
WAIVERS FROM STRICT COMPLIANCE WITH THE LISTING RULES AND EXEMPTION FROM COMPLIANCE WITH THE COMPANIES (WINDING UP AND MISCELLANEOUS PROVISIONS) ORDINANCE

For the purpose of the [REDACTED], our Company has sought the following waivers in relation to certain requirements from the Listing Rules from the Stock Exchange and exemption from strict compliance with the relevant sections of the Companies (Winding Up and Miscellaneous Provisions) Ordinance from the SFC.

MANAGEMENT PRESENCE

Pursuant to Rule 8.12 of the Listing Rules, an issuer must have a sufficient management presence in Hong Kong. This normally means that at least two of the executive Directors must be ordinarily resident in Hong Kong. Given that our Group is headquartered in the PRC with our principal business operations located, managed and conducted in the PRC, and substantially all of our Group's assets are based in the PRC, and all of our executive Directors are not ordinarily resident in Hong Kong, it would be practically difficult and commercially unfeasible for us to either relocate two of our executive Directors to Hong Kong or to appoint two additional executive Directors who are ordinarily resident in Hong Kong in order to comply with the requirements under Rule 8.12 of the Listing Rules. Accordingly, our Company has applied to the Stock Exchange for, and the Stock Exchange has granted, a waiver from compliance with the requirements under Rule 8.12 of the Listing Rules on the following conditions:

- (a) our Company will appoint two authorized representatives pursuant to Rule 3.05 of the Listing Rules, namely, Mr. Wu, an executive Director and Ms. Zhang Xiao (張瀟), our Company's joint company secretary, who will act as Company's principal channel of communication with the Stock Exchange. Ms. Zhang Xiao is ordinarily resident in Hong Kong. Each of the authorized representatives will be available to meet with the Stock Exchange in Hong Kong within a reasonable time frame upon the request of the Stock Exchange and will be readily contactable by telephone, facsimile and email. Each of the two authorized representatives is authorized by our Board to communicate on behalf of our Company with the Stock Exchange. Our Company has been registered as a non-Hong Kong company under Part 16 of the Companies Ordinance, and Ms. Zhang Xiao has been authorized to accept service of legal process and notice in Hong Kong on behalf of our Company;
- (b) each of our Company's authorized representatives has means to contact all members of our Board (including the independent non-executive Directors) and of the senior management team promptly at all times as and when the Stock Exchange wishes to contact them or any of them for any matters. To enhance the communication between the Stock Exchange, the authorized representatives and our Directors, our Company will implement a number of policies whereby (i) each Director shall provide (if applicable) his/her mobile phone numbers, office phone numbers, fax numbers and email addresses to the authorized representatives; (ii) in the event that such Director expects to travel and be out of office, he/she shall provide the phone number of the place of his/her accommodation to the authorized representatives; and (iii) all our Directors and authorized representatives will provide (if applicable) their respective mobile phone numbers, office phone numbers, fax numbers and email addresses to the Stock Exchange. We shall promptly inform the Stock Exchange of any changes to the contact details of the authorized representatives of our Company and our Directors;

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- (c) Giraffe Capital Limited has been appointed as our Company's compliance adviser, pursuant to Rule 3A.19 of the Listing Rules, to provide our Company with professional advice on continuing obligations under the Listing Rules, and to act at all times, in addition to the two authorized representatives of our Company, as our Company's additional channel of communication with the Stock Exchange for the period commencing on the [REDACTED] and ending on the date on which our Company complies with Rule 13.46 of the Listing Rules and publishes its annual report in respect of its first full financial year commencing after the [REDACTED]. The contact person of the compliance adviser will be fully available to answer enquiries from the Stock Exchange;
- (d) each of our Directors (including independent non-executive Directors) who is not ordinarily resident in Hong Kong has confirmed that they possess or can apply for valid travel documents to visit Hong Kong and would be able to meet with the Stock Exchange in Hong Kong upon reasonable notice; and
- (e) our Company will also appoint other professional advisers (including its legal advisers in Hong Kong) after the [REDACTED] to assist our Company in addressing any enquiries which may be raised by the Stock Exchange and to ensure that there will be prompt and effective communication with the Stock Exchange.

JOINT COMPANY SECRETARIES

Pursuant to Rule 8.17 of the Listing Rules, our Company must appoint a company secretary who satisfies Rule 3.28 of the Listing Rules. According to Rule 3.28 of the Listing Rules, we must appoint as our company secretary an individual who, by virtue of his 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 sets out the academic and professional qualifications considered to be acceptable by the Stock Exchange:

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

Note 2 to Rule 3.28 of the Listing Rules sets out the factors that the Stock Exchange considers when assessing an individual's "relevant experience":

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

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- (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 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.

We have appointed Ms. Yi Xuhui as one of our joint company secretaries. Ms. Yi joined us as the chief finance officer of our Group and secretary of board of Sinohealth Information (being the major operating subsidiary of the Group) and is responsible for overseeing financial and accounting management, internal control and securities and compliance matters of our Group. She also assists in the coordination and organization of the Board and Shareholders' meetings. Given (i) Ms. Yi has over 20 years of experience in accounting and financial management with substantial involvement in the financial matters of our Group, (ii) she has served as the director, chief finance officer and board secretary of a listed company immediately prior to joining our Group and was involved in the overview of the financial-related business, supervision of internal control mechanism and management of legal and compliance matters; and (iii) she currently serves as the secretary of the board of Sinohealth Information responsible for the information disclosure and legal compliance, she has a thorough understanding of the financial operation and corporate governance of our Group. For details of Ms. Yi's biographical information, "Directors and Senior Management—Senior Management" in this Document. Ms. Yi, however, does not possess the specified qualifications required by Rule 3.28 of the Listing Rules. In addition, the principal business of our Group is conducted outside Hong Kong and therefore, there are practical difficulties in finding a company secretary who possess day-to-day knowledge of our affairs and the relevant experience specified by Rule 3.28 of the Listing Rules. Given the important role of the company secretary in the corporate governance of a [REDACTED] particularly in assisting the [REDACTED] as well as its directors in complying with the Listing Rules and other relevant laws and regulations, our Company has made the following arrangements:

- (i) Ms. Yi will endeavor to attend relevant training courses, including training courses from the Hong Kong Chartered Governance Institute, to enable her to acquire a good understanding of the relevant Hong Kong laws and regulations, including briefing on the latest changes to the applicable Hong Kong laws and regulations as well as the Listing Rules organized by our Company's Hong Kong legal advisers on an invitation basis and seminars organized by the Stock Exchange for [REDACTED] from time to time, in addition to the minimum requirement under Rule 3.29 of the Listing Rules; and
- (ii) our Company has appointed Ms. Zhang Xiao, who meets the requirements under Note 1 to Rule 3.28 of the Listing Rules, as a joint company secretary to work closely with and to provide assistance to Ms. Yi in the discharge of her duties as a company secretary for an initial period of three years commencing from the [REDACTED] so as to enable Ms. Yi to acquire the relevant experience (as required under Note 2 to Rule

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3.28 of the Listing Rules) to discharge the duties and responsibilities as a joint company secretary. Further assistance will also be provided from our Company's compliance adviser and Hong Kong legal advisers.

We have applied to the Stock Exchange for, and the Stock Exchange has granted us, a waiver from strict compliance with the requirements of Rules 3.28 and Rule 8.17 of the Listing Rules for a three-year period from the [REDACTED] on the following conditions:

- (i) Ms. Yi must be assisted by a person who possesses the qualifications or experience as required under Rule 3.28 of the Listing Rules and such person is appointed as a joint company secretary throughout the aforesaid three-year period; and
- (ii) the waiver can be revoked if there is any material breaches of the Listing Rules by our Company.

Before the end of the expiry of the initial three-year period, the Stock Exchange will be contacted by our Company to assess the qualifications and experience of Ms. Yi to determine whether the requirements as stipulated in Note 2 to Rule 3.28 of the Listing Rules can be satisfied. In the event that Ms. Yi has obtained relevant qualifications and experience under Note 2 to Rule 3.28 of the Listing Rules before the end of the said initial three-year period, the foregoing arrangement regarding our joint company secretaries would no longer be necessary.

WAIVER IN RELATION TO NON-EXEMPTED CONTINUING CONNECTED TRANSACTIONS

We have applied for, and the Stock Exchange [has granted], a waiver from strict compliance with the requirements under Chapter 14A of the Listing Rules in relation to non-exempt continuing connected transactions. Details of such non-exempt continuing connected transactions and the waiver are set out in the sections headed "Contractual Arrangements" and "Connected Transactions" in this document.

WAIVER AND EXEMPTION FROM STRICT COMPLIANCE WITH RULE 4.04(1) OF THE LISTING RULES AND PARAGRAPHS 27 AND 31 OF THE THIRD SCHEDULE TO THE COMPANIES (WINDING UP AND MISCELLANEOUS PROVISIONS) ORDINANCE

According to Rule 4.04(1) of the Listing Rules, we are required to include in this document an accountants' report covering the consolidated results of our Group in respect of each of the three financial years immediately preceding the issue of this document or such shorter period as may be acceptable to the Stock Exchange.

Similarly, section 342(1)(b) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance stipulates that we are required to state the matters specified in Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance and set out the reports specified in Part II of the Third Schedule in this document. Under paragraphs 27 of Part I and 31 of Part II of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance, we are required to include in this document (i) a statement as to the gross trading income or sales turnover (as may be appropriate) of our Group during each of the

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three financial years immediately preceding the issue of this document including an explanation of the method used for the computation of such income or turnover, and a reasonable breakdown between the more important trading activities; and (ii) a report by the auditors of our Company with respect to the profits and losses and assets and liabilities of our Group in respect of each of the three financial years immediately preceding the issue of this document.

The Accountants' Report set forth in Appendix I to this document contains the consolidated results of our Group for each of the three years ended 31 December 2020 and the nine months ended 30 September 2021, and is in compliance with the requirements under Rule 8.06 of the Listing Rules. However, strict compliance with Rule 4.04(1) of the Listing Rules and paragraphs 27 of Part I and 31 of Part II of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance would be unduly burdensome for us as there would not have sufficient time for the reporting accountants of our Company to prepare, update and finalize the audit of the consolidated financial statements of our Group for the full financial year ended 31 December 2021 for inclusion in this document.

Our Directors have confirmed that the exemption and the waiver as mentioned below would not prejudice the interests of the [REDACTED] based on the following circumstances:

- (a) after performing all due diligence work which our Directors consider to be necessary, save for the [REDACTED], there is no material adverse change in the financial and trading positions or prospects of our Group since 30 September 2021 to 31 December 2021, and our Directors will ensure this will remain to be the case up to the date of this document;
- (b) save for our Group's [REDACTED], there is no event since 30 September 2021 which would materially affect the information as contained in the Accountants' Report as set out in Appendix I to this document, the [REDACTED] financial information as set out in Appendix II to this document, the profit estimate as set out in Appendix III to this document, the section headed "Financial Information" in this document and other parts of this document;
- (c) save as disclosed in "Share Capital" in this document, they do not contemplate any change to the share capital structure of our Group up to the completion of the [REDACTED];
- (d) since this document will be issued on or before [21 February] 2022 and the [REDACTED] will not be later than three months after 31 December 2021, our Company is of the view that the Accountants' Report, together with the information regarding our Group's recent developments subsequent to the Track Record Period and up to the Latest Practicable Date as set out in this document already provides [REDACTED] with adequate and reasonably up-to-date information in the circumstances to form a view on the track record and earnings trend of the Group; and

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- (e) on the basis of the above, our Directors consider that all information that is reasonably necessary for [REDACTED] to make an informed assessment of the financial and trading positions or prospects of our Group has already been included in this document.

A certificate of exemption [has been granted] by the SFC under section 342A of the Companies (Winding Up and Miscellaneous Provisions) Ordinance on the conditions that (i) this document will be issued on or before [21 February] 2022 and the Shares will be [REDACTED] on or before 31 March 2022, i.e. three months after the latest financial year end; and (ii) the particulars of the exemption are set out in this document.

An application has also been made to the Stock Exchange for, and the Stock Exchange [has granted], a waiver from strict compliance with Rule 4.04(1) of the Listing Rules subject to the following conditions:

- (a) the [REDACTED] shall not be later than three months after the latest financial year end of our Company, i.e. on or before 31 March 2022;
- (b) the SFC granting a certificate of exemption from strict compliance with the requirements set out in section 342(1)(b) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance in relation to paragraphs 27 of Part I and 31 of Part II of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance;
- (c) a profit estimate for the year ended 31 December 2021 in compliance with Rules 11.17 to 11.19 of the Listing Rules shall be included in this document;
- (d) a Directors' statement that, save for the [REDACTED], after performing all due diligence work which they consider appropriate, there is no material adverse change to the financial and trading positions or prospects of our Group with specific reference to the trading results from 30 September 2021 to 31 December 2021 shall be included in this document; and
- (e) our Company will comply with Rules 13.46(2) and 13.49(1) of the Listing Rules in respect of the requirements for publication of annual results and annual report for the year ended 31 December 2021.