
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 Listing Rules.

WAIVER IN RESPECT OF MANAGEMENT PRESENCE IN HONG KONG

Pursuant to Rule 8.12 and Rule 19A.15 of the Listing Rules, we must have a sufficient management presence in Hong Kong. This normally means that at least two of our 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 the Stock Exchange in its discretion.

Since our Group’s headquarters and our principal business operations are based, managed and conducted in the PRC, all of our executive Directors and senior management members spend the majority of their time supervising our Group’s principal business operations in the PRC and do not ordinarily reside in Hong Kong. Given that (i) our Group’s principal business and operations are located, managed and conducted in the PRC through our PRC operating subsidiaries; (ii) none of our executive Directors is a Hong Kong permanent resident or is ordinarily based in Hong Kong; and (iii) our executive Directors will continue to be based in the PRC after the [REDACTED] to manage our business, our Company does not, and will not, in the foreseeable future, have a sufficient management presence in Hong Kong as required 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 agreed to grant], a waiver from strict compliance with Rule 8.12 and Rule 19A.15 of the Listing Rules. The following arrangements have been made for maintaining regular and effective communication with the Stock Exchange:

- (i) we have appointed and will continue to maintain two authorized representatives pursuant to Rule 3.05 of the Listing Rules, who will act as our principal channel of communication with the Stock Exchange. The two appointed authorized representatives are Mr. Li Xianyang, our Chairman, executive Director and General Manager, and Ms. Ye Jiahong (葉嘉紅), one of our joint company secretaries. Ms. Ye Jiahong is situated and based in Hong Kong, and will be available to meet the Stock Exchange in Hong Kong within a reasonable time frame upon the request of the Stock Exchange. In addition, the contact details of the two authorized representatives (including the office and mobile phone numbers, email addresses, correspondence address and facsimile numbers (if available)) have been provided to the Stock Exchange. Accordingly, each of the two authorized representatives of our Company will be readily contactable by the Stock Exchange by telephone and/or email to deal promptly with enquiries from the Stock Exchange. Our Company will also inform the Stock Exchange promptly in respect of any changes in the authorized representatives and/or their contact details. Both of our authorized representatives are authorized to communicate on our behalf with the Stock Exchange;
- (ii) each of the two authorized representatives of our Company has means to contact all members of the Board (including the independent non-executive Directors) promptly at all times when the Stock Exchange wishes to contact the Directors for any matters. Each of the Directors (including the independent non-executive Directors) has provided his/her contact details (including their respective office and mobile phone numbers, email addresses and facsimile numbers (if available)) to the authorized representatives and the Stock Exchange pursuant to Rule 3.20 of the Listing Rules. Our authorized representatives have means for contacting all Directors promptly at all times as and when the Stock Exchange wishes to contact the Directors for any matters (including means to communicate with the Directors when they are travelling). Each of our Directors either possesses, or can apply for, valid travel documents to visit Hong Kong in order to meet with the Stock Exchange within a reasonable period upon the Stock Exchange’s request. In addition, the Directors will provide valid phone numbers or

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means of communication to the authorized representatives in the event that they expect to travel and/or be out of office, and make themselves readily contactable by the authorized representatives;

- (iii) our Company has, in accordance with Rule 3A.19 of the Listing Rules, also appointed Innovax Capital Limited as our compliance advisor upon the [REDACTED], who will act as an additional channel of communication with the Stock Exchange. The compliance advisor will advise on-going compliance requirements and other issues arising under the Listing Rules and other applicable laws and regulations in Hong Kong for a period commencing on the [REDACTED] at least until the date on which our Company complies with Rule 13.46 of the Listing Rules in respect of our Company’s financial results for the first full financial year after the [REDACTED]. Our Company will inform the Stock Exchange promptly of any changes of our compliance advisor. The compliance advisor will also be available to respond to enquiries from the Stock Exchange. We will ensure that the compliance advisor has prompt access to our Company’s authorized representatives and Directors who will provide to the compliance advisor such information and assistance as the compliance advisor may need or may reasonably request in connection with the performance of the compliance advisor’s duties;
- (iv) our Company will appoint other professional advisors (including legal advisors and accountants) to advise our Company on ongoing compliance requirements and other issues arising under the Listing Rules and other applicable laws and regulations in Hong Kong after the [REDACTED];
- (v) meetings between the Stock Exchange and our Directors could be arranged through our authorized representatives, our compliance advisor, the company secretary, or directly with our Directors within a reasonable time frame; and
- (vi) our Company has designated a senior staff member as the main contact person at our headquarters after the [REDACTED] who will be responsible for maintaining day-to-day communication with Ms. Ye Jiahong and our Company’s professional advisors in Hong Kong, to keep abreast of any correspondences and/or enquiries from the Stock Exchange and report to our Board to further facilitate communication between the Stock Exchange and our Company.

WAIVER IN RESPECT OF JOINT COMPANY SECRETARIES

Pursuant to Rule 3.28 and Rule 8.17 of the Listing Rules, we must appoint an individual as the company secretary of our Company 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.

Pursuant to Note 1 to Rule 3.28 of the Listing Rules, the 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).

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Pursuant to Note 2 to Rule 3.28 of the Listing Rules, in assessing “relevant experience”, the 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, Companies Ordinance, Companies (Winding Up and Miscellaneous Provisions) Ordinance 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.

Pursuant to paragraphs 12 and 13 of Chapter 3.10 of the Guide, the Stock Exchange will consider a waiver application by an issuer in relation to Rule 3.28 and Rule 8.17 of the Listing Rules based on the specific facts and circumstances. Factors that will be considered by the Stock Exchange include:

- (i) whether the issuer has principal business activities primarily outside Hong Kong;
- (ii) whether the issuer was able to demonstrate the need to appoint a person who does not have the Acceptable Qualification (as defined under Chapter 3.10 of the Guide) nor Relevant Experience (as defined under Chapter 3.10 of the Guide) as a company secretary; and
- (iii) why the directors consider the individual to be suitable to act as the issuer’s company secretary.

Further, pursuant to Chapter 3.10 of the Guide, such waiver, if granted, will be for a fixed period of time (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 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.

Our Company has appointed Mr. Gu You (顧游) (“**Mr. Gu**”), our financial director and the secretary of the Board, as one of our joint company secretaries. Mr. Gu has extensive experience in financial and corporate management and is familiar with our internal administration procedures and day-to-day affairs but presently does not possess any of the qualifications under Rule 3.28 and Rule 8.17 of the Listing Rules, and may not be able to solely fulfill the requirements of the Listing Rules. Therefore, we have appointed Ms. Ye Jiahong (葉嘉紅) (“**Ms. Ye**”), who is an associate member of both The Hong Kong Chartered Governance Institute (formerly known as The Hong Kong Institute of Chartered Secretaries) in Hong Kong and The Chartered Governance Institute in the United Kingdom, and meets the requirements stipulated under Rule 3.28 and Rule 8.17 of the Listing Rules to act as the other joint company secretary and to provide assistance to Mr. Gu for an initial period of three years from the [REDACTED] to enable Mr. Gu to acquire the “relevant experience” under Note 2 to Rule 3.28 of the Listing Rules so as to fully comply with the requirements set forth under Rule 3.28 and Rule 8.17 of the Listing Rules. Apart from discharging her functions in her role as one of the joint company secretaries of our Company, Ms. Ye will work closely and assist Mr. Gu 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

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addition, Mr. Gu will attend relevant professional training during each financial year as required under Rule 3.29 of the Listing Rules. See “Directors and Senior Management” for further biographical details of Mr. Gu and Ms. Ye.

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 Rule 3.28 and Rule 8.17 of the Listing Rules. Pursuant to Chapter 3.10 of the Guide issued by the Stock Exchange, the waiver is granted on following conditions:

- (i) Mr. Gu must be assisted by Ms. Ye, who possesses all the requisite qualifications and experience required under Rule 3.28 of the Listing Rules and is appointed as a joint company secretary throughout the Waiver Period. Ms. Ye will work closely with Mr. Gu to jointly discharge duties and responsibilities as joint company secretaries and assist Mr. Gu to acquire the relevant experience as required under Note 2 to Rule 3.28 of the Listing Rules. In addition, we will ensure Mr. Gu has access to relevant training and support to familiarize himself with the Listing Rules and the duties required for a company secretary of a company listed on the Stock Exchange; and
- (ii) the waiver will be revoked if there are material breaches of the Listing Rules by our Company.

The waiver is valid for an initial period of three years from the [REDACTED] (the “**Initial Waiver Period**”). Before the end of the Initial Waiver Period, the qualifications and experience of Mr. Gu and the need for on-going assistance of Ms. Ye will be further evaluated by our Company. We must demonstrate and seek the Stock Exchange’s confirmation that Mr. Gu, having had the benefit of Ms. Ye’s assistance during the Initial Waiver Period, has attained the relevant experience under note 2 to Rule 3.28 of the Listing Rules and is capable of discharging the functions of the company secretary so that a further waiver would not be necessary.