

WAIVERS AND EXEMPTIONS

In preparation for the [REDACTED], we have sought the following waivers from strict compliance with the relevant provisions of the Listing Rules and exemptions from strict compliance with the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

MANAGEMENT PRESENCE IN HONG KONG

Pursuant to Rule 8.12 of the Listing Rules, an issuer must have a sufficient management presence in Hong Kong. This normally means that at least two of its executive directors must be ordinarily resident in Hong Kong.

The headquarters, senior management and business operations of our Group are primarily based, managed and conducted outside Hong Kong. As our executive Directors and senior management play very important roles in our business operations, we consider that it is in the best interest of our Company for them to be based in the place where our Group has significant operations. As such, our Company does not, and will not for the foreseeable future, have a sufficient management presence in Hong Kong for the purpose of satisfying the requirement under Rule 8.12 of the Listing Rules.

Accordingly, we have applied to the Stock Exchange for, and the Stock Exchange [has] granted us, a waiver from strict compliance with the requirement under Rule 8.12 of the Listing Rules. We will ensure that there is an effective channel of communication between us and the Stock Exchange by way of the following arrangements:

- (a) we have appointed Dr. Tian and Ms. Ingrid Pui Kiu Wong (黃沛翹) ("**Ms. Wong**"), our joint company secretary, as our authorized representatives pursuant to Rule 3.05 of the Listing Rules. Our authorized representatives will act as our principal channel of communication with the Stock Exchange. They will be readily contactable by phone, email, and/or facsimile to promptly deal with enquiries from the Stock Exchange, and will also be available to meet with the Stock Exchange to discuss any matter within a reasonable period of time upon request of the Stock Exchange;
- (b) when the Stock Exchange wishes to contact our Directors on any matter, our authorized representatives will have all necessary means to contact all of our Directors (including our independent non-executive Directors) promptly at all times. Our Company will also inform the Stock Exchange promptly in respect of any change in our authorized representatives. We have provided the Stock Exchange with the contact details of all Directors to facilitate communication with the Stock Exchange;
- (c) all Directors who do not ordinarily reside in Hong Kong possess or can apply for valid travel documents to visit Hong Kong and can meet with the Stock Exchange within a reasonable period upon request of the Stock Exchange; and

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- (d) we have appointed SPDB International Capital Limited as our Compliance Advisor upon the [REDACTED] pursuant to Rule 3A.19 of the Listing Rules for a period commencing on the [REDACTED] and ending on the date on which we comply with Rule 13.46 of the Listing Rules in respect of our financial results for the first full financial year commencing after the [REDACTED]. The Compliance Advisor will have access at all times to our authorized representatives, Directors and senior management, and will act as an additional channel of communication with the Stock Exchange when our authorized representatives are not available.

APPOINTMENT OF JOINT COMPANY SECRETARY

Pursuant to Rules 3.28 and 8.17 of the Listing Rules, the company secretary of an issuer must be an individual who, by virtue of his or her academic or professional qualifications or relevant experience, is, in the opinion of the Stock Exchange, capable of discharging the functions of company secretary.

Note 1 to Rule 3.28 of the Listing Rules further provides that the Stock Exchange considers the following academic or professional qualifications to be acceptable:

- (a) a member of The Hong Kong Chartered Governance Institute;
- (b) a solicitor or barrister as defined in the Legal Practitioners Ordinance (Chapter 159 of the Laws of Hong Kong); and
- (c) a certified public accountant as defined in the Professional Accountants Ordinance (Chapter 50 of the Laws of Hong Kong).

Note 2 to Rule 3.28 of the Listing Rules further sets out the factors that the Stock Exchange will consider in assessing an individual's "relevant experience":

- (a) length of employment with the issuer and other issuers and the roles he or she played;
- (b) familiarity with the Listing Rules and other relevant laws and regulations including the SFO, the Companies Ordinance, the Companies (Winding Up and Miscellaneous Provisions) Ordinance and the Takeovers Code;
- (c) relevant training taken and/or to be taken in addition to the minimum requirement under Rule 3.29 of the Listing Rules; and
- (d) professional qualifications in other jurisdictions.

All our Directors and senior management who are familiar with our activities and have extensive experience in board and corporate management matters presently do not possess any of the qualifications under Rule 3.28 of the Listing Rules, and may not be able to solely fulfill the requirements of the Listing Rules.

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We propose to appoint Ms. Yu Zhang (張瑜) (“**Ms. Zhang**”) and Ms. Wong as our joint company secretaries. Although Ms. Zhang does not possess the qualifications under Rule 3.28 of the Listing Rules, we would like to appoint her as a joint company secretary due to her experience in board affairs and investor relations, as well as her familiarity with our business operations and internal management.

Accordingly, we have applied to the Stock Exchange for, and the Stock Exchange [has] granted us, a waiver from strict compliance with the requirements under Rules 3.28 and 8.17 of the Listing Rules in relation to the appointment of Ms. Zhang as our joint company secretary. Pursuant to paragraphs 13 and 15 of Chapter 3.10 of the Guide, the waiver will be for a three-year period from the [REDACTED] (the “**Waiver Period**”) and on the following conditions: (i) the proposed company secretary must be assisted by a person who possesses the qualifications or experience as required under Rule 3.28 of the Listing Rules (the “**Qualified Person**”) and is appointed as a joint company secretary throughout the Waiver Period, and (ii) the waiver can be revoked if there are material breaches of the Listing Rules by the issuer.

We have appointed Ms. Wong, an associate of The Hong Kong Chartered Governance Institute, who is a Qualified Person, as a joint company secretary to provide assistance to Ms. Zhang during the Waiver Period so as to enable Ms. Zhang to acquire the relevant experience as required under Note 2 to Rule 3.28 of the Listing Rules to duly discharge her duties. Given Ms. Wong’s professional qualifications and experience, she will be able to explain to both Ms. Zhang and our Company the relevant requirements under the Listing Rules. Ms. Wong will also assist Ms. Zhang in organizing Board meetings and Shareholders’ meetings as well as other matters which are incidental to the duties of a company secretary. She is expected to work closely with Ms. Zhang, and will maintain regular contact with Ms. Zhang, our Directors and senior management. In addition, Ms. Zhang will comply with the annual professional training requirement under Rule 3.29 of the Listing Rules and will enhance her knowledge of the Listing Rules during the Waiver Period. Ms. Zhang will also be assisted by (i) the Compliance Advisor, particularly in relation to compliance with the Listing Rules, and (ii) the Hong Kong legal advisor of our Company on matters concerning our Company’s ongoing compliance with the Listing Rules and the applicable laws and regulations. The waiver will be revoked with immediate effect if Ms. Wong ceases to provide assistance to Ms. Zhang during the Waiver Period or there are material breaches of the Listing Rules by our Company. If Ms. Wong ceases to be a joint company secretary before the end of the Waiver Period, our Company will seek another waiver from the Stock Exchange in relation to appointing another Qualified Person as a replacement.

We will liaise with the Stock Exchange before the end of the Waiver Period to enable it to assess whether Ms. Zhang, having had the benefit of Ms. Wong’s and, if applicable, another Qualified Person’s assistance for three years, has acquired relevant experience within the meaning of Rule 3.28 of the Listing Rules so that a further waiver will not be necessary.

For further information regarding the qualifications and experience of Ms. Zhang and Ms. Wong, see “Directors and Senior Management.”

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FINANCIAL STATEMENTS IN THIS DOCUMENT

Pursuant to section 342(1)(b) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance, the prospectus must state the matters specified in Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance (the "**Third Schedule**") and set out the reports specified in Part II of the Third Schedule.

Pursuant to paragraph 27 of Part I of the Third Schedule, the prospectus must specify a statement as to the gross trading income or sales turnover (as may be appropriate) of the company during each of the three financial years immediately preceding the issue of the prospectus including an explanation of the method used for the computation of such income or turnover, and a reasonable breakdown between the more important trading activities.

Pursuant to paragraph 31 of Part II of the Third Schedule, the prospectus must set out a report by the auditors of the company with respect to (i) profits and losses of the company for each of three financial years immediately preceding the issue of the prospectus, and (ii) assets and liabilities of the company at the last date of each of the three financial years immediately preceding the issue of the prospectus.

Pursuant to section 342A(1) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance, the SFC may issue, subject to such conditions (if any) as the SFC thinks fit, a certificate of exemption from compliance with the relevant requirements under the Companies (Winding Up and Miscellaneous Provisions) Ordinance if, having regard to the circumstances, the SFC considers that the exemption will not prejudice the interest of the investing public and compliance with any or all of those requirements would be irrelevant or unduly burdensome, or is otherwise unnecessary or inappropriate.

Pursuant to Rule 4.04(1) of the Listing Rules, the consolidated results of the issuer and its subsidiaries in respect of each of the three financial years immediately preceding the issue of the listing document or such shorter period as may be acceptable to the Stock Exchange must be included in the accountants' report to its prospectus.

Pursuant to Rule 18A.06 of the Listing Rules, a biotech company must comply with Rule 4.04 of the Listing Rules modified so that references to "three financial years" or "three years" in that Rule shall instead reference to "two financial years" or "two years," as the case may be.

Accordingly, we have applied to the SFC for an exemption from strict compliance with the requirements under section 342(1)(b) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance in relation to paragraph 27 of Part I and paragraph 31 of Part II of the Third Schedule on the following grounds:

- (a) our Company is a global leader in integrated circuit biotechnology, and falls within the scope of biotech company as defined under Chapter 18A of the Listing Rules;
- (b) the Accountants' Report for the two years ended December 31, 2023 and 2024 has been disclosed in this document and set out in Appendix I to this document in accordance with Rule 18A.06 of the Listing Rules;

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- (c) notwithstanding that the financial results set out in this document are only for the two years ended December 31, 2023 and 2024 in accordance with Chapter 18A of the Listing Rules, other information required to be disclosed under the Listing Rules and the Companies (Winding Up and Miscellaneous Provisions) Ordinance has been adequately disclosed in this document pursuant to the relevant requirements;
- (d) as Chapter 18A of the Listing Rules provides a track record period of two years for biotech companies in terms of financial disclosure, strict compliance with section 342(1)(b) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance in relation to paragraph 27 of Part I and paragraph 31 of Part II of the Third Schedule would be unduly burdensome for our Company; and
- (e) our Directors are of the view that the Accountants' Report covering the two years ended December 31, 2023 and 2024, together with other disclosures in this document, have already provided the [REDACTED] public with adequate and reasonably up-to-date information in the circumstances to make an informed assessment of the business, assets and liabilities, financial position, management and prospects and to form a view on the track record of our Company. Therefore, the exemption would not prejudice the interest of the [REDACTED] public.

The SFC [has] granted us a certificate of exemption under section 342A of the Companies (Winding Up and Miscellaneous Provisions) Ordinance from strict compliance with paragraph 27 of Part I and paragraph 31 of Part II of the Third Schedule on the conditions that (i) particulars of the exemption are set out in this document, and (ii) this document will be issued on or before [REDACTED].

EQUITY INCENTIVE PLAN

Pursuant to Rule 17.02(1)(b) of the Listing Rules, full details of all outstanding options and awards and their potential dilution effect on the shareholdings upon listing as well as the impact on the earnings per share arising from the issue of shares in respect of such outstanding options or awards must be disclosed in the prospectus.

Pursuant to paragraph 27 of Appendix D1A to the Listing Rules, the listing document should contain particulars of any capital of any member of the group which is under option, or agreed conditionally or unconditionally to be put under option, including the consideration for which the option was or will be granted and the price and duration of the option, and the name and address of the grantee, or an appropriate negative statement, provided that where options have been granted or agreed to be granted to all the members or debenture holders or to any class thereof, or to employees under a share option scheme, it shall be sufficient, so far as the names and addresses are concerned, to record that fact without giving the names and addresses of the grantees.

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Pursuant to section 342(1)(b) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance, the prospectus must state the matters specified in Part I of the Third Schedule.

Pursuant to paragraph 10 of Part I of the Third Schedule, the number, description and amount of any shares in or debentures of the company which any person has, or is entitled to be given, an option to subscribe for, together with the particulars of the option, that is to say, (a) the period during which it is exercisable; (b) the price to be paid for shares or debentures subscribed for under it; (c) the consideration (if any) given or to be given for it or for the right to it; and (d) the names and addresses of the persons to whom it or the right to it was given or, if given to existing shareholders or debenture holders as such, the relevant shares or debentures must be specified in the prospectus.

As of the Latest Practicable Date, our Company had granted outstanding share options and share awards under the Equity Incentive Plan to 63 grantees to subscribe for an aggregate of 15,293,610 Shares, among which share options and share awards representing 60,000 Shares were granted to our Directors, and share options and share awards representing 15,233,610 Shares were granted to 60 other employees and consultants of our Group.

The Shares underlying the outstanding share options and share awards granted under the Equity Incentive Plan represent approximately [REDACTED]% of the total issued share capital of our Company immediately following the completion of the [REDACTED] (assuming that the [REDACTED] is not exercised and without taking into account any Shares which may be allotted and issued under the Equity Incentive Plan).

We have applied to (i) the Stock Exchange for a waiver from strict compliance with the requirements under Rule 17.02(1)(b) of, and paragraph 27 of Appendix D1A to, the Listing Rules, and (ii) the SFC for an exemption from strict compliance with paragraph 10(d) of Part I of the Third Schedule pursuant to section 342A of the Companies (Winding Up and Miscellaneous Provisions) Ordinance in connection with the disclosure of certain details relating to the share options and share awards granted under the Equity Incentive Plan and the relevant grantees on the ground that (i) full compliance with such disclosure requirements would be unduly burdensome for our Company, and (ii) the waiver and the exemption would not prejudice the interest of the [REDACTED] public for the following reasons:

- (a) given that 63 grantees are involved, our Directors consider that it would be unduly burdensome to disclose full details of all the share options and share awards granted under the Equity Incentive Plan in this document, which would involve a considerable number of pages of content to be included in this document, significantly increasing the cost and timing for information compilation and document preparation;

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- (b) the key information of the Equity Incentive Plan is disclosed in this document, including (i) a summary of the principal terms of the Equity Incentive Plan, (ii) the aggregate number of Shares subject to share options and share awards granted under the Equity Incentive Plan and the percentage of Shares of which such number represents, (iii) the potential dilution effect on the shareholdings and the impact on the earnings per Share upon full exercise of the share options and share awards immediately following the completion of the [REDACTED], (iv) the details of the share options and share awards granted to our Directors under the Equity Incentive Plan, including exercise prices, grant dates, vesting periods and the percentage of the total issued share capital of our Company represented immediately following the completion of the [REDACTED];
- (c) the grant and exercise in full of the share options and share awards granted under the Equity Incentive Plan will not cause any material adverse impact to the financial position of our Group; and
- (d) the lack of full compliance with the disclosure requirements set out above will not prevent potential [REDACTED] from making an informed assessment of the activities, assets and liabilities, financial position, management and prospects of our Group and will not prejudice the interests of any potential [REDACTED].

The Stock Exchange [has] granted us a waiver from strict compliance with the requirements under Rule 17.02(1)(b) of, and paragraph 27 of Appendix D1A to, the Listing Rules with respect to the share options and share awards granted under the Equity Incentive Plan, subject to the following conditions:

- (a) the grant of a certificate of exemption from strict compliance with the relevant requirements under the Companies (Winding Up and Miscellaneous Provisions) Ordinance by the SFC;
- (b) on an individual basis, full details of the outstanding share options granted under the Equity Incentive Plan to each of our Directors containing all the particulars required under Rule 17.02(1)(b) of, and paragraph 27 of Appendix D1A to, the Listing Rules, and paragraph 10(d) of Part I of the Third Schedule are disclosed in this document;
- (c) on an individual basis, full details of the outstanding share awards granted under the Equity Incentive Plan to each of our Directors containing all the particulars required under Rule 17.02(1)(b) of the Listing Rules are disclosed in this document;
- (d) with respect to the outstanding share options and share awards granted to other grantees under the Equity Incentive Plan, on an aggregate basis, details including the number of such grantees and the number of Shares subject to the share options and share awards, the consideration paid for the grant of the share options and share awards, the grant dates and vesting period of the

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share options and share awards granted, the percentage of the total issued share capital of our Company represented immediately following the completion of the [REDACTED] are disclosed in this document;

- (e) a summary of the principal terms of the Equity Incentive Plan are disclosed in "Appendix IV — Statutory and General Information — D. Equity Incentive Plan";
- (f) a full list of all the grantees who had been granted share options and share awards to subscribe for the Shares under the Equity Incentive Plan containing all the particulars required under Rule 17.02(1)(b) of, and paragraph 27 of Appendix D1A to, the Listing Rules, and paragraph 10(d) of Part I of the Third Schedule are made available for public inspection in accordance with "Appendix V — Documents Delivered to the Registrar of Companies and Available on Display — Document Available for Inspection"; and
- (g) the particulars of the waiver are disclosed in this document.

The SFC [has] granted us a certificate of exemption under section 342A of the Companies (Winding Up and Miscellaneous Provisions) Ordinance from strict compliance with paragraph 10(d) of Part I of the Third Schedule, subject to the following conditions:

- (a) on an individual basis, full details of the outstanding share options granted under the Equity Incentive Plan to each of our Directors containing all the particulars required under paragraph 10(d) of Part I of the Third Schedule are disclosed in this document;
- (b) with respect to the outstanding share options granted to other grantees under the Equity Incentive Plan, on an aggregate basis, details including the number of such grantees and the number of Shares subject to the share options, the consideration paid for the grant of the share options, the grant dates and vesting period of the share options, the percentage of the total issued share capital of our Company represented immediately following the completion of the [REDACTED] are disclosed in this document;
- (c) a full list of all the grantees who had been granted share options to subscribe for the Shares under the Equity Incentive Plan containing all the particulars required under paragraph 10(d) of Part I of the Third Schedule are made available for public inspection in accordance with "Appendix V — Documents Delivered to the Registrar of Companies and Available on Display — Document Available for Inspection";
- (d) the particulars of the exemption are disclosed in this document; and
- (e) this document is issued on or before [REDACTED].