In preparation for the **[REDACTED]**, we have sought the following waivers from strict compliance with the Listing Rules and exemption from the CWUMPO.

Rules	Subject matter
Rules 8.12 and 19A.15 of the Listing Rules	Management presence in Hong Kong
Rules 3.28 and 8.17 of the Listing Rules	Appointment of joint company secretaries
Paragraph 26 of Appendix D1A to the Listing Rules	Particulars of any alterations in the capital of any member of our Group
Rule 17.02(1)(b) of, and Paragraph 27 of Appendix D1A to the Listing Rules	
Paragraph 10 of Part I of the Third Schedule to the CWUMPO	Disclosure requirements in respect of share incentive plans
[REDACTED]	**[REDACTED]**
Paragraph 6 of the Third Schedule to the CWUMPO	Disclosure of Directors' residential addresses
Rules 4.04(2) and 4.04(4)(a) of the Listing Rules	Acquisitions after the Track Record Period

WAIVER IN RESPECT OF MANAGEMENT PRESENCE IN HONG KONG

Pursuant to Rules 8.12 and 19A.15 of the Listing Rules, an issuer must have sufficient management presence in Hong Kong. This will normally mean that at least two of its executive directors must be ordinarily resident in Hong Kong. We do not have sufficient management presence in Hong Kong for the purposes of Rule 8.12 and Rule 19A.15 of the Listing Rules.

Our Group's management headquarters, senior management, business operations and assets are primarily based outside Hong Kong. The Directors consider that the appointment of executive directors who will be ordinarily resident in Hong Kong would not be beneficial to, or appropriate for, our Group and therefore would not be in the best interests of our Company or the Shareholders as a whole. Therefore, our Company does not, and does not contemplate in the foreseeable future that we will, have sufficient management presence in Hong Kong for the purpose of satisfying the requirements under the Listing Rules.

Accordingly, we have applied for, and the Stock Exchange [has granted], a waiver from strict compliance with Rules 8.12 and 19A.15 of the Listing Rules. We will ensure that there is an effective channel of communication between the Stock Exchange and us by way of the following arrangements:

(i) pursuant to Rule 3.05 of the Listing Rules, we have appointed and will continue to maintain two authorized representatives who shall act at all times as the principal channel of communication with the Stock Exchange. Each of our authorized representatives will be readily contactable by the Stock Exchange by telephone, facsimile and/or e-mail to deal promptly with enquiries from the Stock Exchange. Both of our authorized representatives are authorized to communicate on our behalf with the Stock Exchange. At present, our two authorized representatives are Mr. JIA Yuan, our executive Director and deputy general manager, and Ms. REN Bing, our joint company secretary;

(ii) pursuant to Rule 3.20 of the Listing Rules, each Director will provide their contact information to the Stock Exchange and to the authorized representatives. This will ensure that the Stock Exchange and the authorized representatives should have means for contacting all Directors promptly at all times as and when required;

(iii) we will endeavor to ensure that each Director who is not ordinarily resident in Hong Kong possesses or can apply for valid travel documents to visit Hong Kong and can meet with the Stock Exchange within a reasonable period; and

(iv) pursuant to Rule 3A.19 of the Listing Rules, we have retained the services of Guotai Junan Capital Limited as compliance adviser (the "**Compliance Adviser**"), who will act as an additional channel of communication with the Stock Exchange. We will ensure that the Compliance Adviser will have access at all times to our authorized representatives, our Directors and other officers. We shall also ensure that such persons will promptly provide such information and assistance as the Compliance Adviser may need or may reasonably request in connection with the performance of the Compliance Adviser's duties as set forth in Chapter 3A of the Listing Rules. We shall ensure that there are adequate and efficient means of communication among our Company, our authorized representatives, our Directors, and other officers and the Compliance Adviser, and will keep the Compliance Adviser fully informed of all communications and dealings between us and the Stock Exchange.

WAIVER IN RESPECT OF JOINT COMPANY SECRETARIES

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

Pursuant to Note 1 to Rule 3.28 of the Listing Rules, the Hong Kong Stock Exchange considers the following academic or professional qualifications to be acceptable:

(i) a member of The Hong Kong Chartered Governance Institute;

(ii) a solicitor or barrister as defined in the Legal Practitioners Ordinance (Chapter 159 of the Laws of Hong Kong); and

(iii) a certified public accountant as defined in the Professional Accountants Ordinance (Chapter 50 of the Laws of Hong Kong).

Pursuant to Note 2 to Rule 3.28 of the Listing Rules, in assessing the "relevant experience", the Hong Kong Stock Exchange will consider the individual's:

(i) length of employment with the issuer and other issuers and the roles he/she played;

(ii) familiarity with the Listing Rules and other relevant laws and regulations including the SFO, the Companies Ordinance, the CWUMPO and the Takeovers Code;

(iii) relevant training taken and/or to be taken in addition to the minimum requirement under Rule 3.29 of the Listing Rules; and

(iv) professional qualifications in other jurisdictions.

Our Company appointed Ms. REN Bing, our board secretary and Ms. LAU Yee Wa of Corporate Services of Tricor Services Limited as joint company secretaries of our Company. For further details, please see the section headed "Directors and Senior Management — Joint Company Secretaries" for their biographies.

Ms. Lau is a Chartered Secretary, a Chartered Governance Professional and an associate member of both The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom. Ms. Lau meets the qualification requirements under Note 1 to Rule 3.28 of the Listing Rules and is in compliance with Rule 8.17 of the Listing Rules.

Our Company's principal business activities are outside Hong Kong. Our Company believes that it would be in the best interests of our Company and the corporate governance of our Group to have as its joint company secretary a person such as Ms. REN Bing, who is an employee of our Company and who has day-to-day knowledge of our Company's affairs. Ms. REN Bing has the necessary nexus to the Board and close working relationship with management of our Company in order to perform the function of a joint company secretary and to take the necessary actions in the most effective and efficient manner.

Accordingly, we have applied for, and the Stock Exchange [has granted], a waiver from strict compliance with the requirements under Rules 3.28 and 8.17 of the Listing Rules for a three-year period from the **[REDACTED]**, in accordance with paragraphs 11 to 16 of Chapter 3.10 of the Guide for New Listing Applicants, on the conditions that: (i) Ms. LAU Yee Wa is appointed as a joint company secretary to assist Ms. REN Bing in discharging her functions as a company secretary and in gaining the relevant experience under Rule 3.28 of the Listing Rules; the waiver will be revoked immediately if Ms. Lau, during the three-year period, ceases to provide assistance to Ms. REN Bing as the joint company secretary; and (ii) the waiver can be revoked if there are material breaches of the Listing Rules by our Company. In addition, Ms. REN Bing 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 three-year period from the **[REDACTED]**. Our Company will further ensure Ms. REN Bing has access to the relevant training and support that would enhance her understanding of the Listing Rules and the duties of a company secretary of an issuer listed on the Stock Exchange. Before the end of the three-year period, the qualifications and experience of Ms. REN Bing and the need for on-going assistance of Ms. Lau will be further evaluated by our Company. We will demonstrate Ms. REN Bing, having benefited from the assistance of Ms. Lau for the preceding three years, will have acquired the skills necessary to carry out the duties of company secretary and the relevant experience within the meaning of Note 2 to Rule 3.28 of the Listing Rules so that a further waiver will not be necessary.

WAIVER IN RESPECT OF ALTERATION IN SHARE CAPITAL

Paragraph 26 of Appendix D1A to the Listing Rules requires this document to include the particulars of any alterations in the capital of any member of our Group within the two years immediately preceding the issue of this document.

As of the Latest Practicable Date, we had more than 80 subsidiaries globally. It would be unduly burdensome for us to disclose the required information in respect of all of its subsidiaries as our Company would have to incur additional costs and devote additional resources in compiling and

verifying the relevant information for such disclosure, which would not be material nor meaningful to **[REDACTED]**. The non-disclosure of such information will not prejudice the interests of our Shareholders or potential **[REDACTED]**.

We have identified 17 subsidiaries (collectively, the "**Major Subsidiaries**" and each a "**Major Subsidiary**") that we consider are material to our operations and/or contributed significantly to our financial performance during the Track Record Period. None of the non-Major Subsidiaries is individually material to us in terms of its contribution to our Company's total assets, total revenue or total net profits, or holds any major assets and intellectual property rights. By way of illustration, after intercompany eliminations, (i) the aggregate assets of the Company and its Major Subsidiaries represent 85.43%, 82.00% and 79.50% of the Group's total assets as of December 31, 2022, 2023 and 2024; (ii) the aggregate revenue of the Company and its Major Subsidiaries for the years ended December 31, 2022, 2023 and 2024 represents 91.63%, 92.33% and 91.58% of the Group's total revenue for the respective period; and (iii) the aggregate net profits of the Company and its Major Subsidiaries for the years ended December 31, 2022, 2023 and 2024 represent 114.95%, 106.14% and 106.92% of the Group's total net profits for the respective period. None of the other subsidiaries of our Company that are not Major Subsidiaries individually contributes to 5% or more of our Group's total assets as of December 31, 2022, 2023 and 2024 or 5% or more of our Group's revenue or net profits for each of the years ended December 31, 2022, 2023 and 2024. Accordingly, the remaining subsidiaries which are not Major Subsidiaries in our Group are relatively insignificant to the overall results of our Group.

We have disclosed the particulars of the changes in the share capital of our Company and the Major Subsidiaries in the section headed "Statutory and General Information — 1. Further Information About Our Group — C. Further Information About Our Major Subsidiaries" in Appendix VI to this document.

We have applied for, and the Stock Exchange [has granted], a waiver from strict compliance with the requirements under paragraph 26 of Appendix D1A to the Listing Rules, in respect of disclosing the particulars of any alteration in the capital of any member of our Group within the two years immediately preceding the issue of this document.

WAIVER AND EXEMPTION IN RELATION TO THE SHARE INCENTIVE PLANS DISCLOSURE REQUIREMENTS

The Listing Rules and the CWUMPO prescribe certain disclosure requirements in relation to the share options granted by our Company (the "**ESOP Disclosure Requirements**"):

(a) Rule 17.02(1)(b) of the Listing Rules stipulates that all material terms of a scheme must be clearly set out in this document. Our Company is also required to disclose in this document full details of all outstanding options and their potential dilution effect on the shareholdings upon **[REDACTED]** as well as the impact on the earnings per share arising from the issue of shares in respect of such outstanding options;

(b) Paragraph 27 of Appendix D1A to the Listing Rules requires our Company to set out in this document particulars of any capital of any member of our Group that 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; and

(c) Paragraph 10 of Part I of the Third Schedule to the CWUMPO requires our Company to disclose, amongst others, details of the number, description and amount of any shares in or debentures of our 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 document.

Pursuant to paragraphs 6 to 7 of Chapter 3.6 of the Guide for New Listing Applicants, the Stock Exchange would normally grant waivers from disclosing the names and addresses of certain grantees if the issuer could demonstrate that such disclosures would be irrelevant and unduly burdensome, subject to certain conditions specified therein.

Our Company and its subsidiaries may, from time to time, adopt share incentive plans. For details of our Stock Option Incentive Plans which involve the issuance of new A Shares, see section headed "Appendix VI — Statutory and General Information — 4. Our Incentive Schemes" in this document.

As of the Latest Practicable Date, our Company had granted outstanding options to 747 grantees, 1,978 grantees, and 3,361 grantees who are employees of our Group, to subscribe for an aggregate of 5,292,612 A shares, 9,040,000 A shares, and 19,983,400 A Shares under the 2023 First Phase Stock Option Incentive Plan, the 2023 Second Phase Stock Option, and the 2025 Stock Option Incentive Plan, respectively. The A Shares underlying the granted outstanding options under the 2023 First Phase Stock Option Incentive Plan, the 2023 Second Phase Stock Option, and the 2025 Stock Option Incentive Plan represent approximately **[REDACTED]**%, **[REDACTED]**% and **[REDACTED]**% of the total number of Shares in issue immediately after completion of the **[REDACTED]**, respectively (assuming that no new Shares are issued under the **[REDACTED]** and our Shares Schemes, and no other changes are made to the issued share capital of our Company between the Latest Practicable Date and **[REDACTED]**). Other than Mr. JIA Yuan, Mr. WU Xiaodong, Ms. QIU Huanping, Mr. WANG Song, Mr. XU Xing and Ms. REN Bing, none of the grantees is a Director or senior management, of our Company.

We have applied to: (i) the Stock Exchange for a waiver from strict compliance with the disclosure requirements under Rule 17.02(1)(b) of, and paragraph 27 of Appendix D1A to, the Listing Rules; and (ii) the SFC for a certificate of exemption under section 342A of the CWUMPO exempting our Company from strict compliance with paragraph 10(d) of Part I of the Third Schedule to the CWUMPO, respectively, on the ground that strict compliance with the above requirements would be unduly burdensome for our Company and the exemption would not prejudice the interests of the **[REDACTED]** for the following reasons:

(a) given that a large number of grantees are not Directors, members of the senior management or connected persons of our Company, strict compliance with such disclosure requirements in setting out full details of all the grantees under the Stock Option Incentive Plans in this document would be costly and unduly burdensome for us in light of a significant increase in cost and timing for information compilation and **[REDACTED]** preparation. For example, we would need to collect and verify the addresses of a large number of grantees to meet the disclosure requirement;

(b) the grant and exercise in full of the options under the Stock Option Incentive Plans will not cause any material adverse impact to the financial position of our Group. There are 739 grantees, 1,975 grantees, and 3,350 grantees who are not Directors, members of the senior management or connected persons of our Company who have been granted outstanding options to acquire an aggregate of 4,924,412 A Shares, 8,980,418 A Shares, and 19,300,938 A Shares under the 2023 First Phase Stock Option Incentive Plan, the 2023 Second Phase Stock Option, and the 2025 Stock Option Incentive Plan, respectively, representing approximately **[REDACTED]**%, **[REDACTED]**%, and **[REDACTED]**% of the total number of Shares in issue immediately after completion of the **[REDACTED]**, respectively (assuming that no new Shares are issued under the **[REDACTED]** and our Share Schemes, and no other changes are made to the issued share capital of our Company between the Latest Practicable Date and **[REDACTED]**), which is not material in the circumstances of our Company;

(c) there will not be any new H Shares issued under the Stock Option Incentive Plans as the foregoing plans are A-share incentive schemes;

(d) non-compliance with the above disclosure requirements would not prevent us from providing our potential **[REDACTED]** with an informed assessment of the activities, assets, liabilities, financial position, management and prospects of our Company; and

(e) material information relating to the shares under the Stock Option Incentive Plans has been disclosed in this document to provide **[REDACTED]** with sufficient information to make an informed assessment of the potential dilutive effect and impact on earnings per Share of the options in making their **[REDACTED]** decision, and such information includes:

  (i) a summary of the latest terms of the Stock Option Incentive Plans;

  (ii) the aggregate number of Shares subject to the options and the percentage of our Shares of which such number represents;

  (iii) the dilutive effect and the impact on earnings per Share upon full exercise of the options immediately following completion of the **[REDACTED]** (assuming that no new Shares are issued under the **[REDACTED]** and our Share Schemes, and no other changes are made to the issued share capital of our Company between the Latest Practicable Date and **[REDACTED]**);

  (iv) full details of the options granted by the Company to Directors, members of senior management and connected persons (if any) of our Company, on an individual basis, are disclosed in this document, and such details include all the particulars required under Rule 17.02(1)(b) of the Listing Rules, paragraph 27 of Appendix D1A to the Listing Rules and paragraph 10 of Part 1 of the Third Schedule to the CWUMPO;

  (v) with respect to the options granted to other grantees (other than those referred to in (iv) above), disclosure are made on an aggregate basis, categorized into lots based on the number of Shares underlying each individual grantee, being (1) 1 to 5,000; (2) 5,001 to 10,000; (3) 10,001 to 20,000; (4) 20,001 to 30,000; and (5) over 30,000 for each lot of Shares, the following details are disclosed in this document, including (1) the aggregate number of such grantees and the number of Shares subject to the options; (2) the consideration paid for the grant of the options; and (3) the exercise period of the options and the exercise price for the options; and

  (vi) the particulars of the waiver and exemption granted by the Stock Exchange and the SFC, respectively.

We have applied for, and the Stock Exchange [has granted], a waiver from strict compliance with the applicable ESOP Disclosure Requirements on the conditions that:

(i) on an individual basis, full details of the options under each of the Stock Option Incentive Plans granted by the Company to each of our Directors, members of senior management of the Group and connected persons of our Company, will be disclosed in the section headed "Appendix VI — Statutory and General Information — 4. Our Incentive Schemes" as required under Rule 17.02(1)(b) of, and paragraph 27 of Appendix D1A to, the Listing Rules, and paragraph 10 of Part I of the Third Schedule to the CWUMPO;

(ii) in respect of the options under the Stock Option Incentive Plans granted to remaining grantees (being the other grantees who are not our Directors, senior management or connected persons of our Company), disclosure will be made, on an aggregate basis for each of the Stock Option Incentive Plans, categorized into lots based on the number of Shares underlying each individual grantee, being (1) 1 to 5,000; (2) 5,001 to 10,000; (3) 10,001 to 20,000; (4) 20,001 to 30,000; and (5) over 30,000 for each lot of Shares, the following details are disclosed in this document, including (1) their aggregate number of grantees and number of Shares underlying the options under the Stock Option Incentive Plans, (2) the consideration (if any) paid for the grant of the options under the Stock Option Incentive Plans, and (3) the exercise period of the options and the exercise price of the options granted under the Stock Option Incentive Plans;

(iii) aggregate number of Shares underlying the options granted under the Stock Option Incentive Plans and the percentage to our total issued share capital represented by such number of Shares as of the Latest Practicable Date;

(iv) the dilutive effect and impact on earnings per Share upon the full exercise of the options under the Stock Option Incentive Plans will be disclosed in the section headed "Appendix VI — Statutory and General Information — 4. Our Incentive Schemes";

(v) a summary of the major terms of the Stock Option Incentive Plans will be disclosed in the section headed "Appendix VI — Statutory and General Information — 4. Our Incentive Schemes";

(vi) a full list of all the grantees with outstanding options under the Stock Option Incentive Plans containing all the particulars as required under Rule 17.02(1)(b) of, and paragraph 27 of Appendix D1A to, the Listing Rules be made available for public inspection in accordance with "Documents Delivered to the Registrar of Companies and Available on Display — Document Available for Inspection" in Appendix VII to this document;

(vii) the grant of a certificate of exemption under the CWUMPO from the SFC exempting our Company from strict compliance with paragraph 10(d) of Part I of the Third Schedule to the CWUMPO; and

(viii) the particulars of the waiver will be disclosed in this document.

We have applied for, and the SFC has granted, a certificate of exemption under section 342A of the CWUMPO from strict compliance with paragraph 10(d) of Part I of the Third Schedule to the CWUMPO on the conditions that:

(i) on an individual basis, full details of the options under the Stock Option Incentive Plans granted by the Company to each of our Directors, members of

senior management of the Group and connected persons of our Company, will be disclosed in the section headed "Appendix VI — Statutory and General Information — 4. Our Incentive Schemes" as required under paragraph 10 of Part I of the Third Schedule to the CWUMPO;

(ii) in respect of the options under the Stock Option Incentive Plans granted to remaining grantees (being the other grantees who are not our Directors, senior management or connected persons of our Company), disclosure will be made, on an aggregate basis, categorized into lots based on the number of Shares underlying each individual grantee, being (1) 1 to 5,000; (2) 5,001 to 10,000; (3) 10,001 to 20,000; (4) 20,001 to 30,000; and (5) over 30,000 for each lot of Shares, the following details are disclosed in this document, including (1) their aggregate number of grantees and number of Shares underlying the options under the Stock Option Incentive Plans, (2) the consideration (if any) paid for the grant of the options under the Stock Option Incentive Plans, and (3) the exercise period of the options and the exercise price of the options granted under the Stock Option Incentive Plans;

(iii) a full list of all the grantees with outstanding options under the Stock Option Incentive Plans, containing all the details as required under paragraph 10 of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance be made available for public inspection in accordance with "Documents Delivered to the Registrar of Companies and Available on Display — Document Available for Inspection" in Appendix VII to this document; and

(iv) the particulars of the exemption will be disclosed in this document which will be issued on or before **[REDACTED]**.

[REDACTED]

[REDACTED]

DISCLOSURE OF DIRECTORS' RESIDENTIAL ADDRESSES

Paragraph 6 of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance requires this document to include the addresses of the directors and paragraph 45 of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance provides that such address means the place of usual residence of the directors.

We have applied for, and 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 6 of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance in respect of the disclosure of the residential addresses of Mr. YU Renrong, our executive Director and chairman of the Board, and Mr. LYU Dalong, our non-executive Director (the "**Relevant Directors**") on the ground that such disclosure would be inappropriate having considered the following factors:

(a) Unnecessary attention and real risks to Relevant Directors

The Relevant Directors are high profile public figures. The corporate decisions and speeches made by them often generate interest in the general public and the media. Given the **[REDACTED]** would inevitably attract significant media and public attention, it is reasonable for our Company to believe that the disclosure of the residential addresses of the Relevant Directors may expose the Relevant Directors and their families to unnecessary attention, disturbance and personal safety risks.

(b) Risks to our business operations

Public disclosure of the Relevant Directors' residential addresses may also distract or deter the Relevant Directors from effectively managing the business and other Board affairs. If the Relevant

Directors become susceptible to actual or perceived attacks to themselves and their families by virtue of the disclosure, their ability to focus on their duties and make sound decisions for our Company may be affected. Meanwhile, it may facilitate the potential theft or fraud of confidential information or other malicious activities against the Relevant Directors, causing financial losses, reputational damage or legal disputes to the Relevant Directors and the Company.

(c) Minimal impact on [REDACTED]

The addresses of our head office and principal place of business as well as the business addresses of the Relevant Directors have been disclosed in this document, such that the communicability and accountability of the Relevant Directors are not compromised. All other material information in relation to the Relevant Directors as required to be disclosed under the Listing Rules and the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance, including their names, age, working experience, academic background and qualifications, have been properly disclosed in this document. Given our Company's business and financial performance as set out in this document as well as our disclosure track record, the non-disclosure of the residential addresses of the Relevant Directors would have minimal impact on the decision of the potential **[REDACTED]** to **[REDACTED]** in the H Share of our Company, would not interfere with the provision of information to **[REDACTED]** to make an informed assessment of the Relevant Directors' character, experience and integrity acting as directors of a H-share listed issuer, and would not prejudice the interests of the **[REDACTED]** public or affect their ability to make informed **[REDACTED]** decisions. On the contrary, the Relevant Directors are the key figures to our business, and any coercion, harassment or other actual or potential security threats that may be incurred as a result of the public disclosure of their personal addresses, or damage to the Company's reputation or disruption of its operations, could have a material adverse effect on our business, financial position and results of operations, thereby exposing the Shareholders to the risk of substantial loss of their **[REDACTED]**. The exemption is granted by the SFC on the conditions that (i) the business addresses of the Relevant Directors are disclosed in this document; (ii) the particulars of the exemption are disclosed in this document, and (iii) this document is issued on or before **[REDACTED]**.

WAIVER IN RESPECT OF COMPANY AND BUSINESS TO BE ACQUIRED AFTER THE TRACK RECORD PERIOD

Pursuant to Rules 4.04(2) and 4.04(4)(a) of the Listing Rules, the accountants' report to be included in a **[REDACTED]** must include the income statements and balance sheets of any subsidiary or business acquired, agreed to be acquired or proposed to be acquired since the date to which its latest audited accounts have been made up in respect of each of the three financial years immediately preceding the issue of the **[REDACTED]** (the "**Target Historical Financial Information**").

According to Note (4) to Rule 4.04 of the Listing Rules, the Stock Exchange may consider an application for a waiver from strict compliance with Rules 4.04(2) and 4.04 (4) taking into account the following:

(i) all the percentage ratios (as defined under Rule 14.04(9) of the Listing Rules) of each acquisition are less than 5% by reference to the most recent financial year of the applicant's trading record period;

(ii) if the acquisition will be financed by the proceeds raised from a public offer, the new applicant has obtained a certificate of exemption from the Commission in respect of the

relevant requirements under paragraphs 32 and 33 of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance;

(iii) (a) where a new applicant's principal activities involve the acquisition of equity securities (the Stock Exchange may require further information where securities acquired are unlisted), the new applicant is not able to exercise any control, and does not have any significant influence over the underlying company or business to which rules 4.04(2) and 4.04(4) relate, and has disclosed in its **[REDACTED]** the reasons for the acquisition and a confirmation that the counterparties and their respective ultimate beneficial owners are independent of the new applicant and its connected persons. In this regard, "control" means the ability to exercise or control the exercise of 30% (or any amount specified in the Takeovers Code as the level for triggering a mandatory general offer) or more of the voting power at general meeting, or being in a position to control the composition of a majority of the board of directors of the underlying company or business; or

(b) with respect to an acquisition of a business (including acquisition of an associated company and any equity interest in a company other than in the circumstances covered under sub-paragraph (a) above) or a subsidiary by a new applicant, the historical financial information of such business or subsidiary is unavailable, and it would be unduly burdensome for the new applicant to obtain or prepare such financial information; and the new applicant has disclosed in its **[REDACTED]** information required for the announcement for a discloseable transaction under rules 14.58 and 14.60 on each acquisition. In this regard, "unduly burdensome" will be assessed based on each new applicant's specific facts and circumstances (e.g. why the financial information of the acquisition target is not available and whether the new applicant or its controlling shareholder has sufficient control or influence over the seller to gain access to the acquisition target's books and records for the purpose of complying with the disclosure requirements under rules 4.04(2) and 4.04(4)).

Acquisition of Company X

We propose to acquire the majority equity interest of Company X (the "**Proposed Acquisition of Company X**") for a preliminary consideration of less than RMB100 million, which is expected to be settled in cash. The consideration is based on the due diligence result and arm's length negotiations between the original owners of Company X (the "**Original Owners of Company X**") and us, taking into account a number of factors including the potential strategic alliance in the relevant business. We intend to use our internal resources to satisfy the cash consideration. As of the Latest Practicable Date, we have entered into a letter of intent agreement with the Original Owners of Company X and the completion of the Proposed Acquisition of Company X is subject to the entering into of the definitive agreement along with other customary closing conditions.

Company X is a circuit design company that specializes in microcontroller products. We believe that the Proposed Acquisition of Company X is aligned with our business and growth strategy, and it is expected that the Proposed Acquisition of Company X would enable our Group to further build and enhance the Company's R&D capability in that area. As of the Latest Practicable Date, the Company is still in the progress of performing due diligence works with respect to Company X.

According to the financial statements of Company X audited by Company X's statutory auditors in accordance with China Accounting Standards and Accounting Regulations for Business Enterprises issued by the Ministry of Finance of the PRC (the "**PRC GAAP**"):

(a) the total assets of Company X amounted to RMB23.8 million as of December 31, 2024, and its total revenue, loss before tax and loss after tax amounted to RMB 1,615, RMB 71.5 million and RMB 71.5 million, respectively, for the year ended December 31, 2024;

(b) the total assets of Company X amounted to RMB 35.4 million as of December 31, 2023, and its total revenue, loss before tax and loss after tax amounted to RMB 619, RMB 114.0 million and RMB 114.0 million, respectively, for the year ended December 31, 2023; and

(c) the total assets of Company X amounted to RMB 101.5 million as of December 31, 2022, and its total revenue, loss before tax and loss after tax amounted to nil, RMB 73.9 million and RMB 73.9 million, respectively, for the year ended December 31, 2022.

Conditions to the waivers granted by the Stock Exchange

We have applied to the Stock Exchange for, and the Stock Exchange, a waiver from strict compliance with Rule 4.04(2) and 4.04(4) of the Listing Rules in respect of the Proposed Acquisition of Company X on the following grounds:

1. The applicable percentage ratios of the Proposed Acquisition of Company X are all less than 5% by reference to the most recent financial year of the Company's Track Record Period

The applicable percentage ratios for the Proposed Acquisition of Company X are significantly less than 5% by reference to the most recent financial year of the Company's Track Record Period. Accordingly, we consider that the Proposed Acquisition of Company X is immaterial and do not expect it to have any material effect on the financial condition of the Group.

2. The Proposed Acquisition will not be financed by the [REDACTED] raised from the [REDACTED]

We will use our internal resources to satisfy the cash consideration payable by us in relation to the Proposed Acquisition of Company X.

3. The historical financial information of Company X is not available or would be unduly burdensome to obtain or prepare

Although we have entered into a letter of intent with the Original Owners of Company X, we do not currently have any equity interest in Company X and do not have any representation at the board of directors of Company X and therefore it will require considerable time and resources for us and our reporting accountants to fully familiarize with the management accounting policies of Company X and compile the necessary financial information and supporting documents for disclosure in this document. Moreover, Company X does not have audited historical financial information which is readily available for disclosure in the document in accordance with the Listing Rules. As such, it would be impracticable within the tight timeframe for us to disclose the audited financial information of Company X as required under Rules 4.04(2) and 4.04(4) of the Listing Rules.

In addition, considering that the Proposed Acquisition of Company X is immaterial and is not expected to have any material effect on the financial condition of the Group, it would not be meaningful and would be unduly burdensome for us to prepare and include the financial information of Company X during the Track Record Period in this document.

4. Alternative disclosure in this document

We have provided alternative information in this document in connection with the Proposed Acquisition of Company X required for the announcement for a disclosable transaction under Rules 14.58 and 14.60 of the Listing Rules of the Proposed Acquisition of Company X. Since the applicable percentage ratios for the Proposed Acquisition of Company X are significantly less than 5% by reference to the most recent financial year of the Company's Track Record Period, the Company believes that the current disclosure in the document is adequate for potential **[REDACTED]** to form an informed assessment of the Group.

For the avoidance of doubt, the identity of Company X is not disclosed in this document because (i) disclosure of the name of Company X in this document is commercially sensitive and may jeopardize the Company's ability to consummate the proposed investment (including, for example, as a result of the Company's competitors approaching Company X with alternative investment proposals after seeing its name disclosed in this document) and (ii) given the competitive nature of the industry in which the Company operates, it is commercially sensitive to disclose the identity of Company X to avoid our competitors anticipating our plans of business growth.