
RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS

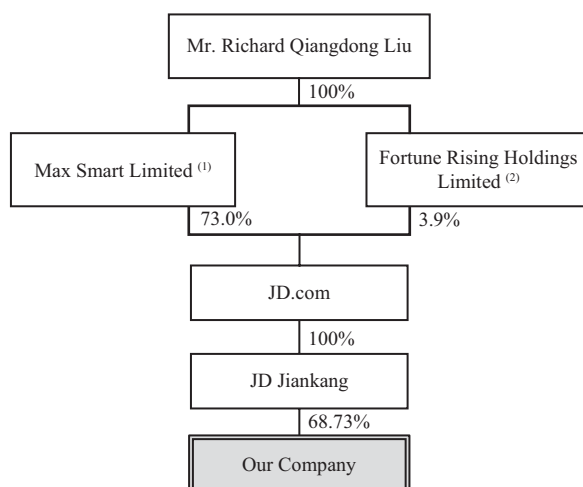
OUR CONTROLLING SHAREHOLDERS

As of the date of this document, JD.com, through its wholly-owned subsidiary JD Jiankang, is indirectly interested in 2,149,253,732 Shares, representing approximately 78.29% of our total issued share capital. Immediately after the completion of the Global Offering (assuming the Over-allotment Option is not exercised and excluding shares to be issued under the Pre-IPO ESOP, Post-IPO Share Option Scheme and Post-IPO Share Award Scheme), JD.com, through JD Jiankang, will control approximately 68.73% of our total issued share capital. Accordingly, our Company will remain as a subsidiary of JD.com after the Listing.

Further, as of the Latest Practicable Date, Mr. Richard Qiangdong Liu (JD.com's chairman and chief executive officer) is interested in and controls, through Max Smart Limited (a company beneficially owned by him through a trust and of which he is the sole director), 322,700 Class A ordinary shares in the form of ADSs and 421,507,423 Class B ordinary shares of JD.com. In addition, as of the Latest Practicable Date, Fortune Rising Holdings Limited (of which Mr. Richard Qiangdong Liu is the sole shareholder and the sole director) holds 22,743,428 Class B ordinary shares for the purpose of transferring such shares to the plan participants according to awards under JD.com's share incentive plan, and administers the awards and acts according to JD.com's instruction. As of the Latest Practicable Date, Mr. Liu holds approximately 76.9% of the voting rights in JD.com through shares capable of being exercised on resolutions in general meetings. Therefore, Mr. Liu, Max Smart Limited and Fortune Rising Holdings Limited will be deemed to be a Controlling Shareholder after the Listing, and together with JD.com and JD Jiankang, will constitute a group of Controlling Shareholders of our Company.

JD.com is a company incorporated in the BVI on November 6, 2006 and subsequently redomiciled to and registered by way of continuation in the Cayman Islands on January 16, 2014 as an exempted company under the laws of the Cayman Islands. JD.com's shares are listed on the Main Board (stock code: 9618) under Chapter 19C of the Listing Rules and its ADSs are listed on Nasdaq under the symbol "JD". JD.com is a leading technology driven e-commerce company transforming to become the leading supply chain based technology and service provider in the PRC.

The following diagram illustrates the ultimate beneficial interest of our Controlling Shareholders' voting rights for resolutions in general meetings with respect to matters, immediately following the completion of the Global Offering (assuming the Over-allotment Option is not exercised, the shares to be issued pursuant to JD.com's share incentive plan are not exercised and excluding shares to be issued under the Pre-IPO ESOP, Post-IPO Share Option Scheme and Post-IPO Share Award Scheme):



RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS

Notes:

- (1) Represents (i) 421,507,423 Class B ordinary shares of JD.com directly held by Max Smart Limited, and (ii) 161,350 restricted ADSs, representing 322,700 Class A ordinary shares of JD.com, owned by Max Smart Limited, as of the Latest Practicable Date. Max Smart Limited is a BVI company beneficially owned by Mr. Richard Qiangdong Liu through a trust and of which Mr. Richard Qiangdong Liu is the sole director.
- (2) Represents 22,743,428 Class B ordinary shares of JD.com held by Fortune Rising Holdings Limited, as of the Latest Practicable Date. Fortune Rising Holdings Limited holds these Class B ordinary shares for the purpose of transferring such shares to the plan participants according to the awards under JD.com's share incentive plan, and administers the awards and acts according to JD.com's instruction. Fortune Rising Holdings Limited exercises the voting power with respect to these shares according to JD.com's instruction. Fortune Rising Holdings Limited is a company incorporated in the BVI. Mr. Richard Qiangdong Liu is the sole shareholder and the sole director of Fortune Rising Holdings Limited.

Clear delineation of business

There is a clear delineation between our businesses and those of JD Group. We are the largest online healthcare platform and the largest online retail pharmacy by revenue in China in 2019, according to the Frost & Sullivan Report. Our technology-driven platform is centered on the supply chain of pharmaceutical and healthcare products and strengthened by healthcare services, encompassing a user's full life span for all healthcare needs. On the other hand, JD Group will continue to operate, among others, an online retail and marketplace e-commerce business offering a diverse range of products (excluding pharmaceutical products and services) and supply chain based technologies and services.

Our business and that of JD Group have distinct differences in terms of business focus and strategy and our Directors (including our independent non-executive Directors) do not believe that any direct or indirect competition is or is likely to be material in nature. A summary of these areas is set out below:

Our Retail Pharmacy Business

Our retail pharmacy business operates through three business models: direct sales, online marketplace and omnichannel initiative.

Our retail pharmacy business is generally intended to only be carried out by our Group, except certain protective equipment products via direct sales channel that are related to healthcare (e.g. thermometers and facemasks), which may also be sold on JD Group's platforms. One reason for such an overlap is that in light of the COVID-19 situation, many merchants that previously did not sell any pharmaceutical and healthcare products now provide facemasks and other protective equipment products (thus blurring the classification of such protective equipment products between healthcare products and consumable products), and suppliers of such protective equipment products are fragmented across various industry sectors. However, we do not believe that any potential competition with JD Group is likely to be material to us because:

- *Immaterial revenue contribution:* Such products via the direct sales retail channel in aggregate only accounted for approximately 3.5%, 2.6%, 1.9% and 9.3% of our Group's revenue for the three years ended December 31, 2017, 2018 and 2019 and the six months ended June 30, 2020, respectively. The increase in proportion of the protective equipment products being sold relative to our Group's revenue from the year ended December 31, 2019 to the six months ended June 30, 2020 was mainly due to the increase in purchases of facemasks and thermometers as a result of the COVID-19 outbreak.
- *Suppliers of protective equipment are highly fragmented:* It is also noted that the suppliers of protective equipment (e.g. facemasks and thermometers) are highly fragmented and

RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS

such an overlap between our Group and JD Group should not adversely impact the delineation between our Group and JD Group. Further, given (i) such protective equipment now straddle multiple product categories of daily necessities and maternal and child products (i.e. part of JD Group's business) and healthcare products (i.e. our Group's business), and (ii) protective equipment forms an important product offering under JD Group's maternal and child products category for an enhanced user experience, it would be commercially impracticable and not in accordance with market practice for JD Group to separate facemasks and thermometers from its business offerings of daily necessities and inject those product offerings solely into our Group.

- *Peripheral business:* The sale of protective equipment is peripheral to the businesses of both our Group and JD Group and JD Group has no intent to substantially develop this line of business in the foreseeable future. JD Group operates its own line of JD branded facemasks, and upon the Listing, JD Group will transfer the business of JD branded facemasks to our Group. The remaining protective equipment products still sold by JD Group will mainly include thermometers and facemasks for children (both under the maternal and child product category of JD Group)—these products only accounted for approximately 1.7%, 1.3%, 1.6% and 4.2% of our Group's revenue (enlarged to take into account the revenue attributed to the JD branded facemasks) for the three years ended December 31, 2017, 2018 and 2019 and six months ended June 30, 2020. In the unlikely event of the proportion of the remaining protective equipment sold by JD Group exceeds 10% of our Group's total revenue, JD Group and our Group are prepared to transfer such remaining protective equipment to our Group by reaching an agreement with the relevant third parties to transfer the relevant procurement contracts from JD Group to our Group over a period of six months thereafter. Our audit committee will review the proportion of the revenue generated from the remaining protective equipment sold by JD Group relative to our Group's revenue on an annual basis and will make adequate disclosure on an ongoing basis in our Company's annual report after the Listing.

With regards to our retail pharmacy business's online marketplace, our Group and JD Group have clear guidelines and systems in place to ensure that the third-party merchants on our online marketplace can only register for one category of products they primarily sell and the registration of third-party merchants will not overlap between JD Group and our Group. Such internal guidelines and systems include our Group and JD Group providing a list of product categories for the third party merchants to select from. The third party merchants will register for one product category that is in line with and most relevant to their principal business activities, and will be required to provide the proof of relevant business licenses, permits and/or licenses from governmental authorities as applicable. With regards to the omnichannel initiative of our retail pharmacy business, JD Group is not engaged in the provision of such services similar to those of our Group.

Moreover, we currently and will continue to leverage the online platforms of JD Group which serve as sales channels for our Group's healthcare products. See the section "Connected Transactions—Non-Exempt and Partially Exempt Continuing Connected Transactions" in this document and "—Operational Independence" in this section for more details. In this regard, it is submitted that such collaboration is, rather than competing, complementary to both JD Group and our Group's businesses considering that (i) JD Group does not provide healthcare products and services other than through our Group (and as disclosed in this section) and (ii) JD Group is a leading retailer in China and has a leading market position in China's e-commerce industry, which are and will be highly beneficial for the sale of our Group's products and services.

RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS

Our Online Healthcare Service Business

Our Group also provides online healthcare services, which include:

- *Online hospital services.* Our online hospital services primarily include online consultation and prescription renewal, chronic disease management and family doctor service. These services are provided by our in-house and external medical teams.
- *Consumer healthcare services.* We also list a variety of consumer healthcare services provided by offline consumer healthcare providers, including general physical exams, aesthetic medicines, dental care, vaccination appointments and genetic tests. Users can make appointments and pay for these services on our platform.

JD Group is not engaged in the provision of any online healthcare services similar to those of our Group. Such online healthcare services are intended to only be carried out by our Group.

On the basis of the differences as set forth above, we consider that apart from their interest in our Company, our Controlling Shareholders and our Directors do not currently control a business similar to the principal business of our Group that competes or is likely to compete, either directly or indirectly, with our Group's 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 their respective close associates after the Listing.

Management independence

Our business is managed and conducted by our Board and senior management. Our Board comprises one executive Director, five non-executive Directors and three independent non-executive Directors.

The Directors are of the view that our Board and our senior management are capable of operating our business and managing all actual or potential conflicts of interest independently of JD Group for the following reasons:

- Except for Richard Qiangdong Liu, Lei Xu, Sandy Ran Xu and Yayun Li, there will not be any overlap between JD Group and our Company in terms of directors and senior management. Richard Qiangdong Liu is the chairman of the board of directors of JD.com, while Lei Xu, Sandy Ran Xu and Yayun Li hold senior management positions with JD Group. Richard Qiangdong Liu, Lei Xu, Sandy Ran Xu and Yayun Li are all non-executive directors of our Company and will not be involved in the day-to-day management and operations of our business. They will provide strategic advice to our Company. See the section headed "Directors and Senior Management" in this document for their roles within JD Group.
- The executive Director and our senior management members are responsible for the day-to-day management of our business and none of them holds any directorships and/or other roles within JD Group.
- All of our independent non-executive Directors are independent of JD Group and are professionals having extensive experience in their respective areas of expertise. See the

RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS

section headed “Directors and Senior Management” in this document for more details. Our independent non-executive Directors are appointed in accordance with the requirements under the Listing Rules to ensure that the decisions of our Board are made only after due consideration of independent and impartial opinions. None of our independent non-executive Directors are directors of JD Group or otherwise connected with JD Group in any manner that may affect their independent judgment or independence as required under the Listing Rules.

- Each Director is aware of his fiduciary duties as a director which require, among others, that he acts for the benefit and in the interest of our Company and does not allow any conflict between his duties as a Director and his personal interests. In the event that there is a potential conflict of interest arising out of any transaction to be entered into between our Group and our Directors or their respective associates, the interested Director(s) shall not vote and shall not be counted in the quorum in respect of such transactions. See “—Corporate governance measures” for other corporate governance measures we have adopted to manage conflicts of interest, if any, between our Group and our Controlling Shareholders.

Based on the above, our Directors believe that our business is managed independently of our Controlling Shareholders.

Although, as of the Latest Practicable Date, Lijun Xin (our executive Director and chief executive officer) held share awards in JD.com under its share incentive plan, representing 0.01% of equity interest, and approximately 0.003% of the voting power, in JD.com; the Company does not believe that his interest in JD.com constitutes material interest that compromises his independence of judgment in discharging his fiduciary duty as a director of the Group and therefore requires him to abstain from voting at the Board meetings in respect of matters involving JD Group after Listing.

Operational independence

Save as disclosed in the sections headed “Business—Intellectual Property”, “Business—Licenses, Approvals and Permits” and “Connected Transactions—Exempt Continuing Connected Transaction—1. IP Licensing Framework Agreement” in this document, our Group holds all material licenses and owns all material intellectual properties (or rights to use intellectual properties) and research and development facilities necessary to carry on our business. We have sufficient capital, facilities, equipment and employees to operate our business independently from our Controlling Shareholders. Apart from administration, human resources, legal and other general administrative services which will be provided by JD Group to our Group as set out in the section headed “Connected Transaction—Non-Exempt and Partially-Exempt Continuing Connected Transactions—10. Shared Services Framework Agreement”, we have established our own accounting and internal audit departments which operate independently from JD Group. We have also adopted a set of internal control procedures to maintain effective and independent operation of our business.

We also have independent access to our customers and an independent management team to operate our business. To the best knowledge of our Directors, save in respect of the ongoing services provided to us, and expected to continue to be provided to us, by JD Group and its associates as further described in the section headed “Connected Transactions” in this document, all of our suppliers are Independent Third Parties.

Given that our Group’s businesses are executed and leveraged on JD Group’s platforms, we have entered into a number of transactions with JD Group which constitute the framework for our

RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS

business cooperation with JD Group. The transactions between us and JD Group constitute a significant proportion of our business transactions and collaborative arrangements. For example, the historical amounts related to Technology and Traffic Support Services Framework Agreement accounted for approximately 24.6%, 25.4%, 22.2% and 23.3%, of our Group's operating expenses for the three years ended December 31, 2019 and six months ended June 30, 2020, respectively, while the historical amounts related to the Logistics Services Framework Agreement accounted for approximately 42.1%, 39.5%, 34.4% and 32.5% of our Group's operating expenses for the three years ended December 31, 2019 and six months ended June 30, 2020, respectively (as if such arrangements existed throughout the Track Record Period). See the section headed "Connected Transactions" in this document for further details of and the reasons for entering into these transactions.

Technology and Traffic Support Framework Agreement, Loyalty Program Framework Agreement, Payment Cooperation Framework Agreement

Although we have set up individual websites which will eventually lead the consumers back to JD Group's platforms for payment processing, our Group's businesses are executed and leveraged on JD Group's platforms. Further, consumers on our individual websites will eventually be led back to JD Group's platforms for payment processing. This achieves consistency and synergies between JD Group and our Group's platforms and also ensures a consistent and superior customer experience, and will lead to increased user growth and stickiness, mutually benefitting both JD Group and our Group.

As such, we extensively use and leverage on the following services and platforms offered by JD Group to facilitate the online sales and marketing of our products and services, including technology and traffic support services, sharing of loyalty programs and payment services arrangements.

While we rely on JD Group for such services, the roles of JD Group (as a leading operator of online platforms and related services in the PRC) and of our Group (as the provider of healthcare products and services) are highly complementary and beneficial to each other. Given that JD Group enjoys a leading position in the PRC's e-commerce industry with an extensive network coverage (including but not limited to websites and software, smartphone applications) and a large user base, it is natural for, and in the best interest of, our Group to cooperate with and leverage on JD Group for the sale of our healthcare products and services, when our Group is still at its early stage of business development. In addition, there is no provision in the relevant framework agreements that JD Group has the right to terminate such agreements unilaterally without reasonable cause.

See the sections headed "Connected Transactions—Non-Exempt and Partially Exempt Continuing Connected Transactions—2. Technology and Traffic Support Services Framework Agreement", "Connected Transactions—Non-Exempt and Partially Exempt Continuing Connected Transactions—3. Loyalty Program Framework Agreement" and "Connected Transactions—Non-Exempt and Partially Exempt Continuing Connected Transactions—9. Payment Cooperation Framework Agreement" in this document for further details of and reasons for entering into these transactions.

Logistics Services Framework Agreement

Given that a large proportion of transactions of our Group's businesses are executed and leveraged on JD Group's platforms, it is also natural for our Group to utilize the various logistics

RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS

services provided by JD Group. However, we are of the view that we do not and will not significant rely on JD Group for logistics services for the following reasons:

- Given that JD Group enjoys a leading position in the PRC's logistics services industry with an extensive network coverage (including but not limited to warehouses and delivery personnel), it is natural for, and in the best interest of, our Group to cooperate with JD Group to ensure efficient and reliable logistics services to enable its products to be safely and promptly delivered to our customers.
- The roles of JD Group (as the operator of logistics services) and of our Group (as the provider of healthcare products and services) are highly complementary and beneficial to each other.
- We are not and will not be bound to sell our healthcare products and services through JD Group's logistics services, and our Group is and will be open to all forms of cooperation with the operators of other logistics channels which are independent from JD Group.

See the section headed "Connected Transactions—Non-Exempt and Partially Exempt Continuing Connected Transactions—5. Logistics Services Framework Agreement" in this document for further details of and reasons for entering into these transactions.

Other Transactions

In addition, we have the following transactions with JD Group which constitute non-exempt continuing connected transactions under Chapter 14A of the Listing Rules:

JD Sales Framework Agreement

Large corporate customers usually buy a wide range of products from JD Group in bulk, and healthcare products are only a portion of the entire products procured by such customers. Given that large corporate customers have already signed procurement agreements directly with JD Group and would prefer a single point of contact (instead of two points of contact split between JD Group and our Group), the JD Group purchases certain healthcare products from our Group as a de facto agent, and, the JD Group then sells those healthcare products onwards to the corporate customers.

We are of the view that we do not and will not significantly rely on JD Group for sales of our healthcare products to corporate customers for the following reasons:

- Such an arrangement is mutually beneficial to both JD Group and our Group. With a single point of contact for the customers, it increases customer satisfaction of products and service offerings of both the JD Group and our Group. JD Group is merely a de facto agent of our Group with regard to JD Sales Framework Agreement, and this arrangement is only for the convenience of third party corporate customers who prefer a single point of contact for payment processing and contracts.
- The prices of the healthcare products supplied to the corporate customers through JD Group are and will be determined directly by our Group and the relevant corporate customers (i.e. JD Group does not negotiate with the corporate customers on behalf of our Group).
- JD Group does not and will not charge our Group any service fees in the process.

RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS

- With the expected increasing public awareness of our Group as an independent operating group from JD Group after the Listing, our Group plans to sign contracts directly with such large corporate customers going forwards where practicable. Our Group is able to reach out to those corporate customers directly instead of selling through JD Group, and has done so and will increasingly do so going forward.
- In addition, having considered the short to mid-term impact of COVID-19, JD Group is likely to continue to make in-kind donations to medical institutions, companies and communities in need and continue to purchase healthcare products from our Group on a cost basis for COVID-19 relief efforts. Our Group does not anticipate these transactions to be recurring in long run and will assess the need of continuing these transactions before the expiry of the JD Sales Framework Agreement.

See the section headed “Connected Transactions—Non-Exempt and Partially Exempt Continuing Connected Transactions—4. JD Sales Framework Agreement” in this document for further details of and reasons for entering into these transactions.

Marketing Services Framework Agreement

JD Group and our Group provide certain marketing services to each other, including but not limited to the display of advertisements on various platforms and resources of JD Group and our Group in return for the marketing fees. Advertisements placed by third parties on our Group or JD Group’s platforms and resources will be subject to marketing service charges depending on which platform or resource the advertisement is placed on and whether JD Group or our Group sourced the third party advertisers.

We are of the view that we do not and will not significantly rely on JD Group for revenue generated from such marketing services or on JD Group for their marketing services for the following reasons:

- From the third parties’ perspective, being able to place advertisements on both JD Group and our Group’s platforms through one sales channel is convenient and allows for an enhanced customer experience and is therefore mutually beneficial to both JD Group and our Group.
- Such marketing services to our Group is ancillary and peripheral in nature, and does not form a core part of our business.

See the section headed “Connected Transactions—Non-Exempt and Partially Exempt Continuing Connected Transactions—6. Marketing Services Framework Agreement” in this document for further details of and reasons for entering into these transactions.

Procurement Services Framework Agreement

We procure certain overseas inventories for our retail pharmacy business together with and through JD Group mainly for convenience of our third party suppliers allowing for one point of contact between JD Group and our Group.

We are of the view that we do not and will not significantly rely on JD Group for procurement of inventory for the following reasons:

- Such an arrangement is mutually beneficial to both JD Group and our Group, as it allows for a single point of contact for the third party suppliers.

RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS

- Our Group does and is able to reach out to those third party suppliers directly instead of procuring through JD Group. We are not bound and will not be bound to purchase such inventories through JD Group, and our Group expects that it will independently procure its overseas sourced inventory on an increasing basis in the future.

See the section headed “Connected Transactions—Non-Exempt and Partially Exempt Continuing Connected Transactions—7. Procurement Services Framework Agreement” in this document for further details of and reasons for entering into these transactions.

Promotion Services Framework Agreement

We place advertisements on third party platforms together with JD Group, as collective purchase allows for increased economies of scale, increased efficiency, and lower costs for both parties.

We are of the view that we do not and will not significantly rely on JD Group for promotion services for the following reasons:

- Placing advertisements on third party platforms together with JD Group is beneficial to both JD Group and our Group, as collective purchase allows for increased economies of scale, increased efficiency, and lower costs for both parties.
- Our Group is able to reach out to those third party platforms directly instead of placing advertisements together with JD Group, and may consider doing so in the future should it serve the best interests of our Group and our Shareholders.

See the section headed “Connected Transactions—Non-Exempt and Partially Exempt Continuing Connected Transactions—8. Promotion Services Framework Agreement” in this document for further details of and reasons for entering into these transactions.

Shared Services Framework Agreement

JD Group provides us back-office administrative support services, including but not limited to cloud service, provision of servers, information technology support service, maintenance and related customer services, certain human resources services, in addition to certain shared services, including office premises sharing and leasing, transportation and canteen facilities for staff, administrative purchases and various support services.

See the section headed “Connected Transactions—Non-Exempt and Partially Exempt Continuing Connected Transactions—10. Shared Services Framework Agreement” in this document for further details of and reasons for entering into these transactions. We are of the view that we do not and will not significantly rely on JD Group as a result of JD Group’s provision of these services considering (i) their ancillary and peripheral nature, (ii) such transactions promote better cooperation between our Group and JD Group and are thus of mutual benefit to both parties and (iii) the fact that we could if necessary obtain similar services from Independent Third Parties. These administrative services only relate to the peripheral aspects of our Group’s business operations that can be easily replicated by our Group should it choose to do so, and therefore these services will not give rise to any operational independence issue.

RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS

Based on the above, our Directors believe that our business is operationally independent of our Controlling Shareholders.

Financial independence

Our Group has an independent financial system and makes financial decisions according to our Group's own business needs. We have an independent internal control and accounting systems and also have an independent finance department. We are capable of obtaining financing from third parties, if necessary, without reliance on our Controlling Shareholders.

Other than certain accounts receivables and accounts payables arising from the normal course of business, there are no loans or other forms of financial assistance provided by JD Group or its associates, there are no outstanding loans or guarantees provided by, or granted to, our Controlling Shareholders or their respective associates. In addition, it is expected that all outstanding accounts receivables and accounts payables between JD Group and our Group will be settled prior to the Listing.

Based on the above, our Directors believe that our business is financially independent of our Controlling Shareholders.

CORPORATE GOVERNANCE MEASURES

Our Directors recognize the importance of good corporate governance in protecting our Shareholders' interests. We will adopt the following corporate governance measures to resolve actual or potential conflict of interests between our Group and our Controlling Shareholders:

- (a) under the Articles, where any member is, under the Listing Rules, required to abstain from voting only for or only against any particular resolution proposed at a Shareholders' meeting, any votes cast by or on behalf of such member in contravention of such requirement or restriction shall not be counted in the quorum in respect of such transactions;
- (b) our Company has established internal control mechanisms to identify connected transactions, and we will comply with the applicable Listing Rules if we enter into connected transactions with our Controlling Shareholders or any of their associates after Listing;
- (c) the independent non-executive Directors will review, on an annual basis, whether there is any conflict of interests between our Group and our Controlling Shareholders (the "**Annual Review**") (including review of the composition of the Board and consider whether the Board, in light of the management overlap and the matters requiring the overlapping Directors to abstain from voting, can maintain effective functioning) and provide impartial and professional advice to protect the interests of our minority Shareholders;
- (d) our Controlling Shareholders will undertake to provide all information necessary or requested by the independent non-executive Directors for the Annual Review, including all relevant financial, operational and market information;
- (e) where our Directors reasonably request the advice of independent professionals, such as financial advisers, the appointment of such independent professionals will be made at our Company's expenses; and

RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS

- (f) we have appointed Haitong International Capital Limited as our compliance adviser for the period prescribed by the Listing Rules 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.

Based on the above, our Directors believe that sufficient corporate governance measures have been put in place to manage conflicts of interest between our Group and our Controlling Shareholders, and to protect minority Shareholders' interests after the Listing.