

WAIVERS FROM STRICT COMPLIANCE WITH THE LISTING RULES

In preparation for the [REDACTED], our Company has sought the following waivers from strict compliance with the relevant provisions of the Listing Rules:

WAIVER IN RELATION TO MANAGEMENT PRESENCE IN HONG KONG

Pursuant to Rule 8.12 of the Listing Rules, a new applicant for listing on the Stock Exchange must have sufficient management presence in Hong Kong, which normally means that at least two of its executive directors must be ordinarily resident in Hong Kong. Rule 19A.15 of the Listing Rules further provides that the requirement in Rule 8.12 of the Listing Rules may be waived by having regard to, among other considerations, the new applicant's arrangements for maintaining regular communication with the Stock Exchange.

Mr. Lu Wei (鹿偉), one of our two executive Directors, is ordinarily resident in Hong Kong. Since our headquarters and principal business operations are located in Chinese Mainland and the management functions of our Group are carried out in Chinese Mainland, our other executive Director, Mr. Sun, is based in Chinese Mainland, and is expected to continue to be based in Chinese Mainland, to better manage and attend to our Group's business operations. Further, a significant majority of our customers and suppliers are predominantly located and/or headquartered in Chinese Mainland notwithstanding the fact that a substantial portion of our revenue was derived from Hong Kong during the Track Record Period. Therefore, we consider that it is in the best interests of our Company for at least one of our executive Directors to be based in Chinese Mainland where our core management functions and important business negotiations are carried out, and it would be practically difficult, unduly burdensome and costly to relocate Mr. Sun to Hong Kong or appoint an additional executive Director who is ordinarily resident in Hong Kong. Therefore, we do not and, in 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 us,] a waiver from strict compliance with the requirements under Rules 8.12 and 19A.15 of the Listing Rules, provided that our Company implements the following arrangements to maintain regular communication between the Stock Exchange and us:

- (a) we have appointed Mr. Sun, our executive Director and Ms. Yeung Siu Lam (楊兆琳) (“**Ms. Yeung**”), one of our joint company secretaries, as our authorized representatives for the purpose of Rule 3.05 of the Listing Rules. Our authorized representatives will act as the principal channel of communication between the Stock Exchange and our Company. Ms. Yeung is ordinarily resident in Hong Kong, and Mr. Sun holds a valid travel document to visit Hong Kong and will be available to meet with the Stock Exchange within a reasonable period of time upon request. Each of our Company's authorized representatives will be readily contactable by the Stock Exchange by telephone and/or email to deal promptly with any enquiries which may be made by the Stock Exchange. Each of our authorized representatives is authorized to communicate on behalf of our Company with the Stock Exchange;
- (b) our authorized representatives have means to contact all of our Directors (including our independent non-executive Directors) promptly at all times as and when the Stock Exchange wishes to contact our Directors for any matters. We have provided the Stock Exchange with the contact details of each Director (including their respective mobile phone number, office and/or home phone number and e-mail address), and in the event that a Director expects to be traveling or otherwise be out of office, he/she will provide his/her phone numbers or means of communication to our authorized representatives;
- (c) each Director who is not ordinarily resident in Hong Kong has confirmed that he/she possesses or can apply for valid travel documents to visit Hong Kong and can meet with the Stock Exchange upon reasonable notice;
- (d) we have appointed Lego Corporate Finance Limited as our compliance advisor (the “**Compliance Advisor**”), pursuant to Rule 3A.19 of the Listing Rules, who will have access at all times to our authorized representatives, Directors and senior management, and will act

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as an additional channel of communication between the Stock Exchange and us for the period commencing from the [REDACTED] to the date on which our Company complies with Rule 13.46 of the Listing Rules in respect of its financial results for the first full financial year commencing after the [REDACTED]. Our authorized representatives, Directors and other officers of our Company will provide our Compliance Advisor with such information and assistance as our Compliance Advisor may reasonably require in connection with the performance of its duties;

- (e) any meeting between the Stock Exchange and our Directors will be arranged through our authorized representatives, our Compliance Advisor or directly with our Directors within a reasonable time frame. We will inform the Stock Exchange promptly in respect of any changes to our authorized representatives and our Compliance Advisor; and
- (f) we will also retain legal advisors to advise on on-going compliance requirements as well as other issues arising under the Listing Rules and other applicable laws and regulations of Hong Kong after [REDACTED].

Further, we have appointed two independent non-executive Directors who are ordinarily resident in Hong Kong, namely Mr. Ho Hung Tim Chester (何鴻添) and Ms. Shen Chen (沈塵), who will be readily contactable by the Stock Exchange to facilitate effective and timely communications between our Company and the Stock Exchange, and can serve as additional channels of communication between the Stock Exchange and our Company should it be necessary. We believe that the above measures and arrangements will ensure that all members of our Board can be promptly informed of any matters raised by the Stock Exchange and that there is an effective communication channel in place between the Stock Exchange and our Company.

WAIVER IN RESPECT OF JOINT COMPANY SECRETARIES

Pursuant to Rules 3.28 and 8.17 of the Listing Rules, we must appoint a company secretary who possesses the necessary academic or professional qualifications or relevant experience, and is, in the opinion of the Stock Exchange, capable of discharging the functions of the company secretary. Note 1 to Rule 3.28 of the Listing Rules provides that the Stock Exchange considers (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) to be acceptable academic or professional qualifications.

Note 2 to Rule 3.28 of the Listing Rules provides that in assessing “relevant experience”, the Stock Exchange will consider the individual’s (a) length of employment with the issuer and other issuers and the roles he/she played; (b) familiarity with the Listing Rules and other relevant law and regulations including the Securities and Futures Ordinance, 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 of taking not less than fifteen hours of relevant professional training in each financial year under Rule 3.29 of the Listing Rules; and (d) professional qualifications in other jurisdictions.

We have appointed Mr. Ge Chen (葛晨) (“**Mr. Ge**”) and Ms. Yeung as the joint company secretaries of our Company. Ms. Yeung is an Associate of both The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom, and therefore 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. Although Mr. Ge does not possess the qualification and sufficient relevant experience as stipulated in the Notes to Rule 3.28 of the Listing Rules, considering Mr. Ge’s past management experience within our Group, his thorough understanding of the internal administration and business operations of our Group as well as his industry knowledge, he is a suitable person to act as a joint company secretary of our Company. In addition, as our headquarters and principal business operations are located in Chinese Mainland, our Directors believe that it is necessary to appoint Mr. Ge as a company secretary whose presence in Chinese Mainland will enable him to attend to the day-to-day corporate secretarial matters concerning our Group. For more details of Mr. Ge and Ms. Yeung’s biographical information, see “Directors and Senior Management.”

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Ms. Yeung will assist Mr. Ge in enabling him to acquire the relevant company secretary experience as required under Rule 3.28 of the Listing Rules and to become familiar with the requirements of the Listing Rules and other applicable Hong Kong laws and regulations. In addition, Mr. Ge will also attend relevant professional training during each financial year as required under Rule 3.29 of the Listing Rules.

We have therefore 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 respect of the appointment of Mr. Ge as one of our joint company secretaries on the conditions that: (i) Mr. Ge must be assisted by Ms. Yeung, who possesses the qualifications or experience as required under Rule 3.28 of the Listing Rules and is appointed as a joint company secretary throughout the waiver period; and (ii) the waiver is valid for a period of three years from the [REDACTED] and will be revoked if there are material breaches of the Listing Rules by our Company.

We expect that Mr. Ge will acquire the qualifications or relevant experience required under Rule 3.28 of the Listing Rules prior to the end of the three-year period after the [REDACTED]. We will liaise with the Stock Exchange before the end of the three-year period to enable it to assess whether Mr. Ge, having had the benefit of Ms. Yeung’s assistance for three years, has acquired the relevant experience within the meaning of Rule 3.28 of the Listing Rules so that a further waiver from Rules 3.28 and 8.17 of the Listing Rules will not be necessary.