
WAIVERS AND EXEMPTIONS

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

WAIVER IN RESPECT OF MANAGEMENT PRESENCE IN HONG KONG

Pursuant to Rules 8.12 and 19A.15 of the Listing Rules, we must have sufficient management presence in Hong Kong. This will normally mean that at least two of our executive directors must be ordinarily resident in Hong Kong.

Our Group’s management headquarters, senior management, business operations and assets are primarily based outside Hong Kong. We consider that it would be practically difficult and commercially unreasonable for us to arrange for two executive Directors to be ordinarily resident in Hong Kong, either by relocation of our existing executive Directors or by appointment of additional executive Directors. As such, we do not have, and for the foreseeable future will not have, sufficient management presence in Hong Kong for the purpose of satisfying the requirements under Rule 8.12 and Rule 19A.15 of the Listing Rules.

Accordingly, we have applied to the Stock Exchange for, and the Stock Exchange [has granted], a waiver from strict compliance with the requirement of 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. These two authorized representatives appointed are Ms. LI Yiduo (“**Ms. Li**”), executive Director, chief financial officer and secretary of the Board of our Company, and Mr. POON Kin Hei (“**Mr. Poon**”), a joint company secretary of our Company. 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;
- (ii) pursuant to Rule 3.20 of the Listing Rules, each Director will provide his/her 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 endeavour to ensure that each Director who does not ordinarily reside 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 appointed China Everbright Capital Limited as our compliance advisor, who will act as an additional channel of communication with the Stock Exchange in addition to our authorized representatives. The compliance advisor will have reasonable access, at all times during their appointment, to our authorized representatives, Directors and other officers of the Company, participate in the communication between the Stock Exchange and the Company and answer inquiries from 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 his/her academic or professional qualifications or relevant experience, is, in the opinion of the Stock Exchange, capable of discharging the functions of the company secretary. The Stock Exchange considers the following academic or professional qualifications to be acceptable: (i) a member of The Hong Kong Institute of Chartered Secretaries; (ii) a solicitor or barrister (as defined in the Legal Practitioners Ordinance); and (iii) a certified public accountant (as defined in the Professional Accountants Ordinance).

In assessing “relevant experience,” the Stock Exchange will consider the individual’s: (i) length of employment with the issuer and other listed companies and the roles he/she played, (ii) familiarity with the Listing Rules and other relevant law and regulations including the SFO, the Companies Ordinance, the Companies (Winding Up and Miscellaneous Provisions) Ordinance and

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the Takeovers Code, (iii) relevant training taken and/or to be taken in addition to the minimum requirement of taking not less than fifteen hours of relevant professional training in each financial year under Rule 3.29 of the Listing Rules, and (iv) professional qualifications in other jurisdictions.

We have appointed Ms. Li and Mr. Poon as our joint company secretaries. Biographical information of Ms. Li and Mr. Poon is set out in the section headed “Directors and Senior Management” in this document. Ms. Li has served as our secretary of the Board since December 2020. By virtue of Ms. Li’s substantial experience in corporate governance and her experience and familiarity with our Group, we believe that appointment of Ms. Li as our company secretary would be beneficial for our Company. Furthermore, the principal business activities of the Group are conducted in China. Ms. Li, who resides in China, is familiar with and has a thorough understanding of the operations of our internal business. Therefore, we believe that the appointment of Ms. Li as a joint company secretary is in our Company’s and the Shareholders’ best interests and beneficial to our corporate governance.

Although Ms. Li does not possess the specified qualification required by Rule 3.28 of the Listing Rules, the Directors believe that considering Ms. Li’s past experience in handling corporate governance matters, she is capable of discharging the functions of a joint company secretary with the assistance of Mr. Poon, the other joint company secretary of our Company who fully complies with the requirements under Rule 3.28 and 8.17 of the Listing Rules.

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 in relation to the appointment of Ms. Li as our joint company secretary for a three-year period from the [REDACTED], in accordance with paragraphs 11 to 17 of Chapter 3.10 of the Guide for New Listing Applicants, on the conditions that: (i) Ms. Li will endeavor to attend relevant training courses to enhance her knowledge of the applicable Hong Kong laws and regulations as well as the Listing Rules, and comply with the annual professional training requirement under Rule 3.29 of the Listing Rules; (ii) Mr. Poon, an associate member of both The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom, who fully complies with the requirements under Rules 3.28 and 8.17 of the Listing Rules, has been appointed to act as the other joint company secretary and will work closely with and to provide assistance to Ms. Li in the discharge of his duties as a company secretary for an initial period of three years commencing from the [REDACTED] so as to enable Ms. Li to acquire the relevant experience (as required under Rule 3.28(2) of the Listing Rules) to discharge the duties and responsibilities as a company secretary; and (iii) the waiver will be revoked immediately if and when Mr. Poon ceases to provide such assistance or if there are material breaches of the Listing Rules by our Company. Before the end of the three-year period, we shall demonstrate to the Stock Exchange’s satisfaction and seek its confirmation that Ms. Li, having had the benefit of Mr. Poon’s assistance during the three-year period, has attained the relevant experience within the meaning of Rule 3.28 of the Listing Rules and is capable of discharging the functions of company secretary so that a further waiver would not be necessary.

WAIVER AND EXEMPTION IN RELATION TO THE SHARE INCENTIVE SCHEME

The Listing Rules and the Companies (Winding Up and Miscellaneous Provisions) Ordinance prescribe certain disclosure requirements in relation to the share options granted by the Company:

- (a) Rule 17.02(1)(b) of the Listing Rules stipulates that all the terms of a scheme must be clearly set out in this document. The 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 exercise of such outstanding options.
- (b) Paragraph 27 of Appendix D1A to the Listing Rules requires the Company to set out in this document particulars of any capital of any member of the 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.
- (c) Paragraph 10 of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance requires the Company to set out in this document, among other things, details of 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 certain particulars of the option, namely the period during which it is exercisable, the price to be paid for shares and debentures subscribed for under it, the consideration (if any) given or to be given for it or for the right to it and the names and addresses of the persons to whom it was given.

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As of the date of this document, the total number of A Shares underlying all outstanding share incentives (which are of the nature of share options pursuant to the terms of the 2023 Share Incentive Scheme) under the 2023 Share Incentive Scheme amounted to 175,604 Shares, which were granted to 160 grantees, including Directors and senior management of the Company and other employees of our Group. The Shares underlying the outstanding share incentives represent approximately [REDACTED]% of the total number of Shares in issue immediately after completion of the [REDACTED] (assuming the [REDACTED] is not exercised, no Shares are issued under the 2023 Share Incentive Scheme and no other changes are made to the issued share capital of our Company between the Latest Practicable Date and the [REDACTED]). For further details of our 2023 Share Incentive Scheme, see “Appendix VI — Statutory and General Information — D. 2023 Share Incentive Scheme.”

Our Company has applied to the Stock Exchange and the SFC, respectively for, (i) a waiver from strict compliance with the disclosure requirements under Rule 17.02(1)(b) of the Listing Rules and paragraph 27 of Appendix D1A to the Listing Rules; and (ii) a certificate of exemption under section 342A of the Companies (Winding Up and Miscellaneous Provisions) Ordinance exempting the Company from strict compliance with the disclosure requirements under paragraph 10(d) of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance in relation to the share awards granted under the 2023 Share Incentive Scheme, on the ground that strict compliance with the above requirements would be unduly burdensome for our Company for the following reasons:

- (a) given that 160 grantees are involved, strict compliance with such disclosure requirements in setting out full details of all the grantees under the 2023 Share Incentive Scheme in the document would be costly and unduly burdensome for the Company in light of a significant increase in cost and timing for information compilation and document preparation;
- (b) as of the date of this document, the grantees under the 2023 Share Incentive Scheme consist of one management grantee (who is a Director and member of the senior management of the Group) and one Core R&D Member, and the remaining 158 grantees who are current employees of the Group and are not connected persons of the Company, and, as such, strict compliance with the requirements to disclose names, addresses, and entitlements on an individual basis will require substantial number of pages of additional disclosure;
- (c) the disclosure of the personal details of each grantee, including the number of share awards granted, may require obtaining consent from all the grantees in order to comply with personal data privacy laws and principles and it would be unduly burdensome for the Company to obtain such consents given the number of grantees;
- (d) the grant and exercise in full of the share incentives under the 2023 Share Incentive Scheme will not cause any material adverse impact in the financial position of the Company;
- (e) non-compliance with the above disclosure requirements would not prevent the Company from providing its potential [REDACTED] with an informed assessment of the activities, assets, liabilities, financial position, management and prospects of the Company; and
- (f) material information relating to the share incentives under the 2023 Share Incentive Scheme will be disclosed in this document, including the total number of Shares subject to the 2023 Share Incentive Scheme, the exercise price per Share, the potential dilution effect on the shareholding and impact on earnings per Share upon full exercise of the share awards granted under the 2023 Share Incentive Scheme. The Directors consider that the information that is reasonably necessary for the potential [REDACTED] to make an informed assessment of the Company in their [REDACTED] decision making process has been included in this document.

In light of the above, our Directors are of the view that the grant of the waiver and exemption sought under this application will not prejudice the interests of the [REDACTED].

The Stock Exchange [has granted] to our Company a waiver from strict compliance with the disclosure requirements under Rule 17.02(1)(b) of the Listing Rules and paragraph 27 of Appendix D1A to the Listing Rules with respect to the share incentives granted under the 2023 Share Incentive Scheme on the condition that:

- (a) full details of the share incentives granted under the 2023 Share Incentive Scheme to each of the Directors, senior management, Core R&D Members and connected persons of our Company will be disclosed in “Appendix VI — Statutory and General Information

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- D. 2023 Share Incentive Scheme” 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 Companies (Winding Up and Miscellaneous Provisions) Ordinance;
- (b) the aggregate number of Shares underlying the share incentives granted under the 2023 Share Incentive Scheme, and the percentage to the Company’s total issued share capital represented by such number of Shares underlying the share incentives granted pursuant to the 2023 Share Incentive Scheme will be disclosed in this document;
 - (c) the potential dilution effect and impact on earnings per Share upon the full exercise of the share awards under the 2023 Share Incentive Scheme will be disclosed in “Appendix VI — Statutory and General Information — D. 2023 Share Incentive Scheme”;
 - (d) a summary of the major terms of the 2023 Share Incentive Scheme will be disclosed in “Appendix VI — Statutory and General Information — D. 2023 Share Incentive Scheme”;
 - (e) a full list of all the grantees (including the persons referred to in point (a) above) who have been granted share incentives to subscribe for Shares under the 2023 Share Incentive Scheme, containing all the particulars 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 Companies (Winding Up and Miscellaneous Provisions) Ordinance, will be made available for public inspection in accordance with the subsection headed “3. Document Available for Inspection” under the section headed “Documents Delivered to the Registrar of Companies and Available on Display” in Appendix VII to this document;
 - (f) the particulars of the waiver will be disclosed in this document;
 - (g) this document will be issued on or before [REDACTED]; and
 - (h) the grant of certificate of exemption under the Companies (Winding Up and Miscellaneous Provisions) Ordinance from the SFC exempting the Company from the disclosure requirements provided in paragraph 10(d) of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

The SFC [has agreed] to grant to our Company the certificate of exemption under section 342A of the Companies (Winding Up and Miscellaneous Provisions) Ordinance with respect to the share incentives granted under the 2023 Share Incentive Scheme on condition that:

- (a) full details of the share incentives under the 2023 Share Incentive Scheme granted to each of the Directors, the senior management, Core R&D Members and connected persons of our Company will be disclosed in “Appendix VI — Statutory and General Information — D. 2023 Share Incentive Scheme” as required under paragraph 10 of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance;
- (b) a full list of all the grantees (including the persons referred to in point (a) above) who have been granted share incentives to subscribe for Shares under the 2023 Share Incentive Scheme, containing all the particulars as required under paragraph 10 of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance, will be made available for public inspection in accordance with the subsection headed “3. Document Available for Inspection” under the section headed “Documents Delivered to the Registrar of Companies in Hong Kong and Available on Display” in Appendix VII to this document;
- (c) the particulars of the exemption will be disclosed in this document; and
- (d) this document will be issued on or before [REDACTED].

Further details of the 2023 Share Incentive Scheme are set forth in “Appendix VI — Statutory and General Information — D. 2023 Share Incentive Scheme.”

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[REDACTED]

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[REDACTED]