Zhongtai International Capital 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; and
- (vii) we [have established] the Audit Committee, the Remuneration Committee and the Nomination Committee with written terms of reference in compliance with the Listing Rules and the Code of Corporate Governance and Corporate Governance Report in Appendix 14 to the Listing Rules. The majority of the members of the aforementioned committees are independent non-executive Directors.