

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 exemption from strict compliance with the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

WAIVER IN RELATION TO MANAGEMENT PRESENCE IN HONG KONG

Pursuant to Rules 8.12 and 19A.15 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 most of business operations of our Group are primarily based, managed and conducted in the PRC. 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. Furthermore, our Directors 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 means of relocation of our existing executive Directors or appointment of additional executive Directors. 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 Rules 8.12 and 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 Rules 8.12 and 19A.15 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 Mr. Hao Qiankun (郝乾坤) (“**Mr. Hao**”), our executive Director, chief financial officer, secretary of the Board and joint company secretary, and Ms. Suen Ka Yan (孫嘉恩) (“**Ms. Suen**”), 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 and/or email 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. Our Company will also inform the Stock Exchange promptly in respect of any change in our authorized representatives;
- (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. We have provided the Stock Exchange with contact details (i.e. mobile phone number, office phone number and email address) of all Directors to facilitate communication with the Stock Exchange. Furthermore, to the best of our knowledge and information, 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
- (c) we have appointed Rainbow Capital (HK) 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

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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. 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 the Stock Exchange and us.

WAIVER IN RELATION TO APPOINTMENT OF JOINT COMPANY SECRETARIES

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 law 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.

Our Company was established in the PRC, and we primarily conduct business activities in the PRC. 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.

We propose to appoint Mr. Hao, our executive Director, chief financial officer and Board secretary, and Ms. Suen as our joint company secretaries. Although Mr. Hao does not possess the qualifications set out in Rule 3.28 of the Listing Rules, we consider that it is for the benefit of our Company to appoint him as a joint company secretary due to his experience in accounting, corporate finance and Board related matters, as well as his familiarity with our business

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operations and internal management. For the biographical information of Mr. Hao and Ms. Suen, see “Directors and Senior 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 Mr. Hao as our joint company secretary. Pursuant to 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 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 will be revoked if there are material breaches of the Listing Rules by the issuer.

We have appointed Ms. Suen, a Qualified Person, as a joint company secretary to provide assistance to Mr. Hao during the Waiver Period to enable Mr. Hao to acquire the relevant experience as required under Note 2 to Rule 3.28 of the Listing Rules to duly discharge his duties. Given Ms. Suen’s professional qualifications and experience, she will be able to explain to both Mr. Hao and our Company the relevant requirements under the Listing Rules. Ms. Suen will also assist Mr. Hao in organizing Board meetings and Shareholders’ meetings as well as other matters of our Company which are incidental to the duties of a company secretary. She is expected to work closely with Mr. Hao, and will maintain regular contact with Mr. Hao, our Directors and senior management. In addition, Mr. Hao will comply with the annual professional training requirement under Rule 3.29 of the Listing Rules and will enhance his knowledge of the Listing Rules during the Waiver Period. Mr. Hao 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. Suen ceases to provide assistance to Mr. Hao during the Waiver Period or there are material breaches of the Listing Rules by our Company. If Ms. Suen 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 Mr. Hao, having had the benefit of Ms. Suen’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.

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WAIVER AND EXEMPTION IN RELATION TO THE SHARE OPTION SCHEMES

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 [REDACTED] 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 document.

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.

Pursuant to Chapter 3.6 of the Guide, 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.

Pursuant to section 342(1)(b) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance, the document 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 document.

As of the Latest Practicable Date, our Company has granted outstanding options (the "Share Options") under the Share Option Schemes to 145 grantees for an aggregate of 4,320,905 Shares, representing approximately [REDACTED]% of the total number of Shares in issue immediately after completion of the [REDACTED] (assuming the [REDACTED] is not exercised and no additional Shares are issued under the Share Option Schemes). No Share Options under the Share Option Schemes will be further granted after [REDACTED]. For details of the Share Option Schemes, see "Statutory and General Information – D. Share Incentive Schemes – 2. Share Option Schemes" in Appendix V to this document.

We have applied for: (i) a waiver from the Stock Exchange 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) a certificate of exemption from the SFC under section 342A of the Companies (Winding Up and Miscellaneous Provisions) Ordinance exempting our Company from strict compliance with paragraph 10(d) of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance in relation to the Share Options granted under the Share Option Schemes, on the ground that strict compliance with the above requirements would be unduly burdensome for us on the basis of the following reasons:

- (a) given that 145 grantees are involved for the grant of Share Options under Share Option Schemes, our Directors consider that it would be unduly burdensome to disclose in this Document full details of all the Share Options granted by us to each of the grantees, which would significantly increase the cost and time for information

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compilation and Document preparation required for strict compliance with such disclosure requirements, as the Group would need to collect and verify the personal information of a large number of the grantees to meet the disclosure requirements;

- (b) the disclosure of the personal details of each grantee, including their names, addresses and the number of Share Options granted to them, 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 our Group to obtain such consents given the number of the grantees;
- (c) full disclosure on the options granted to each grantee either through disclosure in this Document or through making available a full list of grantees with all the particulars required would allow the employees of our Group to gain access to their peers' or colleagues' compensation, which could negatively affect employees' morale, give rise to negative internal competitions, and lead to an increase in the costs for recruitment and retention. The lack of full disclosure with the above disclosure requirements will on the contrary give us flexibility in terms of determining the compensation of our broader group of employees;
- (d) full disclosure of the details of the grantees (which include their names and addresses), as well as the Share Options granted to each of them, would provide our competitors with our employees' compensation details and facilitate their soliciting activities which could impact our Group's ability to recruit and retain valuable personnel;
- (e) the grant and exercise in full of the Share Options under the Share Option Schemes will not cause any material adverse impact to the financial position of our Group;
- (f) non-compliance with the disclosure requirements in relation to Share Options would not prevent our Company from providing its potential [REDACTED] with an informed assessment of the activities, assets, liabilities, financial position, management and prospects of our Company; and
- (g) material information relating to the Share Options under the Share Option Schemes has been disclosed in this Document, including (i) the total number of outstanding Share Options granted under the Share Option Schemes and the number of underlying Shares, (ii) the exercise price per Share and the exercise period, and (iii) the potential dilution impact on earnings per Share upon full exercise of the Share Options granted under the Share Option Schemes. Our Directors consider that the information that is reasonably necessary for potential [REDACTED] to make an informed assessment of our 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 above-mentioned waiver and exemption will not prejudice the interests of the [REDACTED].

We have applied for, and the Stock Exchange [has] granted, 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 the condition to make available a full list of grantees with all the particulars required under paragraph 10(d) of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance, in relation to the options granted under the Share Option Schemes on the conditions that:

- (a) on an individual basis, full details of the Share Options granted by the Company under the Share Option Schemes to each of the grantees who are Directors, members of the senior management and connected persons of the Company, including all particulars required under Rule 17.02(1)(b) of, and paragraph 27 of Appendix D1A to, the Listing Rules, and paragraph 10 of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance, shall be disclosed in this Document;

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- (b) in respect of the Share Options granted under the Share Option Schemes to the remaining grantees (other than those referred to in paragraph (a) above), disclosure will be made on an aggregate basis: (i) the aggregate number of grantees and number of Shares underlying the Share Options granted under the Share Options Schemes; (ii) the dates of grant of the Share Options under the Share Option Schemes; and (iii) the vesting period, exercise period and exercise price of the Share Options granted under the Share Option Schemes;
- (c) the aggregate number of Shares underlying the outstanding Share Options and the percentage of our Company's total issued share capital represented by such number of Shares as of the Latest Practicable Date will be disclosed in this Document;
- (d) a summary of the principal terms of the Share Option Schemes will be disclosed in "Statutory and General Information – D. Share Incentive Schemes – 2. Share Option Schemes" in Appendix V to this Document;
- (e) the particulars of this waiver are set out in this Document; and
- (f) and the grant of certificate of exemption under the Companies (Winding Up and Miscellaneous Provisions) Ordinance from the SFC exempting our Company from the disclosure requirements provided in paragraph 10(d) of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

We have applied for, and the SFC [has] granted, a certificate of exemption from the SFC under section 342A of the Companies (Winding Up and Miscellaneous Provisions) Ordinance exempting our Company from strict compliance with paragraph 10(d) of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance in relation to the Share Options granted under the Share Option Schemes on the conditions that:

- (a) on an individual basis, full details of the Share Options granted by the Company under the Share Option Schemes to each of the grantees who are Directors, members of the senior management and connected persons of the Company are disclosed in this Document as required by paragraph 10 of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance;
- (b) in respect of the Share Options granted under the Share Option Schemes to the other grantees (other than those referred to in paragraph (a) above), on an aggregate basis, details including the number of such grantees and the number of Shares subject to the Share Options granted under the Share Option Schemes, the consideration paid for the grant of the Share Options, the grant dates, exercise price, exercise period and vesting period of the Share Options, and 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 Share Option Schemes 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 the arrangements set out in "Documents Delivered to the Registrar of Companies in Hong Kong and Available on Display – Documents Available for Inspection" in Appendix VI to this Document;
- (d) the particulars of the exemption are disclosed in this Document; and
- (e) this Document is issued on or before [REDACTED].